

# Cabinet Agenda

**Date:** Thursday 13 October 2022

**Time:** 6.30 pm

**Venue:** Council Chamber, Harrow Civic Centre,  
Station Road, Harrow, HA1 2XY

## Membership:

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**Chair:** Councillor Paul Osborn (Leader of the Council and Portfolio Holder for Strategy)

### Portfolio Holders:

Councillor Marilyn Ashton

Councillor David Ashton

Councillor Stephen Greek

Councillor Hitesh Karia

Councillor Jean Lammiman

Councillor Mina Parmar

Councillor Anjana Patel

Councillor Pritesh Patel

Councillor Norman Stevenson

### Portfolio:

Deputy Leader of the Council and Portfolio Holder for  
Planning & Regeneration

Finance & Human Resources

Performance, Communications & Customer Experience

Children's Services

Community & Culture

Housing

Environment & Community Safety

Adult Services & Public Health

Business, Employment & Property

### Non-Executive Members:

### Role:

Councillor Thaya Idaikkadar

Councillor Ameet Jogia MBE

Councillor Kanti Rabadia

John Higgins

Non-Executive Cabinet Member

Non-Executive Cabinet Member

Non-Executive Cabinet Member

Non-Executive Voluntary Sector Representative

## Quorum 3, including the Leader and/or Deputy Leader

**Contact:** Nikoleta Kemp, Senior Democratic & Electoral Services Officer

Tel: 07761 405898 E-mail: [nikoleta.kemp@harrow.gov.uk](mailto:nikoleta.kemp@harrow.gov.uk)

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# Useful Information

## Joining the Meeting virtually

The meeting is open to the public and can be viewed online at [www.harrow.gov.uk/virtualmeeting](http://www.harrow.gov.uk/virtualmeeting)

## Attending the Meeting in person

Directions to the Civic Centre can be found at: [www.harrow.gov.uk/contact](http://www.harrow.gov.uk/contact). It is accessible to people with special needs, with accessible toilets and lifts to the meeting rooms. If you have specific requirements, please contact the officer listed on the front page of this agenda.

You will be admitted on a first-come-first basis and directed to seats.

Please:

- (1) Take a Covid 19 test before travelling and do not attend in person if you test positive.
- (2) Wear a face covering and use the provided hand sanitiser.
- (3) Stay seated.
- (4) Access the meeting agenda online at [Browse meetings - Cabinet – Harrow Council](#)
- (5) Put mobile devices on silent.
- (6) Follow instructions of the Security Officers.
- (7) Advise Security on your arrival if you are a registered speaker.

## Filming / recording

This meeting may be recorded or filmed, and if you choose to attend, you will be deemed to have consented to this. Any recording may be published on the Council website.

**Agenda publication date: Wednesday 5 October 2022**

## **Agenda - Part I**

### **1. Apologies for Absence**

To receive apologies for absence (if any).

### **2. Declarations of Interest**

To receive declarations of disclosable pecuniary or non pecuniary interests, arising from business to be transacted at this meeting, from:

- (a) all Members of the Committee, Sub-Committee or Panel;
- (b) all other Members present in any part of the room or chamber.

### **3. Petitions**

To receive any petitions submitted by members of the public or Councillors.

### **4. Public Questions**

To receive any public questions received in accordance with paragraph 16 of the Executive Procedure Rules.

Questions will be asked in the order in which they were received. There will be a time limit of 15 minutes for the asking and answering of public questions.

**[The deadline for receipt of public questions is 3.00 pm, 10 October 2022. Questions should be sent to [publicquestions@harrow.gov.uk](mailto:publicquestions@harrow.gov.uk)**

**No person may submit more than one question].**

### **5. Councillor Questions**

To receive any Councillor questions received in accordance with paragraph 17 of the Executive Procedure Rules.

Questions will be asked in the order agreed with the relevant Group Leader by the deadline for submission and there be a time limit of 15 minutes.

**[The deadline for receipt of Councillor questions is 3.00 pm, 10 October 2022].**

### **6. Key Decision Schedule October - December 2022 (Pages 7 - 14)**

### **7. Progress on Scrutiny Projects (Pages 15 - 16)**

For consideration

## **Place**

### **KEY 8. Milton Road Development - Review and Update (Pages 17 - 28)**

Report of the Corporate Director of Place.

**KEY 9. Leisure Management Contract Extension (Pages 29 - 58)**

Report of the Corporate Director of Place and the Director of Inclusive Economy, Leisure & Culture.

**KEY 10. Introduction of a Free Bulky Waste Collection Service and a Multi Online booking System for use of the Household Waste, Reuse & Recycling Centre (Pages 59 - 68)**

Report of the Corporate Director of Place and the Director of Environment.

## **People**

**KEY 11. Adult Social Care Mental Health Services (Pages 69 - 108)**

Report of the Corporate Director, People.

## **Resources and Commercial**

**KEY 12. Cashlite Council (Pages 109 - 146)**

Report of the Director of Finance and Assurance.

**KEY 13. Q1 Revenue & Capital Budget 2022-23 (Pages 147 - 188)**

Report of the Director of Finance and Assurance.

**KEY 14. Household Support Fund 3 (Pages 189 - 236)**

Report of the Acting Corporate Director of Resources.

**KEY 15. Inter Authority Agreement for Legal Services (Pages 237 - 246)**

Report of the Director of Legal and Governance.

**16. Any Other Urgent Business**

Which cannot otherwise be dealt with.

**17. Exclusion of the Press and Public**

To resolve that the press and public be excluded from the meeting for the following items of business, on the grounds that they involve the likely disclosure of confidential information in breach of an obligation of confidence, or of exempt information as defined in Part I of Schedule 12A to the Local Government Act 1972:

Agenda Item No	Title	Description of Exempt Information

18	Leisure Management Contract Extension – Appendices 2,3 and 4	Information under paragraph 3 of Part I of Schedule 12A to the Local Government Act 1972, relating to the financial or business affairs of any particular person (including the authority holding that information).
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## Agenda - Part II

### 18. Leisure Management Contract Extension (Pages 247 - 330)

Appendices 2,3 and 4 to the report of the Corporate Director of Place.

#### Data Protection Act Notice

The Council will record the meeting and will place the recording on the Council's website.

**[Note:** The questions and answers will not be reproduced in the minutes.]

Deadline for questions	3.00 pm on 10 October 2022
Publication of decisions	14 October 2022
Deadline for Call in	5.00 pm on 21 October 2022
Decisions implemented if not Called in	22 October 2022

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## London Borough of Harrow

### Key Decision Schedule ( October 2022 - December 2022 )

#### October 2022

This is a list of Key Decisions which the Authority proposes to take at the above Cabinet meeting. The Cabinet agenda containing all the reports being considered will be published 5 clear days before the meeting.

#### A Key Decision is one which is likely to:

- 7
- (i) result in the Council incurring expenditure which is, or the making of savings which are, significant having regard to its budget for the service or function to which the decision relates. A decision is significant if it involves expenditure or the making of savings of an amount in excess of £1m of capital or £500,000 of revenue or where savings or expenditure are less than these amounts but they constitute more than 50% of the budget attributable to the service in question; or
  - (ii) be significant in terms of its effects on communities living or working in an area of two or more wards of the Borough.

#### Decisions which the Cabinet intends to make in private

The Cabinet may meet in private to consider reports which contain confidential information. A private meeting of the Cabinet is open only to Members of the Cabinet, other Councillors and Council officers. This Schedule also contains non-Key Decisions which involve Cabinet meeting in private. Any person can make representations to the Cabinet if they believe the decision should instead be made in the public Cabinet meeting by emailing [democratic.services@harrow.gov.uk](mailto:democratic.services@harrow.gov.uk).

The membership of the Cabinet is:

[Councillor Paul Osborn \(Leader; Strategy\)](#)

[Councillor Marilyn Ashton \(Deputy Leader, Planning & Regeneration\)](#)

[Councillor David Ashton \(Finance & Human Resources\)](#)

[Councillor Stephen Greek \(Performance, Communications & Customer Experience\)](#)

[Councillor Hitesh Karia \(Children's Services\)](#)

[Councillor Jean Lammiman \(Community & Culture\)](#)

[Councillor Mina Parmar \(Housing\)](#)

[Councillor Anjana Patel \(Environment & Community Safety\)](#)

[Councillor Pritesh Patel \(Adult Services & Public Health\)](#)

[Councillor Norman Stevenson \(Business, Employment & Property\)](#)



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Subject	Nature of Decision	Cabinet Member / Lead officer	Open or Private Meeting	Additional Documents to be submitted and any Consultation to be undertaken
<b>OCTOBER 2022</b>				
"Kodak" Wealdstone Footbridge	To obtain Cabinet approval to authorise the Corporate Director of Place to decide on the options for the Wealdstone 'Kodak' footbridge project following the recent review.	Councillor Paul Osborn; Councillor Marilyn Ashton; Councillor Anjana Patel  Interim Director of Environment Manzoor.Hussain@harrow.gov.uk, tel. 07731 591792	Open	
Harrow Strategic Development Partnership (HSDP) - Review and Progress	To update Cabinet on the review of the HSDP and take decisions relating to progress particularly with regard to Grange Farm, and the incorporation of the Phase 2 and 3 regeneration into and development by the HSDP following production of the attached Business Plan.	Councillor Marilyn Ashton; Councillor David Ashton; Councillor Mina Parmar  Corporate Director Place julian.wain@harrow.gov.uk	Part exempt  Information relating to the financial or business affairs of any particular person (including the authority holding that information)	Overview and Scrutiny Committee (date to be determined); Ward Councillors; Harrow Strategic Development Partnership Board. With regard to Grange Farm there is ongoing consultation and engagement since 2014 with tenants and leaseholders, local community groups and the wider community. The Council meets monthly with the Grange Farm Steering Group which includes residents

Subject	Nature of Decision	Cabinet Member / Lead officer	Open or Private Meeting	Additional Documents to be submitted and any Consultation to be undertaken
				and Councillors, and is supported by an independent Tenant Advisor.
Translation and Interpreting Services	To seek approval for the commencement of the procurement of a provider for Translation and Interpreting Services and delegate authority to the Corporate Director of People to award the contract.	Councillor Hitesh Karia  Interim Corporate Director People Priya.Ganatra@harrow.gov.uk, tel. 07802338387	Open	
Cashlite Council	To update Cabinet on the progress made toward becoming a Cashlite council and seek approval to establish a cashlite parking scheme.	Councillor Anjana Patel; Councillor David Ashton  Director of Finance dawn.calvert@harrow.gov.uk	Open	
Household Support Fund 3	To approve the policy for Household Support Fund 3 and the Delivery Plan options for allocating the funding made available through the Household Support Fund.	Councillor Stephen Greek  Acting Corporate Director, Resources angelica.stoichkov@harrow.gov.uk, tel. 07731591751	Open	

Subject	Nature of Decision	Cabinet Member / Lead officer	Open or Private Meeting	Additional Documents to be submitted and any Consultation to be undertaken
Adult Social Care Mental Health Services	To approve the delivery of adult social care mental health services.	Councillor Pritesh Patel  Corporate Director, People Johanna.Morgan@harrow.gov.uk	Open	Engagement with residents and council staff through co-production to redesign services.
Inter Authority Agreement for Legal Services	To consider the extension of Inter Authority Agreements.	Councillor Stephen Greek  Director of Legal and Governance Services jessica.farmer@harrow.gov.uk	Open	
Fly-tipping Update	To update Cabinet on the fly-tipping strategy and seek approval for retaining the pilot for additional street cleansing, priority enforcement teams and establishing free bulky waste disposal service.	Councillor Anjana Patel  Corporate Director Place mohammed.hafeez@harrow.gov.uk; emma.phasey@harrow.gov.uk, tel. 07521 868 591	Open	
Q1 Revenue & Capital Budget 2022-23	To note the Revenue & Capital forecast position at Q1 and approve amendments to the Capital Programme if applicable.	Councillor David Ashton	Open	

Subject	Nature of Decision	Cabinet Member / Lead officer	Open or Private Meeting	Additional Documents to be submitted and any Consultation to be undertaken
		Director of Finance jo.frost@harrow.gov.uk		
Leisure Management Contract Extension	To set out the options for the future delivery of leisure services from September 2023 and seek approval to extend the Council's current Tri-Borough leisure contract (with the London Boroughs of Brent and Ealing) with Everyone Active (SLM Ltd), for 1 year until 1st September 2024, with the option to extend for a further year until 1st September 2025.	Councillor Jean Lammiman; Councillor David Ashton  Corporate Director Place tim.bryan@harrow.gov.uk, Tel. 07917076800	Part exempt  Information relating to the financial or business affairs of any particular person (including the authority holding that information)	Consultation with appropriate Officers in the London Boroughs of Brent and Ealing as part of the Tri-borough arrangement. No public consultation would be undertaken in relation to the recommended option as this would result in the continuation of the existing leisure contract specification with the same leisure contractor.
Milton Road Development - Review and Update	To advise Cabinet of progress and current cost position and seek approval for: <ul style="list-style-type: none"> <li>• an amended scheme as a result of the review of all HSDP schemes;</li> <li>• the relevant expenditure; and</li> <li>• delegated authority for the appropriation and cleansing of the title on both the Milton Road and the Poets Corner schemes, as they are part of the same title</li> </ul>	Councillor Marilyn Ashton; Councillor Mina Parmar  Corporate Director Place julian.wain@harrow.gov.uk	Open	Residents in the vicinity will be consulted as part of the amended planning application.

Subject	Nature of Decision	Cabinet Member / Lead officer	Open or Private Meeting	Additional Documents to be submitted and any Consultation to be undertaken
<b>NOVEMBER 2022</b>				
Housing Asset Management Strategy and 3-year Capital Programme	To agree the revised Housing Asset Management Strategy and authorise the procurement of a Capital Programme within the Housing Revenue Account (HRA) for a 3-year period to 2024/25 valued at £31m. This will include any individual projects to commence within that time period to a value of £500,000.	Councillor Mina Parmar; Councillor David Ashton  Interim Director of Housing andrew.campion@harro w.gov.uk, tel. 07961 104793	Part exempt  Information relating to the financial or business affairs of any particular person (including the authority holding that information)	
Harrow Economic Strategy Programme	To approve the continued programme of works to achieve the objectives of the Economic Strategy 2021-2030.	Councillor Norman Stevenson  Director of Economy & Culture mavis.kusitor@harrow.g ov.uk	Open	Initial consultation has taken place with a wide range of stakeholders including local educational institutions, voluntary and community sector groups, local businesses and support agencies.

Subject	Nature of Decision	Cabinet Member / Lead officer	Open or Private Meeting	Additional Documents to be submitted and any Consultation to be undertaken
<b>DECEMBER 2022</b>				
Calculation of Council Tax Base for 2023-2024	To approve the Council's Council Tax Base for 2023-24.	Councillor David Ashton  Director of Finance fern.silverio@harrow.gov.uk, tel. 020 8736 6818	Open	
Estimated Surplus / (Deficit) on the Collection Fund 2022-2023	To agree the Councils collection fund position and to allow the appropriate transfers to the general or collection fund to clear surplus or deficit.	Councillor David Ashton  Director of Finance fern.silverio@harrow.gov.uk, tel. 020 8736 6818	Open	

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**PROGRESS ON SCRUTINY PROJECTS**

Review	Methodology	Type of report	Expected date for report to Cabinet	Comments
<b>Joint Overview &amp; Scrutiny Committee (JHOSC) for Shaping a Healthier Future Programme</b>	Joint Committee	Update reports provided for O&S/ Health & Social Care sub committee and Cabinet (for information)	As required	<p>The 14 September meeting of the JHOSC was deferred to 12 October (hosted by Richmond Council) when the JHOSC will consider primary care performance and strategy, A&amp;E pathways and performance, and the palliative care review.</p> <p>There are regular update reports on the JHOSC to Harrow's Health and Social Care Scrutiny Sub-Committee so that there is a formal feedback loop between regional and local health scrutiny. Councillor Chetna Halai, chair of Health Sub is Harrow's member on the JHOSC.</p>
<b>Shared Services</b> – Lessons learnt, other councils' experiences, impact on savings and improving quality	Review	Report to Cabinet	By September 2021	<p>The final report of the review was considered by O&amp;S on 20 April 2021, with a relaxation on the timescales for an Executive response (by September 2021). <b>Update:</b> due to resource and capacity issues, this has yet to be completed.</p>

**Contact:** Nahreen Matlib, Senior Policy Officer

**Email:** nahreen.matlib@harrow.gov.uk

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## **Report for: Cabinet**

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<b>Date of Meeting:</b>	13 October 2022
<b>Subject:</b>	Milton Road Development – Review and Progress
<b>Key Decision:</b>	Yes – the value of the works to be carried out will exceed £1million
<b>Responsible Officer:</b>	Dipti Patel – Corporate Director Place
<b>Portfolio Holder:</b>	Councillor Marilyn Ashton - Deputy Leader of the Council and Portfolio Holder for Planning and Regeneration  Councillor Mina Parmar - Portfolio Holder for Housing
<b>Exempt:</b>	No
<b>Decision subject to Call-in:</b>	Yes
<b>Wards affected:</b>	Marlborough, Greenhill
<b>Enclosures:</b>	Appendix A – Plan and artists impressions of schemes at November 2021 and at present.

## **Section 1 – Summary and Recommendations**

This report sets out and seeks approval for the next steps for the development of the Milton Road site following the review of all the Harrow Strategic Development Partnership (HSDP) schemes. It also seeks delegated authority for the appropriation of the Poets Corner site as a whole, including Milton Road to allow development to proceed.

### **Recommendations:**

Cabinet is requested to:

- 1) Note the outcome of the review of the Milton Road scheme;
- 2) Approve the amendment of the scheme from that commissioned by the Council to the HSDP in November 2021 and the taking of relevant steps, including applying for appropriate planning permission. Approval for the implementation of the amended scheme will be sought in October following completion of the final costs and viability;
- 3) Delegate the relevant authority to appropriate such parts or the whole of the Milton Road and Poets Corner HSDP sites for planning purposes and to override third party rights and covenants as may be necessary to the Corporate Director Place following consultation with the Deputy Leader of the Council and Portfolio Holder for Planning and Regeneration and the Portfolio Holder for Housing

### **Reason: (for recommendations)**

To enable the progress of the Milton Road development scheme and facilitate the forthcoming development of the Poets Corner site.

## **Section 2 – Report**

### **Introductory paragraph**

The measures set out in this report allow the development of the Milton Road site to proceed and will also facilitate the forthcoming development of the Poets Corner site. The development at Milton Road provides much needed affordable housing to meet the needs of the Borough's residents.

### **Options considered**

Option 1 – to proceed with the scheme as previously commissioned and as currently consented.

Option 2- is to vary the height of the scheme and switch the shared ownership to market sale. This has been discounted as it is not viable to the Housing Revenue account, failing to achieve a positive net present value, and would necessitate the repayment of grant.

Option 3- would be to do nothing which would reduce or at least delay the provision of much needed affordable housing to meet the needs of the Council's residents as well as submitting the scheme to further uncertainty in terms of planning and cost. Development would likely then be carried out with the wider Poets Corner scheme. Again, there would be a requirement to repay grant.

Option 4 - retaining the shared ownership element of the development but reducing the heights with a consequent loss of 3 units. This is the preferred option and the proposals in this report enable progression of this option.

## **Background**

In November 2021 Cabinet agreed to commission the development of Milton Road through the HSDP and using the exclusivity provisions of the HSDP, it was agreed that Wates Construction would carry out the building works. Authority was delegated to enter into the necessary documentation and a Community Works Agreement enabling this was agreed and completed. Milton Road became an additional site for the HSDP, albeit best seen as an extension to the Poets Corner site rather than as a new core site.

The scheme, subsequently approved by the Council's Planning Committee was a 100% affordable scheme of 39 homes, 12 homes for affordable rent of which 10 were houses and 2 flats suitable for wheelchair use, and 27 flats in a mix of 1 and 2 bedrooms for shared ownership. The scheme also included a non-residential community use on the ground floor of the flatted block. A plan and artists impression of the scheme is attached as Appendix 'A'.

The scheme was commissioned to the HSDP to achieve a start on site before the end of March 2022 to secure the necessary grant, and to ensure high quality design to match the aspirations for the forthcoming Poets Corner site. The scheme at that time was costed and independently reviewed and was financially viable based on the estimates at that time. These were a total scheme cost of £14.9m with a build cost of £13m for the proposed scheme.

Following November 2021, the building industry has been subject to increased inflation as was noted in the update report in March 2022 with a then project budget of £15.8 million.

Demolition started on site in March 2022 and the previous Civic 9 block and associated structures, and services have been removed.

## **Review**

Following the elections in May 2022 all the sites in the HSDP have been subject to review. Consideration was requested as to whether the height of the block of flats could be reduced, and also whether a switch to market sale housing as opposed to shared ownership would be viable.

Following consideration by the architects it was resolved that the top storey of the flats could be removed to reduce the height and improve the appearance of the building, and this could be achieved at a net loss of 3 shared ownership units to the scheme making it a 36 unit scheme of six storeys. Detailed

designs are being produced and it is proposed that a revised application for planning approval will be made in September.

A comparison artists impression is also attached at Appendix 'A'.

As mentioned above, the switch from shared ownership to market sale has been discounted as it is not viable to the Housing Revenue account, failing to achieve a positive net present value, and would necessitate the repayment of grant

### **Title and Appropriation**

The title for Milton Road and Poets Corner are one and the same. There are a range of old restrictive covenants applying to the site, some of which date back to the 19<sup>th</sup> century, and which reflect the circumstances pertaining at the time. Indeed, some of them restrict the use of the site to dwelling houses rather than a Civic Centre. Given the age of the covenants it is impossible to identify beneficiaries at this stage.

There may also be some rights, such as rights to light, acquired by long use which will also need to be extinguished to allow development to proceed.

It is proposed therefore to appropriate the land for planning purposes. The appropriation will override third party rights and covenants and convert them into a claim for compensation. Any third party whose rights has been affected by the appropriation will be eligible to be paid compensation but will not be able to stop the development through an injunction.

While there is no transfer of land in the case of Milton Road, the ownership of the scheme remaining wholly with the Council, it is important that third party rights and covenants that may hinder the development are dealt with before construction starts.

Cabinet is requested to delegate authority to deal with the appropriation.

### **Costs**

It was noted in the March Cabinet update that the costs of this scheme, as with all the HSDP schemes were under pressure as a result of the recent significant build cost inflation. Since that time Wates have been testing the market and there has been ongoing discussions as to the appropriate market costs for this development.

The reduction in the height of the block of flats will save approximately £496,000 but the challenges of procurement and viability remain. Council officers and advisers together with those working on behalf of the HSDP remain in negotiation with Wates Construction and are approaching agreement on a final contract sum. It is expected that this will be reported to the October Cabinet for final approval.

A final programme and timescale for completion will be reported to the same meeting.

## Ward Councillors' comments

Ward Councillors have been consulted on the change to the scheme and at the time of writing no comments have been received. Full consultation as part of the planning application will be carried out.

## Risk Management Implications

Risks included on corporate or directorate risk register? **No**

Separate risk register in place? **Yes**

The relevant risks contained in the register are attached/summarised below.  
**Yes**

The following key risks should be taken into account when agreeing the recommendations in this report:

<b>Risk Description</b>	<b>Mitigations</b>	<b>RAG Status</b>
Continued increase in build costs due to inflation as a result of shortages of building materials and labour across the construction industry and on overall project costs	<p>The open book approach to procurement offered by the HSDP helps ensure that the Council benefit from Wates economies of scale helping to achieve better value for money and the best possible quality.</p> <p>There is a continued negotiation in progress and high -quality advisers are assisting the Council achieve the right market price in difficult times.</p>	Red
Health and Safety construction risks due to the site location on a very busy corner with frequent high-volume vehicle and pedestrian traffic	<p>As the Council's delivery partner, Wates will have responsibility for site safety, and this will be monitored by the Council. Wates will prepare and deliver a clear health and safety management plan and this will be reviewed and reported on frequently.</p>	Green

## **Procurement Implications**

There are no procurement implications to this report. The Milton Road scheme was commissioned to the HSDP through the mechanisms set up within the HSDP and approved by Cabinet in November 2021.

## **Legal Implications**

S.122 of the Local Government Act 1972 gives the Council the power to appropriate its land for any purpose for which it is authorised to acquire land, including for planning purposes, provided that the land is no longer required for the purpose for which it is held immediately before the appropriation. The effect of such an appropriation is to convert all third-party rights into a claim for compensation pursuant to s.203 of the Housing and Regeneration Act 2016. Third parties whose rights are affected by the development the appropriation is intended to facilitate, can claim compensation but will not be able to delay or stop the development through an injunction.

Section 12 of the Local Government Act 2003 gives the Council power to invest for any purpose relevant to its functions under any enactment, or for the purposes of the prudent management of its financial affairs. The Council, however, has a general fiduciary duty to its rate payers and needs to have regard to this duty when making decisions relating to disposal of its assets or spending.

## **Financial Implications**

Milton Road is one of the schemes currently included as part of the Building Council Homes for London Programme (BCHFL) with a scheme budget allocation of £15.873m being delivered within the Council's HRA through the HSDP.

The £15.8m budget was allocated for the original scheme of 39 homes, 12 rented units and 27 Shared Ownership units. We are currently working with the HSDP to review the budget; grant assumptions and revised costs estimates to finalise the budget for the revised scheme of 36 homes. The budget of £15.8m includes no specific scheme contingency. As noted above the current period of building cost inflation is presenting significant challenges to all schemes and these negotiations are critical to achieving scheme viability.

The budget for the revised scheme, along with financial viability, will be reported back to Cabinet in October for approval once the final discussions have been completed with the HSDP.

## **Equalities implications / Public Sector Equality Duty**

The Harrow Strategic Development Partnership has been formed to deliver the Council's regeneration ambitions. These will help to create benefit for all of Harrow's diverse communities. The addition of 36 units to the Council's stock, through the HSDP, will increase benefit for members of the protected groups.

As was noted at the November 2021 Cabinet report, a detailed Equalities Impact Assessment was carried out when the HSDP was established and a detailed Equalities Impact Assessment (EqIA) will be carried out in respect of site -specific Business Plans. Following review, the Poets Corner Business Plan is intended to be brought to Cabinet later this year and the Milton Road scheme will be included in the detailed consideration of the implications of the wider scheme.

### **Section 3 - Statutory Officer Clearance**

**Statutory Officer: Dawn Calvert**

Signed by the Chief Financial Officer

**Date: 7.9.22**

**Statutory Officer: Hugh Peart**

Signed by the Monitoring Officer

**Date: 7.9.22**

**Chief Officer: Dipti Patel**

Signed off by the Corporate Director

**Date: 7.9.22**

**Head of Procurement: Nimesh Mehta**

Signed by the Head of Procurement

**Date: 5.9.22**

**Head of Internal Audit: Susan Dixson**

Signed by the Head of Internal Audit

**Date: 7.9.22**

### **Mandatory Checks**

**Ward Councillors notified: YES**

**EqIA carried out: NO**

**EqIA cleared by: N/A**

See Equalities Implications section. A full EqIA will be completed with the Poets Corner Business Plan which is intended to be brought to Cabinet later this year following review. The Milton Road scheme will be included in the detailed consideration of the implications of that site.

## **Section 4 - Contact Details and Background Papers**

**Contact:** Julian Wain, Interim Commercial Development Director  
– [julian.wain@harrow.gov.uk](mailto:julian.wain@harrow.gov.uk)

**Background Papers:** None

**Call-in waived by the Chair of Overview and Scrutiny Committee - NO**



# Milton Road Plan

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# 3. Building Height

View 1: Station Road



## Approved 7 Storey (Apr-22)

## 6 Storey Option (Aug-22)

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### 3. Building Height

View 2: Milton Road



### Approved 7 Storey



### 6 Storey Option



### 3. Building Height

View 3: Milton Road towards Station Road



### Approved 7 Storey

### 6 Storey Option

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**Report for: Cabinet**

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<b>Date of Meeting:</b>	13 October 2022
<b>Subject:</b>	Leisure Management Contract Extension
<b>Key Decision:</b>	Yes – it affects all wards in the Borough and the value of the contract exceeds £500,000
<b>Responsible Officer:</b>	Dipti Patel, Corporate Director – Place; Mark Billington Director Inclusive Economy, Leisure & Culture
<b>Portfolio Holder:</b>	Councillor Jean Lammiman - Portfolio Holder for Community and Culture  Councillor David Ashton - Portfolio Holder for Finance and Human Resources
<b>Exempt:</b>	No, except for Appendices 2, 3 and 4 which are exempt under paragraph 3 of Schedule 12A of the Local Government Act 1972 because they contain information relating to the financial and business affairs of the council and Everyone Active.
<b>Decision subject to Call-in:</b>	Yes
<b>Wards affected:</b>	All
<b>Enclosures:</b>	Appendix 1: Equalities Impact Assessment  Exempt Appendix 2: Leisure Contract Financial Forecast 2023-24  Exempt Appendix 3: Financial support provided to Everyone Active during the pandemic  Exempt Appendix 4: The Sport, Leisure and Culture Consultancy Report

## **Section 1 – Summary and Recommendations**

This report sets out the options for the future delivery of leisure services from September 2023 and seeks approval to extend the Council's current Tri-Borough leisure contract (with the London Boroughs of Brent and Ealing) with Everyone Active (SLM Ltd) (EA), for 1 year until 31st August 2024.

### **Recommendations:**

Cabinet is requested to:

1. Agree to the extension of the Council's current Tri-borough leisure contract (with the London Boroughs of Brent and Ealing) with Everyone Active (Sports and Leisure Management) (SLM) Ltd (EA) for 1 year until 31<sup>st</sup> August 2024.
2. Delegate authority to the Corporate Director of Place and the Director of Finance, following consultation with the Portfolio Holder for Community and Culture and the Portfolio Holder for Finance and Human Resources, to complete all the required actions to extend the Council's current Tri-Borough leisure contract (with the London Boroughs of Brent and Ealing) with Everyone Active (SLM) Ltd (EA) for 1 year until 31<sup>st</sup> August 2024. The responsible officer for the completion of this task will be the Head of Service – Culture and Leisure.
3. Agree that officers will bring a report back to Cabinet with an update on the review of the Council's future leisure service provision to deliver a procurement process which secures the optimal long-term arrangement for the Council, which may include a further recommendation to extend the contract for a further one-year period.

### **Reason: (for recommendations)**

The tri-borough contract is due to end 31st August 2023. The leisure services market is currently in a state of uncertainty. An extension of the contract will allow the leisure market to recover further from the impact of the Covid-19 pandemic, and for a strategic review of future leisure service provision. That review would include an investment strategy and appraisal of management options to be completed. That review was delayed by the Covid-19 pandemic. A Cabinet decision is required because the value of the contract exceeds £500,000 and affects more than one ward.

## **Section 2 – Report**

### **1. Introduction**

1.1 The Council's current leisure management contract with Everyone Active (SLM Ltd) (EA) ends on the 31 August 2023. This report outlines the options for the future delivery of the Council's three leisure facilities (Harrow Leisure Centre, Hatch End Swimming Pool, and Bannister Sports Centre) from the 1 September 2023. The approval to extend the current leisure contract is recommended for the following reasons.

- a. The leisure services market is currently in a state of uncertainty. That uncertainty was initially caused by the return of leisure centre users after Covid 19 restrictions ended.
- b. The uncertainty has increased with the rising cost of living and particularly energy prices. The latter has had a big impact on the costs of running leisure centres, particularly in Harrow which has older centres. The impact of inflation also makes it difficult to anticipate the spending habits of current leisure centre users.
- c. An extension would provide the time to undertake a strategic review of future leisure service provision. That review would include an investment strategy and appraisal of management options to be completed. Please note that review was delayed by the Covid-19 pandemic.
- d. The recommendations in section 3 of this report are from 'The State of the Market Survey (APSE), Moving Communities in Focus' (Moving Communities), Review of Future Options (Sports and Leisure Consultancy) all support the rationale for the recommendations set out in section 1 of this cabinet report.

1.2 The decision sought will support the Council priority of 'Addressing Health Inequality by providing all residents with affordable access to a range of sport and physical exercise activities from the Council's three leisure facilities.

### **2. Background**

2.1 The Council entered into a leisure management contract with EA in September 2013 to manage its three leisure centres – Harrow Leisure Centre, Hatch End Swimming Pool, and Bannister Sports Centre. The centres provide a very wide range of leisure services with key performance indicators in place to monitor performance. The contract with EA is a 10-year contract which ends on the 31 August 2023.

2.2 Under the terms of the contract EA pays the Council an annual management fee for Harrow Leisure Centre, and the Council pays EA contract costs for Hatch End Swimming Pool and for Bannister Sports Centre. Until the pandemic, the contract with SLM had generated a net annual income to the Council of £750k.

2.3 Prior to the Covid-19 pandemic the performance of the contract to date had been good with annual increases in visits and the number of members achieved since the contract started in September 2013. In 2019-20 up until the centres closed on the 21 March 2020 there were a total of 1,692,602 visits to the three leisure centres, and over 6,700 fitness members at Harrow Leisure Centre.

### **3. Current Situation**

3.1 Despite EA taking steps to mitigate their losses, due to the impact of the Covid-19 pandemic the Council provided a financial subsidy in 2020-21, 2021-22 and 2022-23 respectively. The table set out in exempt Appendix 3 summarises the subsidy and the funding sources for each year.

3.2 Officers worked closely with Everyone Active to implement plans to maximise the number of people using leisure facilities. This includes tight contract management including weekly site visits to all the leisure centres, and monthly financial scrutiny and analysis of income and expenditure on an open book budget line by line basis. The result of this work has reduced Everyone Active's originally forecast trading deficit for the period April 2021 to March 2022 by 51%, which in turn reduced the financial strain on the Council's 2021/22 outturn position.

3.3 Due to the ongoing impact of the pandemic on leisure centre usage and income a further Deed of Variation to the leisure contract with EA was agreed for 2022-23 with the Council receiving a minimum management fee of around 1/3 of the normal net management fee, with the Council receiving 100% of any additional profit generated up to a maximum of the normal net management fee. The normal contractual profit share for any profit generated above this amount remained in operation.

3.4 EA has produced a financial forecast for 2023-24 that would result in a reduced annual management fee to the council as detailed in Appendix 2. The reduction in management fee is due a number of factors. The Covid-19 pandemic has had a significant impact on fitness memberships and. EA are forecasting that this will still be the case in April 2023. Expenditure costs have also increased with the current inflation rate meaning that there would be increased expenditure costs in all areas, in particularly significant increases in energy costs and maintenance and repair costs with ageing facilities that will not have been refurbished by the time of the contract extension. This will result in generating additional running and maintenance costs. A planned Investment Strategy which either relates to refurbishment or reprovion would make a new tender more attractive to leisure operators. The management fees for Brent and Ealing will also be reduced significantly compared to the pre-pandemic contractual fees. Brent's management fee would be reduced by a similar percentage to Harrow. Ealing's management fee would be reduced by a smaller



percentage than Harrow as they have facilities that are newer than Harrow's facilities.

3.5 There has been a gradual increase in usage across the 3 leisure facilities as well as improved financial performance as Covid-19 restrictions have been relaxed. The total number of visits has increased from 25,694 in April 2021 to 98,720 in June 2022. The number of members has increased from 3,811 in April 2021 to 4,775 in June 2022. This is still, however, significantly less than the level of usage prior to the pandemic – there was a total number of visits in June 2019 of 123,165, and a total number of members of 6,933. The usage of Hatch End Swimming has been particularly impacted as the pool was closed for over 12 months during the pandemic. This was because social distancing made the use of the changing rooms difficult and there was a further closure following storm Eunice. It will take time to further restore usage levels following the pandemic as customers will have started to use alternative facilities whilst the pool was closed. It had taken 6 years from the start of the leisure contract with EA to build up usage levels prior to the pandemic.

3.6 The Association of Public Service Excellence (APSE)'s State of the Market Survey 2021 concluded that Covid-19 has had a significant impact on the finances of leisure services. The sector remains significantly below break-even, and that a prolonged recovery period will be required with a review of provision.

3.7 Moving Communities were commissioned by Sport England to undertake monitoring of local authority leisure contracts' performance as part of the National Leisure Recovery Fund (NLRF). In their report 'Moving Communities in Focus' reviewed performance for April 2021 to January 2022. It identified that the recovery in participation had been steady but has yet to return to levels recorded before the pandemic. Recovery in participation levels has been faster in more modern facilities with a rate of 70% for facilities built within the last 10 years compared to a recovery rate of 62% for facilities that were built 20/30 years ago. Harrow's 3 leisure centres are all older facilities. The report states that lower participation rates, alongside increases in utility costs and ageing stock will cause challenges for the long-term sustainability of the sector. There has been a 35% reduction in participants for the period April 2021 to January 2022 compared to 2019-20. The report also identifies that towards the end of the Covid-19 restrictions period income generated by the sector was only covering 83% of operational expenditure. It is also highlighted that increases in utility costs will impact the sector moving forward particularly if participation recovery rates remain at 65%.

3.8 With the existing leisure contract with EA ending on the 31<sup>st</sup> August 2023, SLC (The Sport, Leisure and Culture Consultancy), a specialist public leisure sector consultancy, were commissioned by the Tri-Borough in May 2022 as an independent critical friend to support and provide a review of the future options for the delivery of leisure services, and to provide support in shaping and refining an emerging

optimal approach. SLC has completed a focused scoping exercise to identify the current state of readiness of the authorities, any gaps in key data, and insight and future workstreams required to support the Tri-borough partnership

3.9 The report (see Appendix 4) produced by SLC recommends that the existing Tri-borough leisure contract is extended in order to enable the 3 authorities to undertake the following which has been delayed by the Covid-19 pandemic:

- Enable the leisure market to further recover from the Covid-19 pandemic including uncertainty of the ability of the leisure market to respond to a tender opportunity
- Identifying the condition and 'whole life' costs of its assets
- Establishing the scope of services and any service redesign linked to its strategic priorities
- Developing a strategy for investment into assets to meet future need and/or provide a more financially sustainable service
- Establishing a clear position on future affordability based upon the scope of services and investment plans
- Identifying the optimal management model for future delivery of the services
- Exploring if a Tri-Borough approach remains the best option for each Council
- Developing a procurement strategy (in the event an external operator is the preferred delivery model) and delivering a procurement process which secures the optimal long-term arrangement for Councils

3.10 SLC consulted with the Council's Adult, Children's, and Public Health Teams as part of their commission. This consultation identified an opportunity for:

- Co-production of multi-generational opportunities – sports and physical activity opportunities for older people
- Providing services for disabled adults and children and residents with different levels of fitness and/or ability.
- Activities delivered in more community settings where people already go and feel comfortable
- Delivering activities and opportunities in schools and children's services.

3.11 There would be insufficient time to complete all the tasks detailed in the Report by the end of the existing contract in August 2023 resulting in a lack of strategic clarity on the provision of leisure services and the best management model for the delivery of future services.

3.12 A 1-year extension to the contract should enable all the required tasks identified in section 3.4 to be completed. Identifying strategic

outcomes and objectives for the service will be informed by the Council's new Health and Wellbeing Strategy and Indoor and Outdoor Sports Facility Strategy due to be completed by the end of December 2022. Engagement with other Council Services including Adult Social Care, Children's Services, and Public Health will also be required

## **4. Options considered**

**4.1 Option A: The extension of the Council's current Tri-borough leisure contract (with the London Boroughs of Brent and Ealing) with EA for 1 year.** This will enable the leisure market to recover further from the impact of the Covid-19 pandemic, and for a strategic review of future leisure service provision including an investment strategy and appraisal of management options to be completed and provide sufficient time to complete all the tasks required to put in place the new management arrangements at the end of the existing contract. All these workstreams have been delayed by the Covid-19 pandemic

**This option is recommended**

**4.2 Option B: Commence a re-tendering of the management of the leisure facilities in order to commence a new contract from the 1<sup>st</sup> September 2023 as part of a Tri-Borough contract with the London Boroughs of Brent and Ealing.** This will not provide sufficient time to enable the leisure market to recover further from the impact of the Covid-19 pandemic including uncertainty of the ability of the leisure market to respond to a tender opportunity. It would also not be possible to progress all the necessary steps to undertake a procurement process including soft market testing and the work required to develop a specification. The specification would also not be informed by a strategic review of future leisure service provision including an investment strategy which has been delayed by the Covid-19 pandemic

This option is not recommended

**4.3 Option C: Bring the management of the leisure facilities back in-house at the end of the current leisure contract with EA.** There would be insufficient time available to bring the service in-house within the available timescale with a high risk of the service to customers being impacted by the migration. To provide the current service provision would result in significant additional staffing costs to the Council due to the increase in staff on-costs for those staff that would be transferring to the Council under TUPE. Contractors such as EA who manage a high number of leisure contracts nationally also benefit from the resulting economies of scale. The Council also does not currently have the resource to directly manage a large additional service area.

This option is not recommended

**4.4 Commence a re-tendering of the management of leisure facilities in order to commence a new contract from the 1<sup>st</sup> September 2023 for**

**Harrow only** The contract management and administration costs would be higher for a supplier for this option. This will not provide sufficient time to enable the leisure market to recover further from the impact of the Covid-19 pandemic including uncertainty of the ability of the leisure market to respond to a tender opportunity. It would also not be possible to progress all the necessary steps to undertake a procurement process including soft market testing and the work required to develop a specification. The specification would also not be informed by a strategic review of future leisure service provision including an investment strategy which has been delayed by the Covid-19 pandemic

## 5. Ward Councillors' comments

N/A the recommendations in this report would affect all wards.

## 6. Performance Issues

6.1 The council can specify the performance measures in the contract. These could include annual targets for direct debits, visits, profit /surplus generated

## 7. Risk Management Implications

7.1 Risks included on corporate or directorate risk register? **No**

7.2 Separate risk register in place? **Yes**

7.3 The relevant risks contained in the register are attached/summarised below. **Yes**

7.4 The following key risks should be taken into account when agreeing the recommendations in this report:

Risk Description	Mitigations	RAG Status
1. If the leisure contract extension is not agreed an earlier procurement would not be successful and/or unable to meet the needs of the Council	<ul style="list-style-type: none"> <li>▪ Cabinet approval sought for a 1-year contract extension, with a further update report to be brought back to Cabinet which may include a recommendation to extend the contract for a further period</li> </ul>	<b>Green</b>
2. There is a challenge from other leisure management contractors about the extension of the Council's current leisure contract with EA	<ul style="list-style-type: none"> <li>▪ Legal advice is that the extension is permitted under public procurement rules, and the contract will only be extended for the minimum period</li> </ul>	<b>Amber</b>

Risk Description	Mitigations	RAG Status
<p>as the contract does not include an option to extend the contract beyond the existing contract period of 10 years.</p>	<p>necessary to reduce the risk of challenge</p> <ul style="list-style-type: none"> <li>▪ Analysis of the leisure market indicates that it is still recovering from the impact of the Covid-19 pandemic with very few leisure operators considered likely to want to bid for Harrow's leisure contract commencing in September 2023 for 1 year only</li> <li>▪ All the main leisure operators have been extending local authority leisure contracts due to the impact of the Covid-19 pandemic</li> </ul>	
<p>3. A reduced management fee is payable to the Council from EA for the contract extension period resulting in a financial pressure</p>	<ul style="list-style-type: none"> <li>▪ Any profit over that figure would be shared with the council.</li> <li>▪ In the Council's approved MTFS, there is a growth budget of £0.983m profiled in 2023/24 to reflect some permanent losses of income following COVID-19 pandemic. The management fee income from the leisure provider has been identified as one of the areas likely to result in a permanent loss of income.</li> </ul>	<b>Amber</b>
<p>4. The management fee agreed with EA for the contract extension period has to be reduced due to unforeseen costs and/or reduced income</p>	<ul style="list-style-type: none"> <li>▪ An annual minimum management fee has been agreed with Everyone Active for the contract extension period</li> <li>▪ A review mechanism to be included in the contract extension agreement that stipulates what changes to the commercial agreement will be made in the event</li> </ul>	<b>Green</b>

Risk Description	Mitigations	RAG Status
	<ul style="list-style-type: none"> <li>of higher than forecast utility costs.</li> <li>▪</li> </ul>	
<p>5. The new management arrangements for the Council's leisure facilities are not implemented at the end of the contract extension period due to unforeseen delays</p>	<ul style="list-style-type: none"> <li>▪ The Tri-Borough authorities (Brent, Ealing, and Harrow) have engaged a leisure consultancy to complete a scoping exercise to identify the next steps required for each authority to enable new management arrangements to be put in place at the end of the leisure contract extension period. To include a strategic review of future leisure service provision including an investment strategy and appraisal of management options</li> <li>▪ A Leisure Services Project Board will be set up to oversee the works required to ensure that the new management arrangements can be implemented at the end of the extension period.</li> </ul>	<b>Green</b>
<p>6. There is a reduction in the performance of the contract during the new contract period with EA</p>	<ul style="list-style-type: none"> <li>▪ The contract includes Key Performance Indicators (KPIs). The KPIs will be regularly monitored at monthly Tri-Borough Contract Meetings and at half yearly Tri-borough Leisure Partnership Board Meetings. The performance of the contract to date has been good with EA meeting their KPI annual target prior to the Covid-19 pandemic</li> </ul>	<b>Green</b>

## **8. Procurement Implications**

The existing leisure contract with EA does not include an option to extend the contract. For public contracts, however, Regulations 72 (1) (b) and (c) of the public Contracts Regulations 2015 permit an extension of a contract where necessary to accommodate additional services from the original contractor, which were not included in the initial procurement, where a change of contractor would cause significant inconvenience or substantial duplication of costs for the Council, and the need for an extension arises in circumstances which could not have been foreseen. The Head of Procurement is of the view that the recommendation set out in section 1 are permissible under the Public Contract Regulations 2015.

Procurement have been fully engaged in bringing forward the recommendations set out in section 1 of this report and are of the view that the extension of the contract by 1 year is justified for multiple reasons; from a commercial perspective to allow the leisure market further time to recover from the effects of the pandemic comprehensively; from a council perspective to review our strategy for the future provision of leisure services and to work collaboratively with the partner boroughs on this contract.

We will continue to support the Head of Service – Culture and Leisure develop a procurement plan and strategy for the leisure services should the council decide this is the preferred model for the service.

## **9. Legal Implications**

- 9.1 Regulation 72(1)(b) of the Public Contracts Regulations 2015 (PCR 2015) permits the extension of an existing contract where the extension is necessary to accommodate additional services by EA, which have become necessary because a change of contractor cannot be made for economic reasons and would cause significant inconvenience and costs for the Council. Any increase in price must also not exceed 50% of the value of the original contract (subject to indexation).
- 9.2 Regulation 72(1)(c) of the PCR 2015 permits an extension of the contract where the need for the extension arises from circumstances which we could not have foreseen. The change must not alter the overall nature of the contract, and any increase in price must not exceed 50% of the value of the original contract.
- 9.3 This report sets out the reasons why the extension is necessary, including due to the ongoing impact of Covid 19 which has prevented the Council from properly planning and letting a new contract by August 2023. The Council needs the additional time to properly prepare and go out to market for a new contracts. The period of extension should be no longer than reasonably necessary to allow the councils to prepare properly go out to procurement for new contracts in compliance with the PCR.

- 9.4 When relying on these grounds to extend the contract, the Council must publish a modification notice to Find a Tender (Regulation 72(3) and (4) of the PCR 2015). The PCR 2015 do not expressly stipulate a timeframe for publication of a modification notice. Given the need for transparency, the notice should be published as soon as reasonably practicable after the decision to extend is made.
- 9.5 Legal Services should be instructed to agree the terms of the contract extension.

## **10. Financial Implications**

- 10.1 Under the current 10-year contract with Everyone Active, there is a net management fee of £0.75m per annum due to the Council. The budget has been set up to reflect this in leisure services.
- 10.2 The COVID-19 pandemic has had a significant adverse impact on leisure income over the last two years. Not only was Everyone Active not able to pay the management fee but also resulted in a trading deficit. In 2020/21 and 2021/22, the Council agreed a financial subsidy package as detailed in exempt Appendix 3. This included waiving the annual management fee and funding their forecast trading deficit. In 2022/23, the Council agreed to waive some of the annual management fee.
- 10.3 As part of the contract extension proposal, Everyone Active has prepared a financial forecast for the period from September 2023 to August 2024. They offer an annual management fee as detailed in exempt Appendix 2. The reasons for this are primarily due to reduced fitness membership and increased operating costs due to inflationary pressures. Should Everyone Active perform better than their forecast, there would be a profit-sharing mechanism to provide the Council a further income.
- 10.4 In the 2021/22 MTFs, a growth budget was included to reflect the losses of income due to the COVID-19 pandemic in Place Directorate. It was initially for £5m in 2021/22, reducing to £2.482m in 2022/23 and £0.983m in 2023/24. The phasing of this budget took into consideration of the time it would take to recover the income to the pre-pandemic level and recognised that some of the income budgets would no longer be achievable. At the time of preparing the MTFs, the reduction in leisure income was assumed to be 50% in 2023/24 and to be met from the growth budget of £0.983m.
- 10.5 The financial forecast represents a pressure against the existing income budget. This is detailed in exempt Appendix 2 and can be funded from the MTFs as detailed above and/or any additional income from the profit-share arrangement.
- 10.6 A one-off funding of £15k from Capital Feasibilities Reserve is made available to fund a condition survey of leisure facilities. The service will



explore external funding opportunities to support the workstreams identified by SLC Consultancy as detailed in Section 3.9. Any investment plans on the leisure facilities will be subject to a wider Assets Review and the Capital MTFs process.

## **11. Equalities implications / Public Sector Equality Duty**

11.1 An Equalities Impact Assessment (EqIA) has been conducted (Appendix 1). The EqIA identified that the recommended option would not have an adverse impact on any of the protected characteristics. The extension of the current leisure contract with EA for 1 year would mean that the same range of sport and leisure activities will be available as has been available under the current leisure contract.

## **Section 3 - Statutory Officer Clearance**

**Statutory Officer:** Jessie Man

Signed on behalf of the Chief Financial Officer

**Date:** 16<sup>th</sup> August 2022

**Statutory Officer:** Stephen Dorrian

Signed on behalf of the Monitoring Officer

**Date:** 15<sup>th</sup> August 2022

**Chief Officer:** Dipti Patel

Signed off by the Corporate Director

**Date:** 30<sup>th</sup> August 2022

**Head of Procurement:** Nimesh Mehta

Signed by the Head of Procurement

**Date:** 17 August 2022

**Head of Internal Audit:** Susan Dixon

Signed by the Head of Internal Audit

**Date:** 1<sup>st</sup> September 2022

## **Mandatory Checks**

**Ward Councillors notified:** NO - impacts on all Wards

**EqIA carried out:** YES

**EqIA cleared by:** Jennifer Rock

## **Section 4 - Contact Details and Background Papers**

**Contact:** Tim Bryan – Head of Service, Culture and Leisure. Tel: 07917076800. Email: [tim.bryan@harrow.gov.uk](mailto:tim.bryan@harrow.gov.uk)

**Background Papers:** None

**Call-in waived by the Chair of Overview and Scrutiny Committee - NO**

## Equality Impact Assessment (EqIA)



### You will need to produce an Equality Impact Assessment (EqIA) if:

- You are developing a new policy, strategy, or service
- You are making changes that will affect front-line services
- You are reducing budgets, which may affect front-line services
- You are changing the way services are funded and this may impact the quality of the service and who can access it
- You are making a decision that could have a different impact on different groups of people
- You are making staff redundant or changing their roles

Guidance notes on how to complete an EqIA and sign off process are available on the Hub under Equality and Diversity. You must read the [guidance notes](#) and ensure you have followed all stages of the EqIA approval process (outlined in appendix 1). Section 2 of the template requires you to undertake an assessment of the impact of your proposals on groups with protected characteristics. Equalities and borough profile data, as well as other sources of statistical information can be found on the Harrow hub, within the section entitled: [Equality Impact Assessment](#) - sources of statistical information.

## Equality Impact Assessment (EqIA)

<b>Type of Decision:</b>	<input checked="" type="radio"/> Cabinet <input type="radio"/> Portfolio holder <input type="radio"/> Other (state)	
<b>Title of Proposal</b>	Leisure Management Contract Extension	<b>Date EqIA created 11/07/22</b>
<b>Name and job title of completing/lead Officer</b>	Tim Bryan – Head of Service, Culture and Leisure	
<b>Directorate/ Service responsible</b>	Place/Inclusive Economy, Leisure and Culture	
<b>Organisational approval</b>		
<b>EqIA approved by EDI Team</b>	<b>Name Jennifer Rock</b>  <b>Assistant Policy Officer EDI Team</b>	<b>Signature J Rock</b> <input checked="" type="checkbox"/> <b>Tick this box to indicate that you have approved this EqIA</b>  <b>Date of approval 22/08/22</b>

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## 1. Summary of proposal, impact on groups with protected characteristics and mitigating actions

(to be completed **after** you have completed sections 2 - 5)

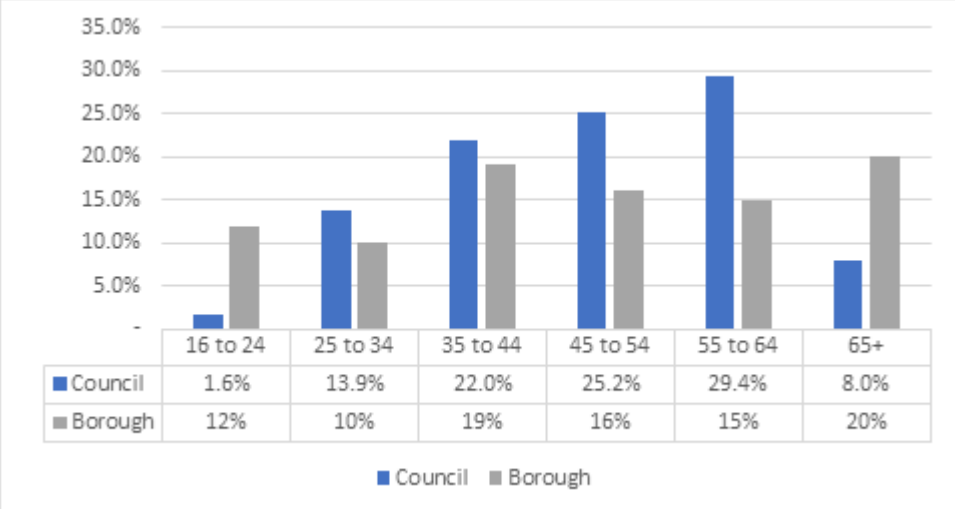
**a) What is your proposal?** To extend the Council's current Tri-borough leisure contract (with the London Boroughs of Brent and Ealing) with Everyone Active (SLM Ltd) for 1 year until 1<sup>st</sup> September 2024. This is to enable the leisure market to recover further following the Covid-19 pandemic, and to complete a review of the strategic objectives of leisure service provision, develop an investment strategy for leisure facilities, and complete an appraisal of management options for leisure services to be provided be completed which has been delayed due to the impact of the Covid-19 pandemic.

### **b) Summarise the impact of your proposal on groups with protected characteristics**

No protected characteristic would be specifically affected by these proposals for users of Harrow Leisure Centre, Hatch End Swimming Pool, and Bannister Sports Centre. The proposal is to extend the current leisure contract so there will be the same range of sport and leisure activities available as currently under the leisure contract with Everyone Active (SLM Ltd).

### **c) Summarise any potential negative impact(s) identified and mitigating actions**

No specific negative impact has been identified for any of the protected characteristics from these proposals as detailed in b) above.

2. Assessing impact																						
Protected characteristic		What does the evidence tell you about the impact your proposal may have on groups with protected characteristics? Click the relevant box to indicate whether your proposal will have a positive impact, negative (minor, major), or no impact																				
For <b>each</b> protected characteristic, explain in detail what the evidence is suggesting and the impact of your proposal (if any). Click the appropriate box on the right to indicate the outcome of your analysis.		Positive impact	Negative impact		No impact																	
			Minor	Major																		
<b>Age</b>	<p>The resident population of Harrow according to the 2020 mid-year population estimates was 252,338. According to the Annual Workforce Equalities Report 2020- 2021 the age demographic of our resident population is as demonstrated below:</p> <div style="text-align: center;">  <table border="1" style="margin: 10px auto; border-collapse: collapse; text-align: center;"> <thead> <tr> <th></th> <th>16 to 24</th> <th>25 to 34</th> <th>35 to 44</th> <th>45 to 54</th> <th>55 to 64</th> <th>65+</th> </tr> </thead> <tbody> <tr> <td style="background-color: #4a4a8a; color: white;">■ Council</td> <td>1.6%</td> <td>13.9%</td> <td>22.0%</td> <td>25.2%</td> <td>29.4%</td> <td>8.0%</td> </tr> <tr> <td style="background-color: #4a4a8a; color: white;">■ Borough</td> <td>12%</td> <td>10%</td> <td>19%</td> <td>16%</td> <td>15%</td> <td>20%</td> </tr> </tbody> </table> <p>■ Council ■ Borough</p> </div>		16 to 24	25 to 34	35 to 44	45 to 54	55 to 64	65+	■ Council	1.6%	13.9%	22.0%	25.2%	29.4%	8.0%	■ Borough	12%	10%	19%	16%	15%	20%
	16 to 24	25 to 34	35 to 44	45 to 54	55 to 64	65+																
■ Council	1.6%	13.9%	22.0%	25.2%	29.4%	8.0%																
■ Borough	12%	10%	19%	16%	15%	20%																

The age breakdown of members of Harrow Leisure Centre as at June 2022 is as follows:

16 and Under	17 to 24	25 to 64	65 plus	No date of birth
25%	10%	55%	8%	2%

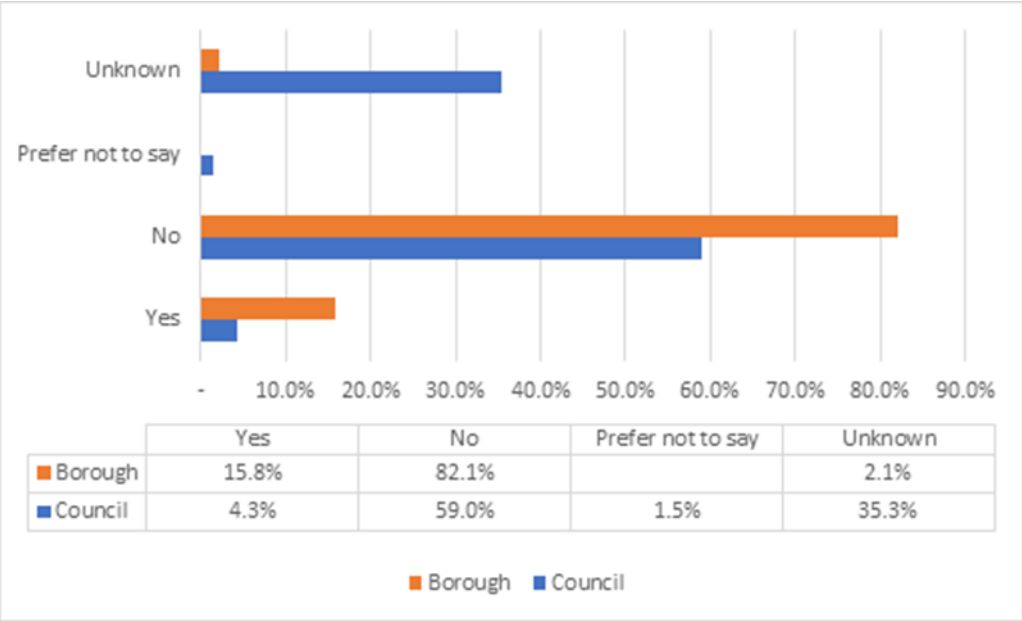
The age breakdown of members of Hatch End Swimming Pool as at June 2022 is as follows:

Site	16 and Under	17 to 24	25 to 64	65 plus	No date of birth
	37%	5%	41%	13%	4%

The age breakdown of members of the Bannister Sports Centre as at June 2022 is as follows:

Site	16 and Under	17 to 24	25 to 64	65 plus	No date of birth
	45%	14%	32%	2%	7%

No specific impact on this protected characteristic has been identified from these proposals as the same range of sport and leisure activities will be available as is

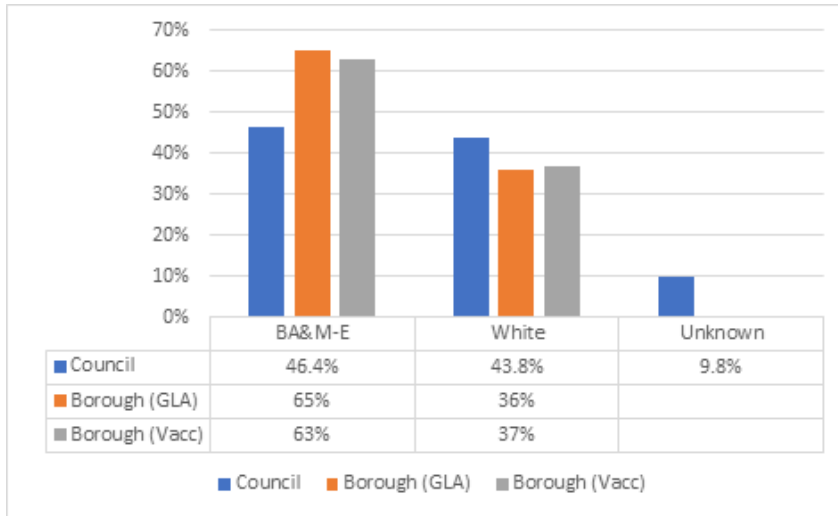
	<p>available under the current leisure contract with Everyone Active (SLM Ltd) that will cover all age groups.</p>																			
<p><b>Disability</b></p>	<p>According to the Annual Workforce Equalities Report 2020- 2021, 15.8% of the borough’s population discloses a disability. This is indicated below:</p>  <table border="1" data-bbox="470 837 1444 949"> <thead> <tr> <th></th> <th>Yes</th> <th>No</th> <th>Prefer not to say</th> <th>Unknown</th> </tr> </thead> <tbody> <tr> <td><span style="color: orange;">■</span> Borough</td> <td>15.8%</td> <td>82.1%</td> <td></td> <td>2.1%</td> </tr> <tr> <td><span style="color: blue;">■</span> Council</td> <td>4.3%</td> <td>59.0%</td> <td>1.5%</td> <td>35.3%</td> </tr> </tbody> </table> <p>In June 2022 3.7% of Harrow Leisure members, 1% of Hatch End Swimming Pool members, and 0.4% of Bannister Sports Centre members indicated that they had a disability.</p> <p>There would be no impact on users from this protected characteristic for users of Harrow Leisure Centre, Hatch End Swimming Pool, and Bannister Sports Centre from these proposals as the same programme of activities and accessible facilities for people with disabilities will be in place as under the current leisure contract with Everyone Active (SLM Ltd).</p>		Yes	No	Prefer not to say	Unknown	<span style="color: orange;">■</span> Borough	15.8%	82.1%		2.1%	<span style="color: blue;">■</span> Council	4.3%	59.0%	1.5%	35.3%	<p><input type="checkbox"/></p>	<p><input type="checkbox"/></p>	<p><input type="checkbox"/></p>	<p><input checked="" type="checkbox"/></p>
	Yes	No	Prefer not to say	Unknown																
<span style="color: orange;">■</span> Borough	15.8%	82.1%		2.1%																
<span style="color: blue;">■</span> Council	4.3%	59.0%	1.5%	35.3%																



<b>Gender reassignment</b>	<p>The only data Harrow currently has on Gender Reassignment is via the Analysis of demand from housing applicants (via Locata): 1 (0.02%) housing applicant has indicated that they are transgender. (Data as at April 2014).</p> <p>Statistics broken down by gender reassignment for members of Harrow's three leisure sites are not currently available.</p> <p>No specific impact on this protected characteristic has been identified from these proposals.</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>Marriage and Civil Partnership</b>	<p>Census data: Harrow has a very high percentage of married couples, with 53.7% of residents aged 16 and older declaring they were in a marriage in 2011. This is above the national level of 46.6%. There was a 27% increase in the number of married people living in Harrow between 2001 and 2011 (Office for National Statistics, 2001 and 2011). Between their inception and January 2012, 107 civil partnership ceremonies took place in Harrow.</p> <p>Statistics broken down by marriage and civil partnership for members of Harrow's three leisure sites are not currently available.</p> <p>No specific impact on this protected characteristic has been identified from these proposals.</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>Pregnancy and Maternity</b>	<p>The 2020 mid-year estimates showed a decrease of 37 births (3,506 births in total) over 2019 mid-year estimates, a 1% decrease. There was a consistent increase from 2001/02 to 2012/13.</p> <p>Statistics broken down by pregnancy and maternity for members of Harrow's three leisure sites are not currently available.</p> <p>No specific impact on this protected characteristic has been identified from these proposals.</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Race/  
Ethnicity

According to the Annual Workforce Equalities Report 2020- 2021 the race demographic of our resident population is as demonstrated below:



The largest ethnic groups for members of Harrow Leisure Centre as at June 2022 are as follows:

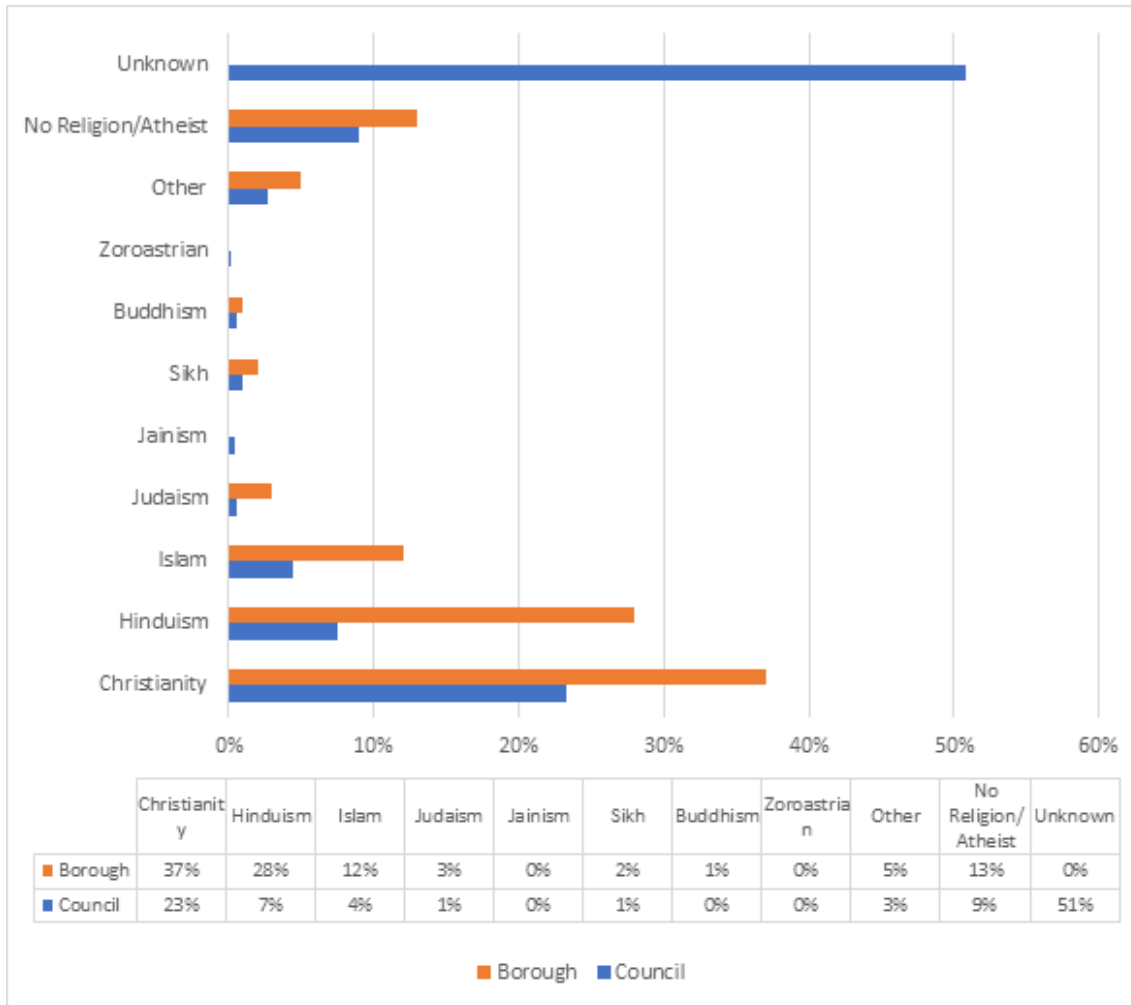
	Asian Other	Indian	White British	Arabic	Other	Unknown
<b>Harrow Leisure Centre</b>	4%	3%	2%	2%	18%	63%

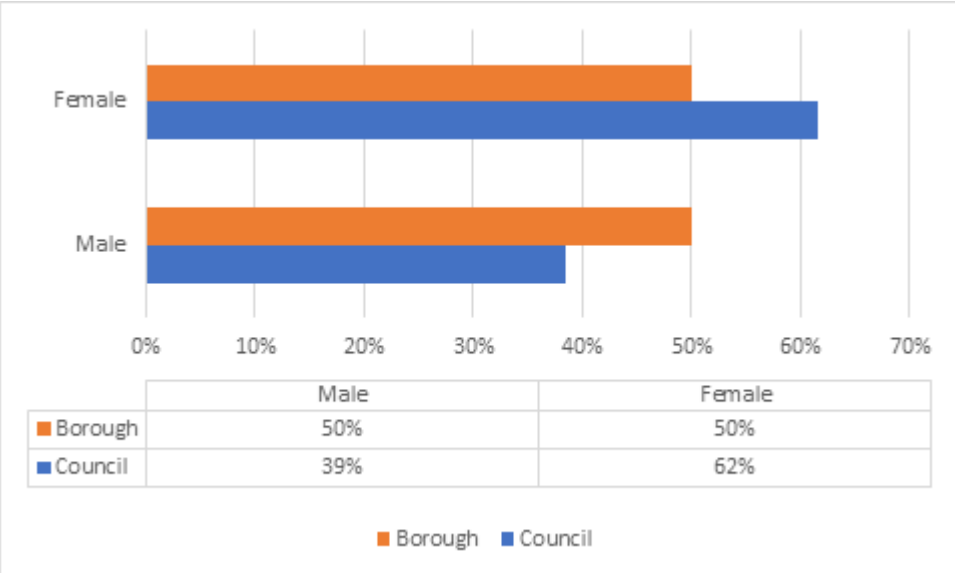
The largest ethnic groups for members of Hatch End Swimming Pool as at June 2022 are as follows:

	White British	Asian Other	Indian	Arabic	Other	Unknown

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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	<table border="1"> <tr> <td><b>Hatch End Swimming Pool</b></td> <td>5%</td> <td>2%</td> <td>2%</td> <td>1%</td> <td>14%</td> <td>70%</td> </tr> </table> <p>The largest ethnic groups for members of Bannister Sports Centre as at June 2022 are as follows:</p> <table border="1"> <thead> <tr> <th></th> <th><b>White British</b></th> <th><b>Asian Other</b></th> <th><b>Indian</b></th> <th><b>Black African</b></th> <th><b>Other</b></th> <th><b>Unknown</b></th> </tr> </thead> <tbody> <tr> <td><b>Bannister Sports Centre</b></td> <td>5%</td> <td>2%</td> <td>1%</td> <td>1%</td> <td>15%</td> <td>67%</td> </tr> </tbody> </table> <p>There would be no specific impact on users from this protected characteristic for users of Harrow Leisure Centre and Bannister Sports Centre from these proposals as the same range of sport and leisure activities as are currently provided under the current leisure contract with Everyone Active (SLM Ltd) will be available.</p>	<b>Hatch End Swimming Pool</b>	5%	2%	2%	1%	14%	70%		<b>White British</b>	<b>Asian Other</b>	<b>Indian</b>	<b>Black African</b>	<b>Other</b>	<b>Unknown</b>	<b>Bannister Sports Centre</b>	5%	2%	1%	1%	15%	67%				
	<b>Hatch End Swimming Pool</b>	5%	2%	2%	1%	14%	70%																			
	<b>White British</b>	<b>Asian Other</b>	<b>Indian</b>	<b>Black African</b>	<b>Other</b>	<b>Unknown</b>																				
<b>Bannister Sports Centre</b>	5%	2%	1%	1%	15%	67%																				
<b>Religion or belief</b>	<p>The Annual Workforce Equalities Report mentions that Christianity (37%), Hinduism (28%), No religion/ Atheist (13%) and Islam (12%) are the four biggest religious demographics in Harrow. Residents that are of the Jewish faith is 3% of the borough population.</p> <p>The graph below illustrates this data in more detail:</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>																					



	<p>Statistics broken down by religion or belief for members of Harrow’s three leisure centres are not currently available.</p> <p>No specific impact on this protected characteristic has been identified from these proposals.</p>													
<p><b>Sex</b></p>	<p>The Annual Workforce Equalities Report 2020-2021 indicates that the percentage of residents within Harrow that are male and female is split evenly at 50%. As shown below:</p>  <table border="1" data-bbox="470 885 1377 997"> <thead> <tr> <th></th> <th>Male</th> <th>Female</th> </tr> </thead> <tbody> <tr> <td>Borough</td> <td>50%</td> <td>50%</td> </tr> <tr> <td>Council</td> <td>39%</td> <td>62%</td> </tr> </tbody> </table>		Male	Female	Borough	50%	50%	Council	39%	62%	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Male	Female												
Borough	50%	50%												
Council	39%	62%												

The gender breakdown for members of Harrow Leisure Centre as at June 2022 is as follows:

	Female	Male
<b>Harrow Leisure Centre</b>	46.1%	52.7%

The gender breakdown for members of Hatch End Swimming Pool as at June 2022 is as follows:

	Female	Male
<b>Hatch End Swimming Pool</b>	55.6%	41.5%

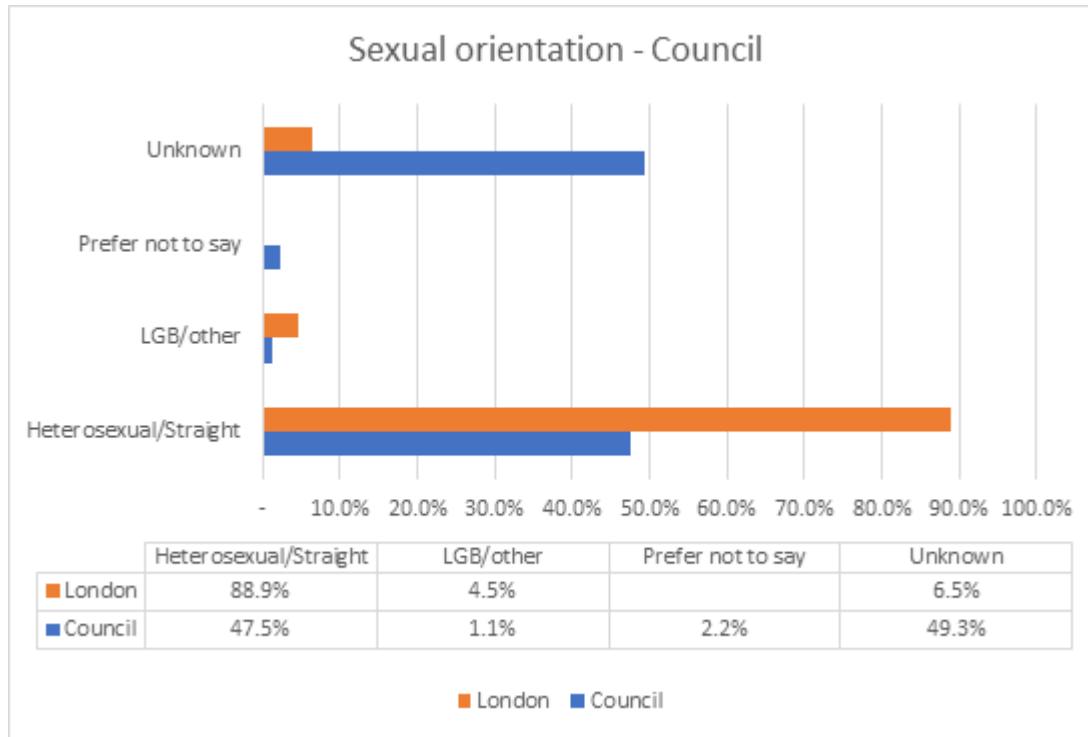
The gender breakdown for members of Bannister Sports Centre as at June 2022 is as follows:

	Female	Male
<b>Bannister Sports Centre</b>	37.0%	55.7%

There would be no specific impact on users from this protected characteristic for users of Harrow Leisure Centre, Hatch End Swimming Pool, and Bannister Sports Centre from these proposals as the same range of sport and leisure activities as are currently provided under the current leisure contract with Everyone Active (SLM Ltd) will be available.

**Sexual Orientation**

The Annual Workforce Equalities Report 2020-2021 indicates that the percentage of LGBTQIA+ residents within London is 4.5%. See below:







Statistics broken down by sexual orientation for members of Harrow's three leisure centres are not currently available.

No specific impact on this protected characteristic has been identified from these proposals.

**2.1 Cumulative impact – considering what else is happening within the Council and Harrow as a whole, could your proposals have a cumulative impact on groups with protected characteristics?**

Yes                      No   

If you clicked the Yes box, which groups with protected characteristics could be affected and what is the potential impact? Include details in the space below

**2.2 Any other impact - considering what else is happening nationally/locally (national/local/regional policies, socio-economic factors etc), could your proposals have an impact on individuals/service users, or other groups?**

Yes                      No   

If you clicked the Yes box, Include details in the space below

### 3. Actions to mitigate/remove negative impact

**Only complete this section if your assessment (in section 2) suggests that your proposals may have a negative impact on groups with protected characteristics. If you have not identified any negative impacts, please complete sections 4 and 5.**

In the table below, please state what these potential negative impact (s) are, mitigating actions and steps taken to ensure that these measures will address and remove any negative impacts identified and by when. Please also state how you will monitor the impact of your proposal once implemented.

State what the negative impact(s) are for <b>each</b> group, identified in section 2. In addition, you should also consider and state potential risks associated with your proposal.	Measures to mitigate negative impact (provide details, including details of and additional consultation undertaken/to be carried out in the future). If you are unable to identify measures to mitigate impact, please state so and provide a brief explanation.	What action (s) will you take to assess whether these measures have addressed and removed any negative impacts identified in your analysis? Please provide details. If you have previously stated that you are unable to identify measures to mitigate impact please state below.	Deadline date	Lead Officer




#### 4. Public Sector Equality Duty

How does your proposal meet the Public Sector Equality Duty (PSED) to:

1. Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act 2010
2. Advance equality of opportunity between people from different groups
3. Foster good relations between people from different groups

#### **Include details in the space below**

The proposal to extend the Council's current leisure contract with Everyone Active (SLM Ltd) for 1 year until 1<sup>st</sup> September 2024 as part of a tri-borough leisure contract with the London boroughs of Brent and Ealing will ensure that Harrow's leisure facilities continue to provide the wide range of sport and physical exercise activities as have been provided under the current contract, helping to meet the sport and physical exercise needs of the whole community and bringing different communities together.

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<b>5. Outcome of the Equality Impact Assessment (EqIA) click the box that applies</b>
---

<input checked="" type="checkbox"/> <b>Outcome 1</b> <b>No change required: the EqIA has not identified any potential for unlawful conduct or disproportionate impact and all opportunities to advance equality of opportunity are being addressed</b>
---

<input type="checkbox"/> <b>Outcome 2</b> <b>Adjustments to remove/mitigate negative impacts identified by the assessment, or to better advance equality, as stated in section 3&amp;4</b>
---

<input type="checkbox"/> <b>Outcome 3</b> <b>This EqIA has identified discrimination and/ or missed opportunities to advance equality and/or foster good relations. However, it is still reasonable to continue with the activity. Outline the reasons for this and the information used to reach this decision in the space below.</b>
--

Include details here
----------------------

58



**Report for: Cabinet**

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<b>Date of Meeting:</b>	13 October 2022
<b>Subject:</b>	Introduction of a Free Bulky Waste Collection Service and a Multi Online booking System for use of the Household Waste, Reuse & Recycling Centre.
<b>Key Decision:</b>	Yes
<b>Responsible Officer:</b>	Dipti Patel - Corporate Director Place; Tony Galloway - Director of Environment
<b>Portfolio Holder:</b>	Councillor Anjana Patel - Portfolio Holder for Environment and Community Safety
<b>Exempt:</b>	No
<b>Decision subject to Call-in:</b>	Yes
<b>Wards affected:</b>	All
<b>Enclosures:</b>	None

## Section 1 – Summary and Recommendations

This report seeks approval for the introduction of one free bulky waste collection service (Up to 4 items) annually for each household in the borough and the introduction of an extended online multi booking service for the use of the Household Waste, Reuse and Recycling Centre.

### Recommendations.

Cabinet is requested to:

- 1) Agree the introduction of a free bulky waste service for Residents from January 2023. This is one collection of up to 4 items per household in Harrow annually;
- 2) Note the proposed introduction of a multi booking system for visits to Household Reuse and Recycling Centre (HWRRC)

### Reason: (for recommendations)

- To help reduce the financial burden on residents of the rising cost of living by introducing a free bulky waste service for every household across the borough
- To provide residents with more flexible and improve the customer experience by offering an extended online booking service for use of the Household Waste, Reuse and Recycling Centre.

## Section 2 – Report

### 2. Introduction.

2.1 This report seeks to implement the outcome of the feasibility report presented to Cabinet in May 2022 to consider and report back on the option of introducing a free Bulky Waste Collection service for each household across the borough.

2.2 The report draws together and reports on two initiatives focussed on improving the public realm and environment of the borough of Harrow, instilling a sense of civic pride, and providing residents with improved service delivery to meet their needs and aspirations

2.3 The council has under its new administration set out a new vision of putting residents first.

Approval and endorsement of the two initiatives outlined in this report will significantly contribute to delivering on this vision.

2.4 The two initiatives are:

- The introduction of a Free Bulky Waste Collection Service for each household in the borough from January 2023.

- The introduction of an extended online multi-booking service for the Household Reuse and Recycling Centre from October 2022.

### 3 The Initiatives – Free Bulky Waste Collection (up to 4 items per annum)

- 3.1 This initiative seeks Cabinet approval for the proposed introduction of a free bulky waste collection service for up to 4 items on an annual basis from January 2023. This service, if approved will contribute significantly to delivering on the councils’ vision of putting residents first.
- 3.2 The councils bulky waste service is used by Harrow residents, businesses, and schools, through an online booking system.
- 3.3 A list of what is collected is available on the Council website including attached link - [Bulky waste collections – Harrow Council](#) . Items are collected between 6:30am and 3pm from the kerbside, Monday to Friday.

The current charges for the bulky waste collection service are:

#### Collection fees for Residents:

Bulky waste item	Collection fee
Mattress	£17.40
Up to 4 items	£51.00
Up to 8 items	£75.00
Up to 12 items	£99.00

#### Breakdown of bookings by number of items per household/year

- 3.5 The table below shows the number and percentage of bookings for up to 4 items and more than 4 items per booking.

Booking yrs. Apr. 2019 – Mar. 2022	Average No. of bookings/yr.	More than 4 items	% of bookings	Up to 4 items	% of bookings
Annual average	3073	542	18%	2530	82%

- 3.6 As indicated in the table above, 82% of collections are for 4 items or less. If the Council is minded to introduce a free collection service for up to 4 items as proposed, it is anticipated that there will be a reduction in income. It is estimated that a free collection service could increase demand by approximately 30% (best estimate). This may also have an impact on the disposal cost.
- 3.7 An upgrade of the online booking system is an essential requirement to enable free bookings, check for returning residents & apply applicable charges. This task can be undertaken by the Digital Services team and the supplier who can

design and implement to suit requirements and connect through the My Harrow account.

- 3.8 The introduction of free bulky waste collection combined with other measures should have a positive impact on the environment and specifically on fly tipping, meaning that the current disposal cost associated with fly tipped waste should reduce. However, it is not possible to quantify this at this stage.
- 3.9 The cost and financial implications of introducing a Free Bulky Waste Collection Service are outline in section ten of this report below.

### **Initiative 2 – Introduction of an Online Multi Booking system for use of the Household Waste, Reuse and Recycling Centre (HWRRC)**

- 3.10 A proposal for the introduction of an extended online multi-booking system at the Household Waste, Reuse and Recycling Centre (HWRRC)
- 3.11 At present residents can book the ‘next available slot’ which could be a same day booking. However, residents can only book one slot a day and cannot make future booking until the pre booked slot has passed.
- 3.12 The proposal is therefore to increase the number of slots offered to residents to allow for a maximum of two visits per day. Proposed changes to the online booking system can be implemented and made operational from October 2022 and there are no financial implications to implementing this improved service.
- 3.13 The new booking system and implementation of single sign on using the MyHarrow account will provide an improved customer experience by reducing the need for data entry and providing a mechanism for tracking collection requests as well as improving the processes within the Service.

## **4 Performance Issues**

These initiatives do not impact on the commitment to the environment in relation to climate change.

## **5 Environmental Implications**

These initiatives do not impact on the commitment to the environment in relation to climate change. The vehicles utilised are existing vehicles.

A positive impact on fly tipping and the environment is expected from the initiatives outlined in this report.

## **6 Data Protection Implications**

There are no data protection implications from this report.

## 7 Risk Management Implications

Risks included on corporate or directorate risk register. **No**

Separate risk register in place? **Yes**

The relevant risks contained in the register are attached/summarised below. **n/a**  
The following key risks should be taken into account when agreeing the recommendations in this report:

Risk Description	Mitigations	RAG Status
Loss of income and additional costs of the proposed bulky waste collection service are unaffordable.	<ul style="list-style-type: none"><li>• The estimated part year revenue impact in the current financial year will be a cost against the in-year revenue contingency budget</li><li>• The dry recycling disposal budget to be re-aligned to fund the on-going revenue impact of £139k to £148k arising from the bulky waste proposal (There is no permanent budget provision to support the free bulky waste collection initiative detailed in this report)</li></ul>	Amber

## 8 Procurement Implications

There are no procurement implications for this project as the delivery utilises existing vehicles and equipment.

## 9 Legal Implications

Local authorities have a responsibility to investigate and clear fly tipping (small scale) as well as take appropriate enforcement action in relation to it. And under the Environmental Protection Act, the local authority has a duty, in respect of relevant highways, to ensure that the land is, so far as is practicable, kept clear of litter and refuse, and to also ensure that it is kept clean. A free bulky waste collection service may help the council in meeting these responsibilities and duty.

## 10 Financial Implications

This report proposes a one free collection of a maximum of 4 items of bulky waste per household per year. Currently the chargeable service generates an income of around £130k per annum. The service is provided by a crew of two operatives and a dedicated vehicle, and an administrative support in the back office. The total cost is around £110k per annum. The waste disposal cost associated with this is variable, dependent on the actual tonnage collected. Based on 2021/22 data, around 500 tonnes were collected at a disposal cost of £70k.

Based on historical service data, there is an average of around 3,000 bookings per annum, at an average fee of £40. 82% bookings are for 4 or less items and 18% bookings for more than 4 items. Should the one free collection be introduced, there would be a reduction in income due to the following reasons.

- Bookings that are 4 or less items become free of charge, noting that the majority of households used the service once a year

The sensitivity analysis below shows the potential reduction in paid for bookings. The estimated loss of income from bookings that are 4 or less items is £102k. In addition, there could be a loss of income ranging from £2k for a 10% reduction in paid for bookings for more than 4 items to £11k for a 50% reduction. Therefore, the total loss of income is estimated at £104k to £113k.

Reduction in paid for bookings for more than 4 items	10%	20%	30%	40%	50%
Potential loss of income for bookings that are more than 4 items	£2,000	£4,000	£7,000	£9,000	£11,000
<b>Potential loss of income for bookings that are 4 or less items</b>	<b>£102,000</b>	<b>£102,000</b>	<b>£102,000</b>	<b>£102,000</b>	<b>£102,000</b>
<b>Total Potential Loss of Income</b>	<b>£104,000</b>	<b>£106,000</b>	<b>£109,000</b>	<b>£111,000</b>	<b>£113,000</b>

It is anticipated that the service demand will increase following the introduction of free bulky waste collection service, which in turn will increase the waste disposal tonnage. The service currently collects around 500 tonnes of bulky waste per annum and the disposal cost is £70k for this. The free service may have a positive impact on fly tipping. It is difficult to establish what the exact increase in waste tonnage will be, but assuming a net increase of 50% in waste would lead to an additional disposal cost of £35k.

Any increase in service demand is assumed to be met from within the existing staffing and vehicle capacity. The cost model does not assume any additional collection crew requirement as part of this proposal.

This report recommends the introduction of this free service from January 2023. Therefore, there will be a part-year effect in 2022/23 budget, estimated at £35k-



£37k This cost will be met from the in-year Contingency for Unforeseen Items (£1.25m).

This report also identifies the need to upgrade the online booking system for bulky waste collection service. Therefore, there will be a one-off implementation cost estimated at £50k in 2022/23. This capital cost can be met from the budget provision of £3.323m for Other Schemes (Council-wide) in the 2022/23 approved Capital Programme.

The table below summarises the overall financial implications arising from the bulky waste collection proposal in this report.

<b>Free Bulky Waste collection proposal</b>	<b>2022/23 Part year impact (Jan - Mar 2023)</b>	<b>Annual impact</b>
Estimated net loss of income	£26,000 - £28,000	£104,000 - £113,000
Additional disposal costs	£9,000	£35,000
<b>Total revenue implications</b>	<b>£35,000 - £37,000</b>	<b>£139,000 - £148,000</b>
<b>One-off estimated capital cost</b>	<b>£50,000</b>	

The estimated part year revenue impact in the current financial year will be a cost against the in-year revenue contingency budget. Beyond the current financial year, there is no permanent budget provision to support the free bulky waste collection initiative detailed in this report. Within Waste Services, an underspend on the dry recycling disposal budget is forecast due to favourable market conditions for dry recyclables experienced so far in this financial year. Although this is being offset by other pressures within Place Directorate in 2022/23, works are being underway including efficiencies and to establish new operating model with the aim to bring its costs more in line with existing budgets from 2023/24 onwards. This will in turn allow some of the dry recycling disposal budget to be re-aligned to fund the on-going revenue impact of £139k to £148k arising from the bulky waste proposal. It should also be noted that dry recycling disposal costs could fluctuate in-year, therefore the costs will be closely monitored as part of the monthly budget forecast.

Following the approval of this proposal by Cabinet, the 2022/23 Fees & Charges schedule will be updated to reflect the revised bulky waste charges as follows.

<b>Collection fees for residents:</b>	
<b>Bulky waste item</b>	<b>Collection fee</b>
One collection of up to 4 items per household in Harrow annually	Free
Subsequent collections within year:	
Mattress	£17.40

Up to 4 items	£51.00
Up to 8 items	£75.00
Up to 12 items	£99.00

## 11 Equalities implications / Public Sector Equality Duty

The recommendations in this report will apply to and benefit all households and all residents in Harrow and it is therefore considered that there will be no negative impact on any protected characteristics. The assisted service for elderly, infirm and disabled residents will continue to apply to this new service.

## Section 3 - Statutory Officer Clearance

### **Statutory Officer: Dawn Calvert**

Signed on by the Chief Financial Officer

**Date:** 5<sup>th</sup> September 2022

### **Statutory Officer: Paresh Mehta**

Signed on behalf of the Monitoring Officer

**Date:** 7<sup>th</sup> September 2022

### **Chief Officer: Dipti Patel**

Signed off by the Corporate Director

**Date:** 5<sup>th</sup> September 2022

### **Head of Procurement: Nimesh Mehta**

Signed by the Head of Procurement

**Date:** 27<sup>th</sup> June 2022

### **Head of Internal Audit: Susan Dixon**

Signed by the Head of Internal Audit

**Date:** 5<sup>th</sup> September 2022

## **Mandatory Checks**

**Ward Councillors notified:** NO, as it impacts on all Wards

**EqIA carried out:** No as the recommendations will apply to and benefit all households and all residents in Harrow

**EqIA cleared by:** n/a

## **Section 4 - Contact Details and Background Papers**

Contact: Tony Galloway, Director of Environmental Services,  
[tony.galloway@harrow.gov.uk](mailto:tony.galloway@harrow.gov.uk), mobile: 07708 835225

Background Papers: None

**Call-in waived by the Chair of Overview and Scrutiny  
Committee - NO**

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**Report for: Cabinet**

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<b>Date of Meeting:</b>	13 October 2022
<b>Subject:</b>	Adult Social Care Mental Health Services
<b>Key Decision:</b>	Yes - effects communities living or working in an area of two or more wards of the Borough and has a revenue value of over £500k.
<b>Responsible Officer:</b>	Senel Arkut, Corporate Director People Services
<b>Portfolio Holder:</b>	Councillor Pritesh Patel, Portfolio Holder for Adult Services and Public Health
<b>Exempt:</b>	No
<b>Decision subject to Call-in:</b>	Yes
<b>Wards affected:</b>	All
<b>Enclosures:</b>	Annexe A: Provision of Adult Social Care Community Mental Health Services

## Section 1 – Summary and Recommendations

This report presents Cabinet with the proposals to transfer adult social care mental health services from Central North West London (CNWL) NHS Foundation Trust to the Council and design and deliver a new service model.

### Recommendations:

Cabinet is requested to:

1. Agree to implement the preferred option to transfer the adult social care mental health services from Central North West London (CNWL) NHS Foundation Trust to the Council.
2. Delegate authority to the Corporate Director People Services, following consultation with the Portfolio Holder for Adult Services and Public Health to agree final details of the transfer and the new operating model for adults' social care mental health services.

**Reason: (for recommendations)** To fulfil the local authority's statutory responsibility for adult social care mental health services.

## Section 2 – Report

### Introductory paragraph

1. This report provides information for Cabinet on the recommended service delivery model for adult social care mental health services to fulfil the Local Authority's statutory duties under s117 of the Mental Health Act 1983 and the Care Act 2014.
2. Harrow Council commissions CNWL under a s75 Agreement to provide a single integrated mental health and social care service. Through this arrangement the Council has delegated its statutory duty and responsibilities to CNWL for the provision of mental health assessment and treatment support services.
3. In March 2022 CNWL confirmed their intention to cease to provide adult mental health services as commissioned by the Council in accordance with the s75 agreement.
4. This is a real an opportunity to consider new models of service delivery in the context of the evolving health, care and voluntary sector integration and partnerships in Harrow. This report outlines the preferred option for future service delivery and the proposed next steps for service re-design and service transfer if this preferred option is agreed.

5. The recommendations in this report will contribute to the Council's priority of putting residents first by ensuring the provision of statutory mental health services that are person centred, outcome focussed on recovery and independence.

## **Options considered**

6. The following options have been considered:
  - **Option A: 'Do Nothing'**  
This Option is not a viable option because CNWL have formally confirmed their intention to cease providing mental health services in accordance with the s75 agreement.
  - **Option B: Transfer the Services to the Council**  
Implementing Option B will enable the services to be transferred in a timely way to ensure that it will be completed at the point that the Director of Adult Social Care (DASS) is confident that systems and processes are in place to meet current support needs and monitor current and future demand trends. Implementing this Option will enable the Council to apply increased scrutiny of placement cost decisions and build on the internal commissioning and market management expertise, and quality assurance of placements. In this Option Officers would work closely with the local community throughout the transition stage and embed feedback on service improvements in the redesign of service delivery.
  - **Option C: Procure Another External Provider**  
This Option would replicate the current commissioned arrangements. The procurement would take 12-18 months to achieve, which exceeds the period of time that it would be reasonable to expect the Trust to continue with the current service provision. This Option would also incur an additional cost of officer time and resources, but without the assurance that it would deliver better value for money in the current market position or assurance of continuous service improvement. Option C would not meet the criteria of being best placed to provide seamless continuity of service within the required timeframe.
7. The preferred and recommended Option is Option B. The Option means that the Local Authority will continue to fulfil its statutory to provide mental health social care through the transfer of the services to the Council. By developing and implementing new partnership arrangements there will be potential for integrated service with the health trust aligned with the Government's health and social care integration agenda and recently published People at the Heart of Care: Adult Social Care Reform White Paper.

## **Current Arrangements**

8. Harrow commissions CNWL through the partnership agreement to provide a single integrated mental health and social care service. Through this arrangement the Council has delegated its statutory duty and responsibilities to CNWL for the provision of mental health assessment and treatment support services for citizens who are recovering from mental ill health. The services currently provided are as follows:
  - Approved Mental Health Professional (AMHP) Service
  - Community Mental Hubs x 3
  - Carers' assessment & support
  - Personal budgets assessment service
  - Housing Support service
  - Young Onset Dementia social worker
9. The workforce is in excess of 40 full time equivalent staff and comprises a range of roles including social workers, commissioners, housing support officers, service managers and business support officers.
10. The budget for the service has two elements: Placements and Workforce and the agreed budget delegated to CNWL for 2022-23 has been agreed at £5.805m.

## **Provision of Adult Social Care Community Mental Health Services Report**

11. When CNWL confirmed their intention to cease providing mental health services, a report was commissioned by the Director Adult Social Services (DASS) to consider the options for the development of a new service model. The Report, Provision of Adult Community Mental Health Services, is provided at Annexe A.
12. The Report sets out the outcomes required, indicators of success and principles to inform the preferred option for the future operating model. Three options are considered, Do Nothing, transfer the services inhouse and procure another provider.
13. The risks and benefits for the options are outlined in relation to the Council including workforce, reputation and financial, and citizens, workforce. The report details the workforce matters including TUPE and financial implications for the Preferred Option. There is consideration of the current demand trends and the service capacity and an Equalities Impact Assessment.
14. The report proposes that Option B to transfer the services in house is the preferred option and details the impact on the Council, community and local integrated care partnership.



## **Proposed Service change**

15. The Preferred Option B, transferring the mental health adult social care services to the Council in summary will mean:

- The line management of employees engaged in delivery of the Council funded social care services that are in scope for transfer will transfer to Adult Social Care under TUPE arrangements.
- The Council's current s75 budget allocated to CNWL will transfer to the direct control of the Council.
- There will be an adjustment to the referral care pathways and customer access points to deliver a new design for integrated health and care provision as part of the Harrow Borough Based Partnership.
- This delivery model will enable the quality of supported accommodation and other support services delivery will improve, through a refocus of commissioning activity based on a strength-based approach to the allocation of personalised support.

16. The benefit to the Council of the recommended option is that it provides total management and scrutiny in how ASC resources are applied going forward. This provides the inbuilt flexibility to redesign the service delivery as community support needs change and facilitated through better utilisation and links of the community network of services in Harrow.

17. The focus will be on person-centred care pathways so that both the access to care management services and moving between different aspects of health and social care support are delivered in a holistic way.

18. There will be a requirement to grow the capacity of existing ASC functions to accommodate the mental health services e.g. Brokerage. This will be managed through the transfer of financial resources currently contained within the existing contract arrangements with the Trust and be closely monitored through the Governance structure.

19. In the context of the wider network of integrated health and care in Harrow, developments at a system level through the Harrow Borough Based Partnership will incorporate the new mental health service management arrangements to form part of an integrated network of support with mental health and wellbeing.

## **Implementation Strategy of the Preferred Option**

20. The implementation strategy for the new operating model applies the Principles for Decommissioning and Developing a new Operating Model listed in the Report which focus initially on the need:

- To achieve a seamless and safe transfer of care and support for all people engaged in mental health services at the point of transfer to the new service provider.

- To proactively work to retain staff affected in any potential transfer to a new employer, that provides both continuity of employment and knowledge of patients.

21. CNWL and the Council have agreed a Memorandum of Understanding (MoU) is to affirm the parties' commitment to continue to work in accordance with the Section 75 Agreement and to work together to develop and transition to the new service model for Community Adult Mental Health services to the resident population of London Borough of Harrow.
22. The MOU will remain in place until the transition to new ways of working has been achieved. The parties have agreed to work collaboratively and in good faith to develop a new service delivery model with input from staff, service users and carers.
23. A governance structure to oversee this work is in place comprising the s75 Decommissioning Executive Group with senior representatives from CNWL and the Council has been formed and a joint Task & Finish Group with the following workstreams:
- Workstream 1: Citizens
  - Workstream 2: Staffing and Workforce
  - Workstream 3: Infrastructure - Information Management, IT, Estates/Accommodation, Provider/Commissioning and Communications Strategy, including the financial envelope for services
24. A programme management approach is being applied to both the planning and implementation of the changes, which will ensure the effective co-ordination and timing for each stage of the process.
25. The timeline for the implementation of the Preferred Option will be developed following a decision by Cabinet. A range of key activities will be completed during the next three months including but not exclusively:

<b>Example Key Activity</b>	<b>Date</b>
Agree staff consultation process and timeframe	October
Complete plans for the establishment of new LBH case recording systems	October
Complete disaggregation of caseloads to lead professionals	November
Develop new Placement contracts for spot purchase arrangements	November
Complete staff consultation process	December
Complete plans for LBH inhouse brokerage and QA functions for MH services	December
Confirmation of LBH internal budget implications	December

26. CNWL have started the initial engagement with staff and citizens and this will continue in partnership with the Council throughout the development

and transfer of the service. Once the Cabinet decision has been made, a co-production approach will be adopted working with staff and citizens to develop the details of the new operational delivery model.

27. The commencement of the new service model will be determined by the completion of essential tasks to establish the foundations essential to the service. For example, IT infrastructure, care and referral pathways. Once the foundations are established, it is expected that there will be a mobilisation and transfer period commencing during the early summer 2023. The final date for transfer will be agreed by CNWL and the Council.

### **Ward Councillors' comments**

28. None – effects all Wards.

### **Performance Issues**

29. Performance is measured broadly in two ways, though 'activity' indicators drawn from electronic social care records and from survey measures taken from the two national 'user' and 'carer' surveys.
30. Pre-pandemic survey feedback from social care clients provided with long term support from CNWL under Section 75 was improving with significantly more people reporting feeling in control of their daily lives (53% to 74% in 2019) and having enough social contact (21% to 40% in 2019). Since Covid-19 the responses are less positive but remain above their 2017 baselines. Feedback from carers of people with MH needs shows these carers were the most likely to feel unsupported in their caring role (compared to carers of people with other social care needs) though the situation improved slightly during the pandemic.
31. Many factors impact people's responses to surveys and it is not possible to forecast precisely what impact the proposed changes may have on this group of users. But to the extent that these changes will allow more flexibility and choice for users over their support, enable them to be helped and treated with respect and dignity and offer opportunities for meaningful social contact, the results could be expected to continue to improve.
32. Activity measures such as the speed with which assessments are completed, whether mental health users can engage in paid employment and live independently, are likely to be impacted positively or remain at high levels as a result of the proposals in this report.
33. The support to carers in particular would be of most concern if these proposals were not progressed.

### **Environmental Implications**

34. There are no environmental implications arising from this report.

## Data Protection Implications

35. The joint Task and Finish Group Workstream 3 covers data and information management and sharing. Appropriate agreements and arrangements will be developed and implemented accordingly.

## Risk Management Implications

36. Risk included on Directorate risk register? **No**  
 37. Separate risk register in place? **Yes**  
 38. The relevant risks contained in the register are attached/summarised below. **Yes**  
 39. The key risks for the recommendations and mitigations are outlined as follows:

Risk	Mitigation	RAG Status
Reputational risk to the Council if the transfer resulted in a loss of continuity to the service and failure meet statutory duties. This would also have a negative impact on system partners and the integration agenda across NWL and Harrow Borough Based Partnership.	<ul style="list-style-type: none"> <li>• Joint working with CNWL to plan the new service model and the transfer of services. MOU in place.</li> <li>• Engagement and briefing of Harrow Borough Based Partnership (HBBP) through the Harrow Health and Care Executive comprising representatives from health social care and the voluntary sector.</li> <li>• CNWL and Council working with partners in the Mental Health workstream of the HBBP.</li> </ul>	Amber
Workforce: Staff may choose not to TUPE to new arrangements which would result in the additional challenge in the current national economic climate, to recruit to vacant social work posts	<ul style="list-style-type: none"> <li>• Early engagement with staff and planned communications through new service development and transition arrangements.</li> <li>• Co-production approach with staff to design and implementation.</li> <li>• Potential to transfer to local authority with</li> </ul>	Amber

	network of professional social workers.	
Insufficient budget/ financial issues.	<ul style="list-style-type: none"> <li>• The current delegated budget will transfer back to the direct control of the council.</li> <li>• Potential to develop efficiencies over time through commissioning mental health services and placements</li> </ul>	Amber

## Procurement Implications

40. There are no procurement matters within this report with the preferred Option B. If alternative models of delivery are considered in future, there will need to be the appropriate procurement process to appoint another provider.

## Legal Implications

41. Under the Care Act 2014, local authorities are under a duty to carry out their care and support responsibilities with the aim of joining-up the services provided or other actions taken with those provided by the NHS and other health-related services (for example, housing or leisure services). This general requirement applies to all the local authority's care and support functions for adults with needs for care and support and for carers the duty applies where the local authority considers that the integration of services will:

- promote the wellbeing of adults with care and support needs or of carers in its area
- contribute to the prevention or delay of the development of needs of people
- improve the quality of care and support in the local authority's area, including the outcomes that are achieved for local people

42. Section 117 of the Mental Health Act 1983 places a joint duty on local NHS and social services commissioners to provide aftercare services for people that have previously been sectioned under the treatment sections of the Mental Health Act, i.e. Sections 3, 37, 45A, 47 and 48. The duty to provide aftercare services begins at the point that someone leaves hospital and lasts for as long as the person requires the services.

43. The Care Act 2014 defines after-care services as:

*After-care services must have both the purposes of meeting a need arising from or related to a person's mental health disorder and reducing the risk of a deterioration of the person's mental health*

*condition and so reducing the risk of a person requiring re-admission for treatment for mental disorder.*

44. Harrow delegates its s117 function to CNWL under a s75 agreement until such time that the contract formally ceases.
45. Section 75 of the NHS Act 2006 allows partners (NHS bodies and councils) to contribute to a common fund which can be used to commission health or social care related services. This power allows a local authority to commission health services and NHS commissioners to commission social care.
46. Section 75 agreements can include arrangements for pooling resources and delegating certain NHS and local authority health-related functions to the other partner(s) if it would lead to an improvement in the way those functions are exercised.
47. A memorandum of understanding, or MOU, is a nonbinding agreement that states each party's intentions to take action, conduct a business transaction, form a new partnership or work towards ending an existing agreement

## **Financial Implications**

48. The contract cost of mental health services currently provided by CNWL has increased year on year, with the services costing £3.9m in 2014-15 and rising to a CNWL projected cost of £6.4m in 2022-23. This reflects the national position in demand for mental health support, and market cost pressures as a consequence of the NHS best practice policy to increase the volume of community placements to reduce length of hospital stays.
49. The S75 partnership budget is made up of two components -direct workforce costs, and client placement/care package costs.
50. Initially the Council and CNWL shared any placement cost pressures on a 50/50 basis however the risk to the Trust has been capped since April 2019 (£250k 2019-20 and £200k from April 2020), resulting in increased cost pressures being incurred by the Council year on year.
51. The placements budget is subject to a Financial Recovery Plan (FRP), for the Trust to reduce the overall cost in this area and begin to align spend closer to the baseline budget. In 2022-23 the FRP is expected to realise £229K in the remainder of this financial year which is pro rata of a full year effect of £344K. This will be achieved in part by a renewed focus post-covid, on reviewing and preparing citizens to move to less intensive support arrangements as part of their recovery pathway.
52. The period 3 CNWL forecast in the current financial year indicates expenditure of £5.992m – this assumes the FRP is achieved (at £229k) and the application of the agreed risk share contribution from CNWL (of £200k). The cost above the delegated budget of £5.805m (currently forecast at £187k) will be funded by the Council as in previous years.

53. The cost of these demand led services are managed as part of the wider Adult Services budget. The one-off costs associated with the change in service delivery, once known, will need to be contained within the existing financial envelope.

### **Equalities implications / Public Sector Equality Duty**

54. The proposal will aim to continue to support all citizens recover from a mental illness regardless of their protected characteristics and it is considered unlikely that the proposal will lead to a differential impact for people based on their protected characteristics.

55. As part of the service transfer, the introduction of process changes regarding the recording and monitoring of outcomes from any contact with the service for resident groups with protected characteristics, will enable the service to identify and address any inequalities of opportunity for these groups.

56. Recruitment and retention will also be considered to ensure that the ethnic diversity of the workforce reflects that of the Harrow population

## **Section 3 - Statutory Officer Clearance**

### **Statutory Officer: Donna Edwards**

Signed on behalf of the Chief Financial Officer

**Date: 30 September 2022**

### **Statutory Officer: Sharon Clarke**

Signed on by the Monitoring Officer

**Date: 23 September 2022**

### **Statutory Officer: Lisa Taylor**

Signed on behalf of the Head of Procurement

**Date: 26 September 2022**

### **Statutory Officer: Senel Arkut**

Signed by the Corporate Director

**Date: 26 September 2022**

## **Mandatory Checks**

**Ward Councillors notified?** No as it impacts on all Wards

**EqIA carried out?** Yes

**EqIA cleared by:** Shumaila Dar, Head of Equality, Diversity and Inclusion

## **Section 4 - Contact Details and Background Papers**

**Contact:** Johanna Morgan, Director People Services Strategy and Commissioning, [Johanna.morgan@harrow.gov.uk](mailto:Johanna.morgan@harrow.gov.uk)

**Background Papers:** None

**Call-in waived by the Chair of Overview and Scrutiny Committee** - NO



<b>London Borough of Harrow Provision of Adult Community Mental Health Services</b>	
Report type:	<b>Proposal for Adult Social Care Functions in Mental Health</b>
Date:	5 September 2022
Version:	V1.4

## **1. Introduction**

Local Authorities have statutory duties under s117 of the Mental Health Act 1983 and the Care Act 2014 to provide adult social care mental health services. Harrow Council has commissioned CNWL under a s75 Agreement to provide a single integrated mental health and social care service. Through this arrangement the Council has delegated its statutory duty and responsibilities to CNWL for the provision of mental health assessment and treatment support services.

In March 2022, CNWL announced its intention to end the current partnership arrangements delivered through S75 delegated functions during the 2022-23 financial year.

This paper considers the options and implications for future service delivery and recommends a preferred delivery model.

## **2. Required outcome**

The priority from this point is to achieve a seamless transfer of care and support for all people requiring support with maintaining either their own mental health or for the person they support, at the point of transfer to a new service provider and beyond.

The Trust and Adult Social Care officers are proactively working to retain staff impacted by any potential transfer to a new employer, that will ensure both continuity of employment and legacy knowledge of patients on their caseload.

It is intended to use this opportunity to deliver continuous service improvements that increase the quality of community mental health assessment and care management services in Harrow, within the approved annual budget and where appropriate to reduce the financial liabilities to the Council.

## **3. Proposed Service change**

The summary of what the proposed change in service delivery will mean to both the service workforce and the residents of Harrow is as follows:

- The line management of employees engaged in delivery of the Council funded social care services that are in scope for transfer will change to the new service provider.
- There will be an adjustment to the referral care pathways and customer access points to deliver a new design for integrated health and care provision as part of the Harrow Borough Based Partnership.

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- It is anticipated that the scrutiny and thereby quality of supported accommodation and other support services delivery will improve, through a refocus of commissioning activity based on a strength based approach to the allocation of personalised support.

#### **4. Indicators of success**

The following indicators will be referenced throughout the planning for service transfer to ensure that the outcome is of benefit to all concerned:

- That patients /citizens/ and unpaid carers report satisfaction with the change in service delivery.
- That multi-disciplinary functions and processes are maintained and embedded in an integrated model of service delivery within the community
- That patient and staff data is protected and transferred fully to the new arrangements
- That the projected placement spend is challenged year on year

#### **5. Consideration of Future Service Options**

The future service delivery options that have been considered are as follows:

- a) Do Nothing
- b) The Council to insource the mental health social care function and Care Act duties to sit under the management of the Director of Adult Social Services
- c) To commission another specialist Mental Health external provider

Appendix 1 provides a summary of the main benefits and risks of each option.

The criteria used to select the optimum solution for service delivery are as follows:

- Best placed to provide seamless continuity of service delivery within the desired timeframe
- Demonstrates how it meets the aspirations and needs of the local mental health community
- Provides best value for money for the Council

Each of the three options considered were evaluated against each of these criteria.

'Do Nothing' was immediately discounted as a viable option. The Trust had clearly indicated it did not wish to continue current arrangements when it served notice on the contract in January 2022. Equally, the service provision enables the Council to fulfil its statutory obligation with regards the provision of assessment and treatment services for people with mental ill-health, and duties under the Care Act 2014 in relation to unpaid carers. Therefore, the lack of these services in Harrow would result in the Council being in dereliction of its legal duties.

Option B regarding the transfer of service management arrangements to the Council's responsibility, can be managed in a timely way to ensure that it will be completed at the point that the Director of Adult Social Care (DASS) is confident that systems and processes are in place to meet current support needs and monitor

current and future demand trends. Officers can also work closely with the local community throughout the transition stage and embed feedback on service improvements in the redesign of service delivery.

Option B also enables the Council to apply increased scrutiny of placement cost decisions and take advantage of the internal commissioning expertise on market management. One of the key concerns with the current arrangements has been the continued annual increase in placement overspend, for which the Council had limited control over how this was being managed within the Trust. This has resulted in the need for the Trust to produce a Financial Recovery plan to work towards bringing placement spend back in line with budget lines. There have also been concerns with regards inadequate assurance systems in place to monitor the quality of external supported accommodation provision. This has on occasion led to citizens not obtaining adequate levels of support to maximise their independence in a timely way.

Option C to procure another external provider to deliver the delegated functions on behalf the Council was considered. However, this would carry inherent risks to the Council.

The external procurement would take 12-18 months to achieve, which exceeds the period of time that it would be reasonable to expect the Trust to continue with the current service provision. This option would also incur an additional cost of officer time and resources, but without the assurance that it would deliver better value for money in the current market position or assurance of continuous service improvement.

There is a limited market in this specialist mental health field, and this option would open the possibility of a provider that does not have the local connections to Harrow residents, or the ethos of a not-for-profit approach. This could potentially risk inflated costs to the Council and/or potentially compromise the quality assurance of how services were delivered.

Option C could therefore not meet the criteria of being best placed to provide seamless continuity of service within the required timeframe.

The option therefore being recommended by officers is Option B i.e. To insource mental health social care services and care act duties within the Council under the management and leadership of Adult Social Care.

## **6. Benefit /risk to the Council**

The benefit to the Council of the recommended option is that it provides total management and scrutiny in how ASC resources are applied going forward. This provides the inbuilt flexibility to redesign the service delivery as community support needs change and facilitated through better utilisation and links of the community network of services in Harrow.

The risks are that

- Staff may choose not to TUPE to new arrangements which would result in the additional challenge in the current national economic climate, to recruit to vacant social work posts
- Reputational risk to the Council if the transfer resulted in a loss of continuity to the service. This would also have a negative impact on system partners and the integration agenda across NWL and Harrow Borough Based Partnership.
- The existing financial liability may take until at least 2024 to bring current budgets back inline, whilst recognising that the full impact on citizen's mental health as a result of the covid pandemic and economic pressures, may lead to an increased demand on mental health support services.

It should be noted that the latter point of cost of growing demand and pace of reducing overspend would apply to both the viable options (B & C) considered.

## **7. Benefit/ risk to clients/citizens**

The benefit to citizens is the continuity of staff and case management, but from within a public sector organisation with a developed awareness of the needs of the local community, and an established relationship with the wider voluntary and community social care sector in Harrow.

It will provide the opportunity for citizens/unpaid carers to co-produce both the re-design of service delivery, and to drive the continuous service improvement to improve outcomes for citizens.

The proposed transfer will also enable unpaid carers to benefit more from the Council's universal offer to carers in terms of advice and support and ensure a robust review of the process of carers' assessments to bring them in line with the Care Act requirements.

## **8. Benefit / risk to the mental health service workforce**

The risk, as in any change in service management, is that it creates a period of uncertainty for the staff involved. This risk will be mitigated during the transition and consultation process by providing information at each stage and engaging staff in both the design and transfer implementation planning.

The benefit from the proposed option is that there will be the opportunity for senior ASC staff to become closely involved in the planned transfer, and to build relationships and trust with staff well in advance of any proposed formal transfer date.

Staff will also benefit from becoming part of an established adult social care staff structure with access to the internal Continuing Professional Development (CPD) arrangements to support their professional development.

## **9. The future integration of health and social care delivery**

The focus will be on person-centred care pathways so that both the access to care management services and moving between different aspects of health and social care support are delivered in a holistic way.

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With regards forming part of the wider network of integrated support in Harrow, developments at a system level through the Harrow Borough Based partnership will incorporate the new mental health service management arrangements to form part of an integrated network of support with mental health and wellbeing.

The development of the service and care pathways for the different aspects of mental health service delivery will be fully developed during the transfer mobilisation phase and continue to evolve overtime with input from local stakeholders.

## **10. Current level of demand for the S75 funded services**

### **Mental Health Hubs**

The Community Hub services have experienced an increase in referrals year on year, rising from 2100 during 2020-21 to 2648 in 2021-22. This represents a 25% increase in demand from the previous year.

During Q1 of this year 2022/23, there have been 606 new referrals, and with a total number of 2100 citizens being supported by the Mental Health Hub teams as of 31<sup>st</sup> July 2022.

The impact of covid and the expected rise in the cost of living on the mental health of Harrow residents is yet to be determined. However, what is becoming apparent is that whilst the main source of referrals to the Hubs continues to be GPs, the numbers are lower possibly because of reduced appointment capacity in primary care. In contrast, there is a reported increase in numbers of citizens with mental ill-health presenting at A & E prior to being discharged to community services.

### **Supported accommodation placements**

During 2021-22 there was a total of 264 people between the ages of 18-64 requiring supported accommodation, whilst they were not well enough to live independently. There were slightly greater numbers of men than women (60/40%).

The intention under the new arrangements would be to reduce the length of stay and ensure that through work with housing colleagues to increase opportunities for tenants to progress to independent living.

### **Approved Mental Health Professional (AMHP) Service**

The AMHP service conducted a total of 572 assessments in 2021-22, and 113 in the first quarter of this year with an almost equitable split between the number of men and women being referred.

### **Carers support service**

The total number of unpaid carers (family or friends) known to the carers' support and assessment service as of July 2022 is 493.

### **Young Onset Dementia (YOD) services**

The Harrow YOD post forms part of a shared service with other local authorities in the Northwest London sector and is currently providing case management support for 89 Harrow families. This function may therefore need to be considered at an ICB

level to consider how best to commission the service needs for the future as a sector to provide the economy of scale, for a small but growing number of individuals.

## **11. Future service capacity requirements**

A detailed analysis of individual Hub caseloads will be conducted as part of the transfer process to determine where case management responsibility should rest based on the required lead professional i.e. either ASC or CNWL.

A Matrix tool is in development which will aim to determine the volume of cases from within the total Hub caseload of 2100 where lead responsibility will need to be managed from within ASC.

The AMHP and Carers services will both transfer existing caseloads to the new arrangements.

As the new service model develops, the future capacity will continue to be revised and aligned to rates of demand.

## **12. Financial impact**

The current contract cost of mental health services currently provided by CNWL has increased year on year, with the services costing £3.9m in 2014-15 and rising to a CNWL projected cost of £6.4m in 2022-23. This reflects the national position in demand for mental health support, and market cost pressures as a consequence of the NHS best practice policy to increase the volume of community placements to reduce length of hospital stays.

The S75 partnership budget is made up of two components -direct workforce costs, and client placement/care package costs.

Initially the Council and CNWL shared any placement cost pressures on a 50/50 basis however the risk to the Trust has been capped since April 2019 (£250k 2019-20 and £200k from April 2020), resulting in increased cost pressures being incurred by the Council year on year.

The placements budget is subject to a Financial Recovery Plan (FRP), for the Trust to reduce the overall cost in this area and begin to align spend closer to the baseline budget. In 2022-23 the FRP is expected to realise £229K in the remainder of this financial year which is pro rata of a full year effect of £344K. This will be achieved in part by a renewed focus post-covid, on reviewing and preparing citizens to move to less intensive support arrangements as part of their recovery pathway.

The period 3 CNWL forecast in the current financial year indicates expenditure of £5.992m – this assumes the FRP is achieved (at £229k) and the application of the agreed risk share contribution from CNWL (of £200k). The cost above the delegated budget of £5.805m (currently forecast at £187k) will be funded by the Council as in previous years.

The agreed budget breakdown under the S75 arrangements delegated to CNWL for the financial year 2022-23 has been proposed by the Council as the following (with

the staffing budget to be uplifted once the Council pay award for 2022-23 once this has been agreed):

<b>Service Area</b>	<b>2021-22 Budget £000</b>	<b>Proposed 2022-23 Increase £000</b>	<b>2022-23 Budget £000</b>
<b>Social Care Workforce</b>			
Service workforce costs	1,558	150	1,708
S75 Management structure	364		364
<b>Total Staffing costs</b>	<b>1,922</b>	<b>150</b>	<b>2,072</b>
Contract Overheads	156		156
<b>Care package costs</b>			
Placements (net of income from client contributions)	3,050	527	3,577
<b>Total</b>	<b>5,128</b>	<b>677</b>	<b>5,805</b>
CNWL Risk share contribution	-200	0	-200

### **Financial risk to the Council of acquiring a new external provider**

Prior to commencing a procurement process, an indicative service value and budget would need to be determined. The alternative would be to provide the anticipated volume of activity and require the tenderer to determine the budget required to deliver the specified service.

Any new provider is likely to apply a full cost recovery model, which would be based on the current arrangement information which has a financial forecast in excess of the available budget allocation.

It is therefore considered likely that any procurement exercise could result in increased cost to the Council at least initially due to market pressures, and with the Council remaining unable to utilise and benefit from the local care market provider relationships and economies of scale associated with sector-wide developments such as the West London Alliance.

### **Financial benefit to the Council of the recommended option**

By insourcing the service, the Council can both determine and manage the budget and resources with a greater level of scrutiny.

This approach is expected to improve the value for money for the Council through widening opportunities to commission a variety of local and sector-wide providers and manage the market to deliver quality assured external packages of support as required.

In addition, the planned move in 2023 to new sector wide block contract arrangements to provide economy of scale, will enable the Council to replace the current practice of purchasing individual spot placements on an ad hoc basis which are priced at a premium rate.

### **Indicative additional costs**

There may be additional staffing costs in relation to back office functions. These potential costs include data migration (one-off), IT related costs as well as the costs of office accommodation. However, it is not yet clear how such costs would compare to the existing cost of equivalent functions which are costed as overheads within the current arrangement.

Any TUPE transfer of staff may incur additional costs associated with both the physical transfer in relation to accommodation and equipment, and also an assessment around any indicative costs surrounding the transfer of the pension fund. Under s257 of the Pensions Act 2004 and the Transfer of Employees (Pension Protection) Regulations 2005, Harrow Council is obliged to provide pension benefits for transferring employees where the employees were a member of an occupational pension scheme immediately before the transfer. This potential cost would also be incurred by the Council if the decision was to source another external provider, as the liability would be built into the contract price tendered.

Any one-off costs arising from the transfer of staff and services, together with any ongoing additional costs will need to be considered as part of the wider budget setting process, however given the overall Council pressures and budget gap for 2023-24 (of approx £16m) these services will need to be contained within the existing overall Adults budget.

## **12. HR implications of the Service change**

### **Staffing breakdown**

There are a total of 42.5 posts in scope for transfer to the new arrangements, which are currently covered by 46 staff. This complement comprises a diverse range of roles as follows:

- Service Managers
- Social Workers & Team Leaders
- Placement review officers
- Commissioners
- Admin/Business support
- Housing officers
- Personal Budget Officers
- Carers' support officers



- Young onset dementia

### **Joint funded posts**

There are several senior posts (3 fulltime equivalent posts/5 staff in total) that have historically been jointly funded between the Council and the NHS. For some postholders this has meant that they deliver a split function with another role that is Trust specific. It is proposed under the new arrangements that all joint funded posts remain out of scope for transfer, but that the Council's funding contribution is removed from the Trust.

The equivalent amount that the Council is currently paying to the Trust, will be built into the adult social care establishment to create the required management and infrastructure capacity to adequately discharge the adult social care function in the new service delivery model.

### **Management of HR implications**

The main HR implications of Option B will include the obligation to maintain the same employment contracts, terms and conditions, policies, etc. from CNWL to the Council for all staff in scope of this transfer. It should be noted that staff are protected from variations to their terms and conditions, as well as dismissal unless there is genuine Economic, Technical or Organisational (ETO) reasons.

However, specific HR implications will be ascertained when the following are known:

- Employer Liability Information – full terms and conditions of employees' employment, that will include:
  - Sick pay entitlement
  - Annual leave entitlement
  - Maternity/paternity/adoption leave
  - Additional benefits the employees might be entitled to.
- Measures letters from CNWL and the Council to highlight the proposed changes to employee terms and conditions
- Variation comparison to identify any aspect of the terms and conditions that the Council is not willing to accept.
- Equalities Impact Assessment of staff in scope
- Pensions – the situation regarding the employees' pension rights and if appropriate what arrangements would be made to preserve existing pension rights.
- Any possibility of Redundancy due to Economic, Technical or Organisational (ETO) reasons
- CNWL Trade union recognition agreements – the Council will usually inherit the recognition agreement if not in house already

To effectively manage these HR implications, it is necessary to ensure that the same or no less favourable terms and conditions are maintained. Both CNWL and the Council need to adequately inform and consult with employees and their representatives at the earliest stage as possible in view of reaching agreement as to

the proposed changes. Above all, to ensure the transfer process is managed in a fair and equitable manner.

Trade Unions and the staff in scope for transfer to a new employer have been informed of the implied change and the indicative timeframe, including that further clarity of their future employment position is pending the outcome of the Cabinet decision.

The actual HR resourcing cost to ASC cannot be determined at this stage until the above are known. These will include resourcing cost (National Insurance/Pensions Schemes, etc.) as the staffing group for ASC increases in size, which will impact the ASC finance budget.

If any employee in scope chooses to resign, this in effect may lead to a new recruitment cost. In addition, after the transfer has been completed, there may be redundancy and other associated cost, if Economic, Technical or Organisational (ETO) reasons are identified, which may warrant restructure, and affected individuals with two years or more continuous service would need to be paid.

### **HR transfer process and timeframe**

There is no fixed timeframe required in which to complete the staff transfer. However, enough time must be allowed to inform and fully consult with employees and their representatives before the transfer can take place. It should be noted that it is best practice to also inform and/or consult with the Council's trade unions and the ASC service area that the employees would be joining.

### **13. Impact on the Council's statutory duties**

The Council under the Mental Health Act 1983 has a legal duty to both assess and provide for services that address the mental well-being for the population of Harrow. The Care Act 2014 requires that all unpaid carers are offered an assessment to determine what support they require to maintain their caring role. Since 2016 these functions have been delivered on behalf of the Council by the strategic partner CNWL Foundation Trust.

This also provides the opportunity to review how partnership working with CNWL as the local provider for acute mental health provision, could be redesigned with regards the national agenda for whole systems approach to integrated preventative community based services.

The new in-house model of service delivery will be aligned with the adult social care model of support for anyone with mental ill health, underpinned by Care Act principles and delivered from a strength based model of intervention which starts from the principle of identifying the support or skills the individual already has access to.

### **14. Future service quality assurance**

The recommendation that the Council resumes full responsibility for the delivery of statutory functions for community mental health services, will enable the authority to

ensure the same standards and procedures are applied to community mental health services as for existing -in-house services.

Council officers will provide the scrutiny and oversight throughout the transition period, to ensure that an acceptable level of assurance on quality of delivery and outcomes for clients will be maintained as services and staff are transferred.

It is envisaged that upon completion of the transfer, the opportunity to improve the quality of social work practice, the increased promotion of independence through focussed interventions, and the integration with community and voluntary sector services will be significant.

An EQIA has been undertaken to assess any potential impact from the proposed changes in service delivery. The EQIA is at Annexe 2. The assessment indicated that for each of the groups with protected characteristics (clients or staff) there would either be no impact or in fact a positive impact as a result of the significant benefits that can be achieved from moving to a strength based model that is focused to maximise independence, choice and control for individuals over significant life decisions.

The EQIA is a live document that will be monitored and refreshed throughout the transfer process. A senior multi-agency leadership group will monitor care pathways, service performance and outcomes against an agreed set of metrics. This approach is proven within the provision of the Integrated Learning Disability service which ensures open dialogue continues between both partners.

#### **15. Factors that will have an impact on the success of the service transfer**

A programme management approach is being applied to both the planning and implementation of the changes, which will ensure the effective co-ordination and timing for each stage of the process.

The joint workplan agreed by the Council and CNWL ensures that the key areas such as workforce/HR, referral pathways, information sharing and data recording requirements, caseload management and safeguarding are addressed in a timely manner. This includes the consideration of shadow working arrangements during the implementation phase, to check that the new framework for service delivery is robust and complete.

Once the cabinet decision has been made, a co-production approach will be adopted working with staff and citizens to develop the details of the new operational delivery model.

#### **16. Impact on the ASC department**

There will be a requirement to grow the capacity of existing ASC functions to accommodate the mental health services e.g. Brokerage and quality assurance. This will be managed through the transfer of financial resources currently contained within the existing contract arrangements with the Trust and be closely monitored by the S75 Decommissioning Executive Board members for any wider implications as the work progresses.

#### **17. Impact on the Harrow community**

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The programme workplan will take account of feedback from existing services citizens and unpaid carers on the service improvements they would wish to see to current arrangements.

This summary assessment indicates that the recommended option will provide the greatest flexibility on addressing the concerns of the local mental health community with regards a new service delivery model, and will work to reduce inequalities through the way that the Care Act is applied going forward to reach those with protected characteristics.

Furthermore, consideration will be given in planning the service location requirements to enable access to support for clients closer to home rather than from a centralised location.

### **18. Added value to the Council**

The added value to the Council from the new arrangements is an enhancement to the current service offer based on a greater understanding of both the local community at a place level, and through the ability to apply a fuller understanding of social care responsibilities to delivery of the requirements of the Care Act 2014.

It will provide greater synergy with the service approach and overarching vision for adult social care services in Harrow.

The proposal also reflects the council's values in relation to community benefits and in particular

- Promote employment opportunities for Harrow residents
- Promote training, skills development and learning opportunities for Harrow residents

Each of these aspects will be measured by monitoring the satisfaction of staff, citizens and unpaid carers, through enabling a wider segment of the local population to gain access to support in a timely way.

### **19. Impact on strategic partnerships**

The termination of the S75 arrangements enables the Council to form new alliances as part of the Harrow Borough Based partnership. The recommended option will enable the Mental Health social care team to form new collaborative working arrangements with colleagues in Housing, Children's services, Primary care and the Voluntary sector.

In the future there is anticipated to be new opportunities as part of the West London Alliance to jointly commission supported accommodation providers from 2023, and to consider other options based on economy of scale to commission mental health support services at a northwest London sector level.

### **20. Overall impact on Council's assets (people, property and finance)**

The recommended change in service management arrangements enables the service to be fully aligned with the vision and principles of adult social care, in terms

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of a strength based approach provided to residents in the right place and at the right time. It also allows for closer management and scrutiny of the deployment of commissioning resources to meet changing demand for external supported accommodation services.

It provides holistic support for staff working within a non-medical approach that promotes their development as social care professionals.

The location for both public access and the staff work base will be considered as part of a localised community based service offer.

## Annexe 1: Summary of the main Benefits and Risks of each Option

Option	Rationale	Benefits	Risks
Option1 : <b>Do Nothing</b>	Renegotiate current contract arrangements to agree to NHS terms, if CNWL agree to withdraw termination notice.	<ul style="list-style-type: none"> <li>No change for service users or staff</li> </ul>	<ul style="list-style-type: none"> <li>Risk to the council of delegated care act functions not being fully delivered</li> <li>Financial risk of increasing placement overspend</li> <li>Continued lack of quality assurance of supported accommodation provision</li> </ul>
Option 2: <b>Insource services to ASC</b>	Improved ability to ensure full Care Act and safeguarding compliance. To ensure safe delivery of statutory duties and alignment to council ASC priorities and vision.	<ul style="list-style-type: none"> <li>Standardisation of QA within local authority protocols</li> <li>Ability to flex service to meet changing needs</li> <li>Greater control of placement and staffing costs</li> </ul>	<ul style="list-style-type: none"> <li>Loss of staff wishing to retain NHS status</li> <li>Incompatibility between NHS and LA data recording systems requires extensive migration</li> </ul>
Option 3 : <b>Commission a new service provider</b>	Specialist mental health knowledge in assessment and support functions	<ul style="list-style-type: none"> <li>Proven track record in direct mental health service provision</li> </ul>	<ul style="list-style-type: none"> <li>Lack of market interest</li> <li>Lack of adequate time or resources to procure</li> <li>Potential increase in contract cost</li> <li>Lack of local community knowledge or investment</li> </ul>

## Annexe 2: Equality Impact Assessment (EqIA) November 2018



### You will need to produce an Equality Impact Assessment (EqIA) if:

- You are developing a new policy, strategy, or service
- You are making changes that will affect front-line services
- You are reducing budgets, which may affect front-line services
- You are changing the way services are funded and this may impact the quality of the service and who can access it
- You are making a decision that could have a different impact on different groups of people
- You are making staff redundant or changing their roles

Guidance notes on how to complete an EqIA and sign off process are available on the Hub under Equality and Diversity. You must read the [guidance notes](#) and ensure you have followed all stages of the EqIA approval process (outlined in appendix 1). Section 2 of the template requires you to undertake an assessment of the impact of your proposals on groups with protected characteristics. Equalities and borough profile data, as well as other sources of statistical information can be found on the Harrow hub, within the section entitled: [Equality Impact Assessment](#) - sources of statistical information.

Equality Impact Assessment (EqIA)		
<b>Type of Decision:</b>	<input checked="" type="radio"/> Cabinet <input type="radio"/> Portfolio holder <input type="radio"/> Other (state)	
<b>Title of Proposal</b>	Decommissioning of s75 contract with Central North West London Foundation Trust	<b>Date EqIA created 05-08-2022</b>
<b>Name and job title of completing/lead Officer</b>	Natasha Ramchurn Head of Mental Health	
<b>Directorate/ Service responsible</b>	Adult social care	
Organisational approval		
<b>EqIA approved by Directorate Equalities Champion</b>	<b>Name</b> Shumaila Dar Head of Equality, Diversity and Inclusion	<b>Signature S.Dar</b> <input checked="" type="checkbox"/> X <b>Tick this box to indicate that you have approved this EqIA</b>  <b>Date of approval</b> 22 September



## 1. Summary of proposal, impact on groups with protected characteristics and mitigating actions

(to be completed **after** you have completed sections 2 - 5)

### a) What is your proposal?

In January 2022, the council's strategic partner in the delivery of mental health services -CNWL NHS Foundation Trust, announced its decision to end the current partnership arrangements delivered through S75 delegated functions during the 2022-23 financial year.

As the provision of these services is a statutory requirement for the Local Authority under the Mental Health Act 1983 and Care Act 2004, an alternative arrangement needs to be sourced to ensure continuity of service provision through the seamless transfer of service delivery responsibility and management.

The proposal is to plan for the transfer of both service and employment responsibility to within Adult Social Care during 2022-23

### b) Summarise the impact of your proposal on groups with protected characteristics

The proposal to transfer service and staff management responsibilities for the statutory social care and Care Act compliance elements of mental health service provision, is expected to have an overall positive impact on groups with protected characteristics by addressing any inequalities around access and delivery of support as part of the development of the new service operating model.

This equalities assessment will be kept under review throughout the transfer planning and post-service transfer. Changes to the clients' care assessment process will also be implemented to evidence and address any inequalities identified with regards access or provision.

### c) Summarise any potential negative impact(s) identified and mitigating actions

This EQIA will be kept under review throughout the service transfer process to review for any potential negative impact and deliver the mitigating actions required.

<b>2. Assessing impact</b>					
You are required to undertake a detailed analysis of the impact of your proposals on groups with protected characteristics. You should refer to <a href="#">borough profile data</a> , <a href="#">equalities data</a> , service user information, consultation responses and any other relevant data/evidence to help you assess and explain what impact (if any) your proposal(s) will have on <b>each</b> group. Where there are gaps in data, you should state this in the boxes below and what action (if any), you will take to address this in the future.		What does the evidence tell you about the impact your proposal may have on groups with protected characteristics? Click the relevant box to indicate whether your proposal will have a positive impact, negative (minor, major), or no impact			
<b>Protected characteristic</b>	For <b>each</b> protected characteristic, explain in detail what the evidence is suggesting and the impact of your proposal (if any). Click the appropriate box on the right to indicate the outcome of your analysis.	Positive impact	<b>Negative impact</b>		No impact
			Minor	Major	
<b>Age</b>	<p>CNWL currently supports people aged 18-65. In comparison, in the borough population(ONS, 2017), a fifth of the population is under 16. 63.7% are working-age adults and 15.4 % are 65 or over. In line with the national data there continues to be an increase in older people and an expectation that by 2031, over 65s will increase to 41% and over 85s will increase by 31% (ONS, 2014).</p> <p><b>Impact:</b></p> <p><b>The new arrangements will continue to support service users aged between 18-65 and these clients will have access to care and support under the Care Act 2004.</b></p> <p><b>It is considered unlikely that the proposal will lead to a differential impact for people based on this protected characteristic.</b></p> <p><b>The development of the new ASC operating model will consider and respond to issues around accessibility for this group, both in terms of physical location and alternatives to digital contact.</b></p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Disability</b>	<p>According to ONS (2018) data, 9.6 % of Harrow’s working-age population classify themselves as disabled, a total of 23,900. 5150 individuals, 2.2% of the total adult population receive a disability living allowance (ONS, 2018). 8.5% of Harrow’s working age population have mental health problems</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

	<p><b>Impact:</b></p> <p>The new service arrangements will continue to support mental health service users aged between 18-65 with both associated physical disability and mental ill-health and these clients will continue to have access to care and support under the Care Act 2004 and access these services under one roof.</p> <p>It is considered unlikely that this proposal will lead to a differential impact for people based on this protected characteristic.</p> <p>The development of the new ASC operating model will consider and respond to issues around accessibility for this group, both in terms of physical location and alternatives to digital contact.</p>				
<b>Gender reassignment</b>	<p>There is currently no data recorded on clients with regards this protected characteristic.</p> <p><b>Impact:</b></p> <p>The proposal will aim to support and serve service users regardless of their gender reassignment.</p> <p>It is considered unlikely that the proposal will lead to a differential impact for people based on this protected characteristic. However, the assessment framework developed under the new arrangements will ensure that data is recorded for this group to evidence and address any inequalities in terms of access or service offer.</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Marriage and Civil Partnership</b>	<p>According to the ONS (2017), 54 % of Harrow residents are married, the highest level in London. As of 31st December 2016, there have been 142 civil partnerships in Harrow, 19 have been converted into marriage. There have been 32 same-sex marriages since its inception on 29th March 2014.</p> <p>According to CNWL data, 53% of service users classify themselves as single, 11 % of service users classify themselves as married, and 23% of service users do not disclose their marital status.</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

	<p><b>Impact:</b></p> <p><b>The proposal will aim to continue to support service users with a mental illnesses regardless of their marriage and civil partnership.</b></p> <p><b>It is considered unlikely that the proposal will lead to a differential impact for people based on this protected characteristic.</b></p>				
<p><b>Pregnancy and Maternity</b></p>	<p>In 2017, there were 3695 live births to mothers living in Harrow, representing 14.8% live births per population, higher than the London rate of 14.3 (ONS, 2017).</p> <p>According to CNWL data, 3% of these mothers are known to Perinatal Mental Health Services.</p> <p><b>Impact:</b></p> <p><b>The proposal will aim to support service users regardless of their pregnancy or maternity status.</b></p> <p><b>The development of the new operating model will ensure that there will be clear care pathways between services developed to ensure that this group continues to receive a holistic service approach to the mother and child, and enhanced through closer working proximity with Harrow Children and family services</b></p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Race/  
Ethnicity

This information was obtained from the Council's Race Equality report (Oct 2021) and findings from our Workforce Profile. The most recent iteration of the council's Workforce Profile shows that around 43% of our workforce are white, compared to 25% that are Asian and 16% who are Black. It is clear, that currently, the council's workforce does not fairly reflect our resident population.

Ethnicity	Resident population	Workforce
White	37%	43%
Asian	44%	25%
Black	7%	16%
Multi-heritage	3%	3%

*Figure 1. Harrow's staff profile compared to the resident population*

This additional column, reporting on Mental Health service users by ethnicity suggests that our (overall, not just social care) workforce does much more closely match the proportion of service users with Mental Health needs (with the exception of multi-heritage).

Ethnicity	Resident population	Workforce	Service Users with MH need
White	37%	43%	42%
Asian	44%	25%	23%
Black	7%	16%	20%
Multi-heritage	3%	3%	8%



	<p><b>Equalities and Mental Health</b></p> <p>The difference in receiving eligible services/reablement for new White British Vs BaME citizens has also been considered.</p> <p>Based on the previous DoH measure of equality of access, a range of 0.9-1.1 was considered 'good'. Scores above 1 indicate that white British clients are more likely to receive support than BaME clients. Scores below 1 show the opposite.</p> <p>CNWL measurements in 2021-22 were between 0.95 and 1.15 for the previous year. This indicates that the community service may currently be slightly biased towards white clients being more likely to receive support following an assessment.</p> <p>The local data suggests that while there is only a small difference in the chance of receiving support once assessed, many fewer Asian, and many more Black and Multi-heritage service users are being supported for mental health needs than the resident population would suggest.</p> <p>This would support the prevalence of mental health problems being higher for people in Black and Multi Heritage groups but does not explain the low proportion of Asian long-term service users in receipt of support, which may be due to lower rates of referral to the service. (Race Equality Foundation report (2020))</p>				
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	<p><b>Impact:</b></p> <p>The proposal will aim to continue to support service users regardless of their race/ethnicity. All service users will have the same access to mental health social care.</p> <p>As part of developing the new operating model, further analysis and recommendations deriving from the data above, are required to ensure there is no difference between white and BaME service users receiving support.</p> <p>Recruitment and retention will also be considered to ensure that the ethnic diversity of the workforce reflects that of the Harrow population.</p>				
<p><b>Religion or belief</b></p>	<p>Religion affiliation is high in Harrow, with Harrow having the 2<sup>nd</sup> lowest number of residents who stated they have no religion. In the 2011 Census, Christianity was ranked as the common number of followers with 37% (59% nationally). Hinduism is the second most common religion and ranked highest nationally. Harrow has the highest proportion of Hindus, Jains and Unification churches in London and the second highest for Zoroastrianism.</p> <p>CNWL does not currently collate data on this protected characteristic</p> <p><b>Impact:</b></p> <p>The proposal will aim to continue to support service users regardless of their religion or belief. It is considered unlikely that the proposal will lead to a differential impact for people based on this protected characteristic. However, the assessment framework to be established under the new arrangements will ensure that data is recorded for this protected characteristic to evidence and address any inequalities in terms of access or service offer.</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p><b>Sex</b></p>	<p>According to the ONS (2017), 49.9% of Harrow's population is Male compared to 50.1% which are female.</p> <p>In comparison with CNWL data, there is 44% male service users and 56% are female in Harrow Mental Health hubs.</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

	<p><b>Impact:</b>  <b>The proposal will aim to continue to support service users regardless of their sex.</b>  <b>It is considered unlikely that the proposal will lead to a differential impact for people based on this protected characteristic.</b></p>				
<b>Sexual Orientation</b>	<p>According to CNWL's data, sexual orientation is underreported; 44% have identified as being heterosexual, 2% identified as being LGBT, 41 % sexual orientation has not been recorded, and 13% prefer not to say.</p> <p><b>Impact:</b>  <b>The proposal will aim to continue to support service users regardless of their sexual orientation.</b>  <b>It is considered unlikely that the proposal will lead to a differential impact for people based on this protected characteristic.</b></p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p><b>2.1 Cumulative impact – considering what else is happening within the Council and Harrow as a whole, could your proposals have a cumulative impact on groups with protected characteristics?</b></p> <p><input type="checkbox"/> Yes                      No    <input checked="" type="checkbox"/></p>					
<p>If you clicked the Yes box, which groups with protected characteristics could be affected and what is the potential impact? Include details in the space below</p>					
<p><b>2.2 Any other impact - considering what else is happening nationally/locally (national/local/regional policies, socio-economic factors etc), could your proposals have an impact on individuals/service users, or other groups?</b></p> <p><input type="checkbox"/> Yes                      No    <input checked="" type="checkbox"/></p>					



If you clicked the Yes box, Include details in the space below

### 3. Actions to mitigate/remove negative impact

**Only complete this section if your assessment (in section 2) suggests that your proposals may have a negative impact on groups with protected characteristics. If you have not identified any negative impacts, please complete sections 4 and 5.**

In the table below, please state what these potential negative impact (s) are, mitigating actions and steps taken to ensure that these measures will address and remove any negative impacts identified and by when. Please also state how you will monitor the impact of your proposal once implemented.

State what the negative impact(s) are for <b>each</b> group, identified in section 2. In addition, you should also consider and state potential risks associated with your proposal.	Measures to mitigate negative impact (provide details, including details of and additional consultation undertaken/to be carried out in the future). If you are unable to identify measures to mitigate impact, please state so and provide a brief explanation.	What action (s) will you take to assess whether these measures have addressed and removed any negative impacts identified in your analysis? Please provide details. If you have previously stated that you are unable to identify measures to mitigate impact please state below.	Deadline date	Lead Officer

#### 4. Public Sector Equality Duty

How does your proposal meet the Public Sector Equality Duty (PSED) to:

1. Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act 2010
2. Advance equality of opportunity between people from different groups
3. Foster good relations between people from different groups

**The proposal to return the delivery and management of mental health social care assessment and care planning services to the Council will enable parity for these services in response to the Public Equality Duty in line with the current ASC portfolio.**

**As part of the service transfer, the introduction of process changes regarding the recording and monitoring of outcomes from any contact with the service for resident groups with protected characteristics, will enable the service to identify and address any inequalities of opportunity for these groups.**

**In addition, the development of a local alliance partnership as the next stage will establish new links with and between the various faith and community groups in Harrow, who will come together to jointly provide a new coordinated network of support for residents with mental ill-health.**

#### 5. Outcome of the Equality Impact Assessment (EqIA) click the box that applies

Outcome 1

**No change required: the EqIA has not identified any potential for unlawful conduct or disproportionate impact and all opportunities to advance equality of opportunity are being addressed**

Outcome 2

**Adjustments to remove/mitigate negative impacts identified by the assessment, or to better advance equality, as stated in section 3&4**

Outcome 3

**This EqIA has identified discrimination and/ or missed opportunities to advance equality and/or foster good relations. However, it is still reasonable to continue with the activity. Outline the reasons for this and the information used to reach this decision in the space below.**

Include details here N/A



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**Report for: Cabinet**

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<b>Date of Meeting:</b>	13 <sup>th</sup> October 2022
<b>Subject:</b>	Cashlite Council
<b>Key Decision:</b>	Yes, the decision sought will affect more than 2 Wards
<b>Responsible Officer:</b>	Dawn Calvert - Director of Finance and Assurance
<b>Portfolio Holder:</b>	Councillor David Ashton - Portfolio Holder for Finance & Human Resources; Councillor Anjana Patel - Portfolio Holder for Environment & Community Safety
<b>Exempt:</b>	No
<b>Decision subject to Call-in:</b>	Yes
<b>Wards affected:</b>	All
<b>Enclosures:</b>	Appendix A – Paypoint locations in borough Appendix B – Equalities Impact Assessment (EqIA)

## **Section 1 – Summary and Recommendations**

This report sets out the proposal to move the Council to a cashlite organisation, reducing the amount of cash handled by the organisation and the associated costs.

### **Recommendations:**

Cabinet is requested to:

1. Agree the implementation of 1-hour free car parking in all council car parks except West House and the Leisure Centre car parks where the current arrangements will remain in place.
2. Agree the move towards a cash lite council by removing all pay and display machines, with the exemptions detailed in tables 1 and 2 below, to a cashless solution with options to pay by app, phone (card) or in cash at a local pay point shop within a five-minute walk.
3. Delegate authority to the Head of Highways Transport and Asset Management to take all necessary steps to make traffic management orders to implement the cashless parking requirements and to consider the consultation responses, in consultation with the Portfolio Holder for Environment and Community Safety and if appropriate implement the orders.
4. Agree the current kiosks at the civic centre are disabled as part of the decommissioning of the Civic Centre site

### **Reason (for recommendations):**

The move to a cash lite council will reduce the significant costs incurred through handling cash and the maintenance/upgrade of all pay and display machines, whilst also ensuring effective, efficient, and sustainable services.

Furthermore, the implementation of the hour free parking in car parks, already available at on-street parking locations, delivers 1-hour free parking across the borough supporting the recovery of the local high streets and businesses in Harrow and giving our residents a little extra back in times where many costs and bills are rising.

## **Section 2 – Report**

### **1.0 Introduction**

- 1.1 Over the past decade the council has reduced the levels of cash it handles daily due to new technology.
- 1.2 Currently the council receives cash in three ways – directly into the Council at payment kiosks in the Civic Centre, pay and display machines

and from council services run from satellite sites such as libraries, the Arts Centre, and Headstone Manor and registrars. The council also receives payments for cashless parking, online using card transactions and Direct Debit for regular payments such as rents and council tax

- 1.3 Alternative methods for paying for parking and services continue to be popular with customers – with 65% of all parking payments and 98% of all other payments being made using alternative / cashless options
- 1.4 The global pandemic highlighted the risk in handling cash and led to many people using digital or contactless options to pay for goods and services.
- 1.5 In addition, as part of the Council's accommodation strategy, the new Council offices at the Harrow Council Hub (HCH) do not include provision for a bullion room for the counting and storage of large volumes of cash.
- 1.6 In addition to removing the need for the Council to operate a cash collection service going forward, the proposed changes will also generate efficiencies within services and avoid the significant investment required to maintain and update the infrastructure required to continue cash collection.
- 1.7 The move to providing improving provision for cashless payments for residents will provide what many residents see as a more convenient service for those who opt to pay by cashless methods. Residents will be able to pay for and extend their parking sessions remotely and pay by contactless card at all Council sites.
- 1.8 A communications and engagement plan is in development alongside the Cash lite programme to ensure that residents are aware of the changes particularly those who are most impacted by the move away from cash (identified through the EQIA - see Appendix B).

## **2.0 Options considered**

- 2.1 Implementation of the cashlite scheme detailed in this report - Will reduce the use of cash across the Council to a minimal level while ensuring detrimental effects on residents are minimised. This approach ensures the Council avoids the future cost of providing a bullion room in future buildings and the cost of outsourced cash collections, while minimising impact on residents.
- 2.2 Outsourcing of the Council's cash collection, counting and banking service – Following soft market testing, this approach would have a significant additional revenue cost to the Council with increasing unit cost as the amount of cash received by the Council continues to fall. In addition, this would require significant investment in the Council's parking pay and display machines which would require an upgrade in connectivity in January 2023 and eventual replacement of all 229 machines as they reach their end of life.

- 2.3 Do nothing – Not a viable option as the infrastructure for cash collection will no longer be available

### **3.0 Background**

- 3.1 The change in customer behaviour to shift away from the use of cash to other forms of payment has been accelerated by the covid pandemic. Across all the Council services no area has returned to pre- pandemic levels of cash receipts. The following sections of the report explain the current position by area and the proposals to migrate away from cash where possible.

### **4.0 Kiosk payments**

- 4.1 Over the last twelve months, payers at the kiosk account for 2% of payment transactions, with all customers using the kiosk to make credit and debit card payments that could have been made by alternative channels.

During this time 53% of payments have been made over the internet and 45% via the automated payment telephone line.

Throughout the year the Customer Service staff have engaged with residents to discuss alternative payment methods and as a result kiosk users have fallen by 52% over the last 6 months.

- 4.2 As part of the decommissioning of the Civic Centre, the kiosks will be disabled. From this point, Access Harrow frontline staff will be available to support residents using online payments and the automated payment line at Greenhill Library via a drop-in service Monday to Friday. All payments available on the kiosks are also available online and via automated telephone payments.
- 4.3 93% of the payments via the kiosks currently are for Council tax and Housing rents. Work is already underway to promote the use of other forms of payment (specifically Direct Debits) to those currently using the kiosks for Council tax and housing payments.
- 4.4 The impact of these changes will be monitored and reviewed 6 months after implementation.
- 4.5 Consideration was given to introducing handheld payment machines at satellite sites to take general Council payments. This was however dismissed as handheld payment machines are set up to use a single merchant number which does not allow for customers reference numbers regarding different categories of payment. As such, whilst this could work as a kiosk replacement, the amount of administrative work which would need to be carried out manually to reconcile payments made these potential solutions unviable.
- 4.6 Kiosks need will be reviewed after the initial implementation period and if required, card only kiosks will then be considered at Greenhill library.



## 5.0 Parking

- 5.1 Currently customers can pay for parking using pay and display machines across the borough and a cashless option using an app, text, telephony system or via the web, using our cashless supplier.
- 5.2 Cashless parking payments are already at 65% across the borough using our cashless provider.
- 5.3 The proposed strategy is to remove all pay and display machines across the borough and replace them with a cashless option. This will mean customers can pay using a telephony option, a text, an app, or the website.
- 5.4 In addition to this, prior to the machines being removed, we will implement pay point locations across the borough where customers can also pay by cash in a local shop for their parking.
- 5.5 A table of all the current and proposed PayPoint locations for the whole borough can be found at Appendix A.
- 5.6 However, not all locations are suitable and would impact on some residents with particular protected characteristics. Therefore, to ensure all customers come with us on this new journey, we will be installing seven new pay and display machines with a contactless card option only on the machines. This means customers can pay by debit or credit card using the contactless feature on their card. This option has been chosen as we do not have the ability to facilitate any PayPoint options to pay by another means as these locations are remote and do not have any local shops nearby.
- 5.7 Table 1 below sets out the 7 parking bay locations where the new contactless payment machines will be installed to take payment for parking:

Machine Number	Machine Location	PayPoint Y/N	Charging Days & Hours	Comments / Proposals
20	20 - Peterborough Rd	N	Mon-Sat 08:30 - 18:30 & Sun 10:00 - 18:00	Due to no PP at location retain contactless P & D machine
34	34 - Bethacar Rd, o/s doctors	N	Mon-Sat 08:00 - 18:30	Due to no PP at location retain contactless P & D machine
40	40 - Crystal Way	N	Mon-Sat 08:30 - 18:30	Due to no PP at location retain contactless P & D machine
45	45 - Grove Hill, Bottom	N	Mon-Sat 08:30 - 18:30 & Sun 10:00 - 18:00	Due to no PP at location retain contactless P & D machine
58	58 - West Street	N	Mon-Fri 10:00 - 14:00	Due to no PP at location retain contactless P & D machine
761	761 - Whitmore Rd, opp #18	N	Mon-Fri 08:00 - 18:30	Due to no PP at location retain contactless P & D machine
762	762 - Whitmore Rd, opp #48	N	Mon-Fri 08:00 - 18:30	Due to no PP at location retain contactless P & D machine

- 5.8 Furthermore, another 4 sites, cannot accommodate the PayPoint in a shop option and the locations are underused for a cost-effective enforcement of paid for parking, so it is proposed that these will be amended to free parking bays with a maximum stay of 1-2 hours free or

charge and a maximum stay / no return period implemented. Table 2 below sets out these sites:

Location	Proposed Max Stay	No return Period
O/S Hatch End Station Uxbridge Road, Hatch End	2 Hours	4 hours
S/O 2 Butler Road in Vellacott Road, West Harrow	2 Hours	4 hours
Opp 40-46 Flambard Road, Harrow	2 Hours	4 hours
Opposite Whitmore High School Porlock Avenue, West Harrow	2 Hours	4 hours

- 5.9 Finally, the council is also proposing to implement 1-hour free parking in all council car parks except West House and Leisure Centre car parks where the current arrangements will remain in place.
- 5.10 For Registrars and Libraries, cash will continue to be accepted but only where necessary, and other methods will be promoted. The reason for this is that the equality impact assessment has identified that there is an adverse equalities impact on certain protected characteristics such as older adults, and disabled persons. For the Civic amenity site contactless payments will be taken.

## **6 Performance Issues**

- 6.1 New performance measures will be put in place to monitor and record the take up of the one-hour free parking. This will also be monitored to ensure they meet the customer needs regarding ease of usage and deliver the objectives of the new policy; to support local businesses, via increased footfall.

## **7 Environmental Implications**

- 7.1 The implementation of the strategy will have some benefits regarding environmental impacts as the new model will reduce cash in transit journeys, paper receipts issued to motorists as well as the need to build a bullion room.
- 7.2 Regarding the increasing the free parking from 20 minutes to 1 hour, this may have some environmental benefits as residents will not need to move their cars as often therefore reducing emissions.

## **8 Procurement Implications**

- 8.1 The Services to be procured are subject to change controls to existing contracts. As such the arrangements being put in place do not appear to be subject to the full application of the Public Contracts Regulations 2015. Any variation to this will go through the Council's contract procedure rules.

## **9 Risk Management Implications**

Risks included on corporate or directorate risk register? **No**

Separate risk register in place? No – **A project risk register will be established and maintained for this project.**

The following key risks should be taken into account when agreeing the recommendations in this report:

Risk Identified	Mitigations	Rag Status
Residents still expect to use kiosks / pay cash at key front office locations leading to dissatisfaction and potentially complaints	Mitigations are that Access Harrow staff will be deployed to Greenhill library to assist public pay via internet or automated telephone line. Cheques will also be accepted at that site. A communications campaign will be undertaken to encourage residents to adopt alternative methods of payments to cash, such as direct debit, online and telephone payments.	
Insufficient awareness of the changes confuses public and results in cash collection performance deteriorating	Mitigated by awareness campaign and targeting of potential residents who tend to pay cash or use kiosks.	
1 Hour free period in car parks reduces parking income	<p>The part year loss of income in 2022/23 will be met from the specific 1-hour free parking reserve set aside from 2021/22 outturn. The data collated in 2022/23 will help to estimate the annual loss of income, which will have to be funded from efficiencies within the 2023/24 annual budget setting process.</p> <p>Removing the need for the Council to operate a cash collection service going forward, the proposed changes will generate efficiencies within services and avoid the significant investment required to maintain and update the infrastructure required to continue cash collection (approx. £1m).</p> <p>Helps avoids the cost of providing a bullion room in future buildings and the cost of outsourced cash collections.</p>	
Residents who do not pay / register via appropriate method receive PCN's leading to dissatisfaction and potential complaints	A communications plan is being put in place to inform and make residents aware of changes. Civil Enforcement Officers will be briefed to ensure discretion is used so no one is penalised in first few weeks of cashless parking going live.	
Relevant Traffic Management Orders not implemented to allow for changes for 1-hour free parking and changes to free parking bays	Traffic Management Orders are a key part of the project. As such, they will be implemented as part of project so changes are legal.	
Residents who are not digitally "savvy" cannot pay for parking. leading to dissatisfaction and potential complaints	Full EqIA carried out and will be updated post implementation to take account of feedback. Mitigations already considered include PayPoint cash payments at locations nearby with multiple signage informing residents where to go.	

	Communications plan will also ensure changes are advertised prior to implementation so residents are aware.	
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## 10 Legal Implications

- 10.1 Subject to statutory consultation requirements, the council has powers to introduce, implement and change Traffic Management Orders' under the Road Traffic Regulation Act 1984, The Local Authorities' Traffic Orders Procedure) (England and Wales) Regulations 1996 and The Traffic Signs Regulations and General Directions 2016.
- 10.2 Section 122 of the Road Traffic Regulation Act 1984, under which the council has a duty to secure free movement of vehicular and other traffic (including pedestrians) and maintain the provision of suitable and adequate parking facilities on and off the highway.

## 11 Financial Implications

### 11.1 Cashlite

There are clear savings by implementing the cashlite strategy. Large savings come in the form of cost avoidance as the capital costs of replacing the existing on street and car park cash payment machines as well as the upgrade to 4G. There are also other immediate cost avoidance savings by not building a short-term bullion room at HCH and longer term by there being no need to cater for this at the new Civic

Item	Saving	Costs Avoided
Requirement for bullion room in HCH or new Town Hall	Significant space and cost saving	There is no provision for this at HCH and will not be needed in future buildings
Cost of outsourced cash collection, banking and counting service	Est £350k per year	Based on rough estimate from G4S to carry out cash service end to end
Move of kiosks to Greenhill library	Est £50k, plus staffing costs	
Upgrade of P+D machines to 4G SIMs	£150k	All P+D machines would require this by Jan 2023
Future replacement of all P+D machines (imminent)	£900k	We will no longer be required to replace pay and display machines when they are end of life
Upgrade of P+D machines to account for new coinage	£50k	Each change to sterling requires an upgrade to the machines

Centre. Items for cost avoidance are detailed below:

11.2 Other small operating revenue savings will also be realised by terminating cash collection contracts and reducing staff associated with cash in transit and bullion counting. Overall net revenue savings of £74k are estimated and these will be built into the Medium-Term Finance Strategy refresh:

Item	Saving	Cost	Notes re Revenue Savings / Costs
Reduction in Cashiers staff x 1	30k		No longer required for cash counting and supporting kiosk
G4S cash collection contract no longer required	£20k		No longer required for collection of cash from bullion room
Reduction in CIT officers x 1	£30k		
Reduction in maintenance costs	£75k		Cost of licences, call outs, SIM cards and parts to maintain P+D machines
Increase in credit and debit card transaction handling		£20k	
Charges for handheld chip and PIN devices		Will be picked up by service areas	£30 a month charges per device
Paypoint charges		£36k	
Maintenance for signage		£25k	

11.3 To deliver the benefits of going cash lite across the council, implementation costs are estimated at £240k and detailed below. As these costs are one off in nature, they will be they will be funded from the contingency for unforeseen items:

Item	Cost
Removal of P+D machines	£100k
New signage for P+D sites	£50k
Additional traffic engineer costs, including production of traffic orders	£60k
Resident engagement and communication	£30k
<b>TOTAL</b>	<b>£240k</b>

#### 11.4 One Hour Free Car Parking (in the majority of Council car parks)

The tickets data and income from car parks are summarised in the table below. An average annual income of around £1.5m was achieved for the 3-year period between 2017/18 and 2019/20.

Average no. of Paid tickets issued	1,545,324
Average income per Paid ticket	£0.98
<b>Average Total Income</b>	<b>£1,510,024</b>

11.5 Should free parking be introduced in car parks, income would be lost for the first hour of parking. The table below provides a sensitivity analysis of the potential loss of income. This sets out scenarios of 5% to 50% reduction in the number of paid tickets, with the estimated potential loss of income of £75k at 5% increasing to £755k at 50% in a year:

	5%	10%	15%	20%	25%	30%	35%	40%	45%	50%
Scenario	Less Paid tickets issued	Less Paid tickets issued	Less Paid tickets issued	Less Paid tickets issued	Less Paid tickets issued	Less Paid tickets issued	Less Paid tickets issued	Less Paid tickets issued	Less Paid tickets issued	Less Paid tickets issued
Reduction in the number of paid tickets	77,266	154,532	231,799	309,065	386,331	463,597	540,864	618,130	695,396	772,662
Potential loss of P&D income	£75,473	£150,945	£226,418	£301,891	£377,364	£452,836	£528,309	£603,782	£679,255	£754,727

11.6 This report proposes the introduction of one-hour free parking in the majority of car parks from around January 2023. This will result in a part year loss of parking income in 2022/23 as the proportion of paid tickets is expected to reduce in car parks. The reduction in income will depend upon the uptake of the offer therefore the tickets data and income from implementation onwards will be closely monitored to assess the actual income loss in 2022/23.

11.7 The part year loss of income in 2022/23 will be met from the specific 1-hour free parking reserve set aside from 2021/22 outturn. The data collated in 2022/23 will help to estimate the annual loss of income, which will have to be funded from efficiencies within the 2023/24 annual budget setting process.

11.8 As the initiative is progressed to implementation, there may be one-off implementation costs and again these will be funded from the specific 1-hour free parking reserve.

## 12 Equalities implications / Public Sector Equality Duty

12.1 Decision makers should have due regard to the public sector equality duty in making their decisions. The equalities duties are continuing duties they are not duties to secure a particular outcome. The equalities impact will be revisited on each of the proposals as they are developed. Consideration of the duties should precede the decision. It is important that Cabinet has regard to the statutory grounds in the light of all available material. The statutory grounds of the public sector equality duty are found at section 149 of the Equality Act 2010 and are as follows:

12.2 A public authority must, in the exercise of its functions, have due regard to the need to:

- eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
- advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

12.3 Having due regard to the need to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:

- remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic;
- take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it;
- Encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low. The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities.

Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:

- Tackle prejudice, and
- Promote understanding.

12.4 Compliance with the duties in this section may involve treating some persons more favourably than others; but that is not to be taken as permitting conduct that would otherwise be prohibited by or under this Act. The relevant protected characteristics are:

- Age
- Disability
- Gender reassignment
- Pregnancy and maternity
- Race,
- Religion or belief
- Sex
- Sexual orientation
- Marriage and Civil partnership

- 12.5 In considering the recommendations submitted within this report, an Equality Impact Assessment has been undertaken to ensure that any potential adverse impact to groups that share a protected characteristic has been identified, evaluated and mitigated wherever possible. This has been included at Appendix A to this report.
- 12.6 The analysis has identified the potential for an adverse impact. For this reason, mitigations have been put in place such as paypoints that take cash for parking and cash payments being accepted in exceptional circumstances for other areas for example registrars. However, any equalities implications arising from the recommendations will continue to be considered and assessed as further data/information is obtained or becomes available during the procurement process.
- 12.7 The vast majority already pay for both Council services and parking electronically. However, a small cohort may not be able to digitally transact or make payments via the internet or on mobile phones, for example because they are not able to use the technology or do not own a digital mobile phone. This may mean that the proposal has an adverse impact on these residents/motorists.
- 12.8 Overall there were some adverse impacts found on protected groups should Harrow implement cashless and mitigation has been put in place. For some residents there will be potentially positive impacts as they may find this way of paying more convenient.
- 12.9 There is a benefit to the council that the cost of providing the services would reduce significantly.

### **Section 3 - Statutory Officer Clearance**

**Statutory Officer: Dawn Calvert**

Signed by the Chief Financial Officer

**Date: 03 October 2022**

**Statutory Officer: Jessica Farmer**

Signed on behalf of the Monitoring Officer

**Date: 05 October 2022**

**Chief Officer: Dawn Calvert**

Signed on behalf of the Corporate Director

**Date: 03 October 2022**

**Head of Procurement: Nimesh Mehta**

Signed by the Head of Procurement

**Date: 03 October 2022**

**Head of Internal Audit: Susan Dixon**

Signed by the Head of Internal Audit



**Date: 05 October 2022**

## **Mandatory Checks**

*Ward Councillors notified: NO, as it impacts on all Wards*

*EqIA carried out: Yes.*

*EqIA cleared by: Shumaila Dar*

## **Section 4 - Contact Details and Background Papers**

**Contact:** Fern Silverio (Head of Service – Collections & Housing Benefits),  
tel: 020-8736-6818, email: [fern.silverio@harrow.gov.uk](mailto:fern.silverio@harrow.gov.uk)

**Background Papers:** None

**Call-in waived by the Chair of Overview and Scrutiny Committee - NO**

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## Appendix A

Machine Number/ Location	Existing PayPoint Y/N	Existing / Proposed Paypoint Location
21 - Lowlands Rd, nr Grove Hill opp harrow on the hill collage	N	shop inside Harrow on the Hill Station
22 - Lowlands Rd, opp college entrance	N	shop inside Harrow on the Hill Station
24 - Lansdowne Rd , opp 1	N	Jessy's Lowland Road
30 - Whitehall Rd, o/s #3	N	Jessy's Lowland Road
50 - Church Hill #1	N	Hill Foods High Street Harrow on the Hill
51 - Church Hill #2	N	Hill Foods High Street Harrow on the Hill
52 - High Street HH #1	N	Hill Foods High Street Harrow on the Hill
53 - High Street HH #2 (New 2021 TBC)	N	Hill Foods High Street Harrow on the Hill
54 - High Street HoTH #3	N	Hill Foods High Street Harrow on the Hill
55 - High Street HoTH #4	N	Hill Foods High Street Harrow on the Hill
56 - London Road #1	N	Hill Foods High Street Harrow on the Hill
57 - London Road #2	N	Hill Foods High Street Harrow on the Hill
115 - West House Car Park	N	Provide account at onsite Facilities
126 - Love Lane CP, M&S Section Strada	N	17 Love Lane Pinner
127 - Love Lane CP	N	17 Love Lane Pinner
128 - Love Lane CP	N	17 Love Lane Pinner
335 - Harrow Leisure Centre CP, nr entrance	N	Provide account for Lesuire Facilities
336 - Harrow Leisure Centre CP, middle	N	Provide account for Lesuire Facilities
337 - Harrow Leisure Centre CP, middle	N	Provide account for Lesuire Facilities
338 - Harrow Leisure Centre CP, far end	N	Provide account for Lesuire Facilities
339 - Harrow Leisure Centre CP, nr entrance	N	The Corner Shop Byron Road Wealdstone
386 - Stuart Road, by park	N	Stop & Shop 5 Stuart Road Wealdstone
401 - Queens House CP, Right Lane	N	19 or 27 College Rd, Harrow
402 - Queens House CP, Left Lane	N	19 or 27 College Rd, Harrow
640 - Honeypot Ln, o/s 907 Kumon	N	Honeypot superstore Honeypot Lane Stanmore
641 - Honeypot Ln, o/s 857 Funeral Directors	N	Honeypot superstore Honeypot Lane Stanmore

660 - Whitchurch Playing Fields CP, Wemborough Rd	N	Honeypot superstore Honeypot Lane Stanmore
661 - Whitchurch Playing Fields CP, Wemborough Rd	N	Honeypot superstore Honeypot Lane Stanmore
717 - Village Way E. o/s 11 Hodders Law	N	Rayners food centre Rayners Lane
719 - Village Way E. o/s 8 Sai Bhavan	N	Rayners food centre Rayners Lane
828 - Merrion Ave, opp #22/24	N	Shop inside Stanmore Station Stanmore
830 - Stanmore Hill, opp 103 Vet	N	News Round Stanmore Hill
831 - Stanmore Hill, o/s 87 Beauty Lounge	N	News Round Stanmore Hill
832 - Stanmore Hill, o/s 103 Vet	N	News Round Stanmore Hill
1 - 5-8 Dominion Parade Station Rd	Y	8 Central Parade HA1 2TW
2 - Central Prd, o/s #3	Y	8 Central Parade HA1 2TW
3 - Eastern Prd, Junc Elmgrove Rd o/s Beds Are Uzzz	Y	8 Central Parade HA1 2TW
4 - Eastern Prd, o/s #154	Y	8 Central Parade HA1 2TW
6 - 2 Manor Prd In Lay By o/s CheatMeals	Y	263 Station Road HA1 2TB
7 - Bonnersfield Ln adj. Golds Gym	Y	188 Station Road HA1 2RH
8 - Bonnersfield Ln, o/s Manor Ct	Y	188 Station Road HA1 2RH
10 - Greenhill Way, nr Junc Angel Rd	Y	263 Station Road HA1 2TB
11 - Greenhill Way, nr Junc Byron Rd	Y	263 Station Road HA1 2TB
12 - St Johns Rd, opp #12 (bottom) o/s Curtis Court	Y	263 Station Road HA1 2TB
13 - St Johns Rd, opp #17 (top) o/s Tapley Court	Y	263 Station Road HA1 2TB
14 - Lyon Rd, Platinum Hse (bottom L)	Y	263 Station Road HA1 2TB
16 - Lyon Rd, Lyon Sq. (bottom R)	Y	263 Station Road HA1 2TB
17 - Lyon Rd, Signal Hse (top L)	Y	263 Station Road HA1 2TB
18 - Lyon Rd, nr Pub (top R)	Y	263 Station Road HA1 2TB
28 - Headstone Rd, o/s #113	Y	113 Headstone Road HA1 1PG
29 - Junction Rd, on left	Y	113 Headstone Road HA1 1PG
31 - Station Rd Harrow, o/s #55	Y	20 Station Road HA1 2BF
32 - Station Rd Harrow, o/s #29 o/s Happy Days Nursery	Y	20 Station Road HA1 2BF
33 - High Mead, adj. Cinema	Y	20 Station Road HA1 2BF
35 - Woodlands Road, nr Junc Station Rd	Y	8 Central Parade HA1 2TW
36 - Rosslyn Cres., o/s Jaspar Centre	Y	20 Station Road HA1 2BF
38 - Rosslyn Cres., adj. Mosque	Y	20 Station Road HA1 2BF
39 - Rosslyn Cres., o/s Granby Ct	Y	20 Station Road HA1 2BF
41 - Bonnersfield Ln, opp #60	Y	188 Station Road HA1 2RH
43 - College Rd, o/s #16	Y	263 Station Road HA1 2TB
90 - Milton Rd, adj Civic Centre	Y	16-22 Station Rd HA1 2SL
91 - Milton Rd, adj Civic CP	Y	16-22 Station Rd HA1 2SL
92 - Marlborough Hill	Y	16-22 Station Rd HA1 2SL
117 - Chapel Lane CP	Y	183 Marsh Road HA5 5PB
118 - Chapel Lane CP	Y	183 Marsh Road HA5 5PB
141 - Bridge St, o/s Clarks #57	Y	183 Marsh Road HA5 5PB
142 - Bridge St, o/s #46	Y	183 Marsh Road HA5 5PB

143 - Marsh Rd, o/s Mobalpa #205-7	Y	183 Marsh Road HA5 5PB
144 - Marsh Rd, o/s Sakee #173-5	Y	183 Marsh Road HA5 5PB
145 - Station Approach	Y	183 Marsh Road HA5 5PB
146 - High St Pinner, o/s #20	Y	183 Marsh Road HA5 5PB
147 - High St Pinner, o/s #48	Y	183 Marsh Road HA5 5PB
148 - Love Ln, o/s #9/11	N	17 Love Lane Pinner
149 - Cannon Ln, nr Whittington Way	Y	46 Cannon Lane HA5 1HW
150 - Grimsdyke Rd CP, by Leeway Close	Y	418 Uxbridge Road HA5 4HP
151 - Grimsdyke Rd CP, by exit road	Y	418 Uxbridge Road HA5 4HP
160 - Uxbridge Rd, opp junc Westfield Pk	Y	418 Uxbridge Road HA5 4HP
163 - Outside 355 Uxbridge Rd Hatch End	Y	418 Uxbridge Road HA5 4HP
164 - Opposite 385 Uxbridge Rd Hatch End	Y	418 Uxbridge Road HA5 4HP
165 - Opposite 425 Uxbridge Rd Hatch End	Y	418 Uxbridge Road HA5 4HP
166 - Opposite 459 Uxbridge Rd Hatch End	Y	418 Uxbridge Road HA5 4HP
167 - Opposite 493 Uxbridge Rd Hatch End	Y	418 Uxbridge Road HA5 4HP
170 - Headstone Lane, o/s 199 harrys food & wine	Y	255 Long Elmes HA3 6LE
171 - Long Elmes, o/s Coral #253	Y	255 Long Elmes HA3 6LE
172 - Long Elmes, o/s LED Lighting #241-3	Y	239 Long Elmes HA3 6LE
241 - The Broadway, Stanmore o/s #10	Y	29-43 The Broadway HA7 4DJ
242 - The Broadway, Stanmore o/s #20	Y	29-43 The Broadway HA7 4DJ
243 - The Broadway, Stanmore o/s #48	Y	29-43 The Broadway HA7 4DJ
251 - Church Road, Stanmore o/s Bernays Gardens	Y	29-43 The Broadway HA7 4DJ
331 - Palmerston Road CP	Y	14-20 High Street HA3 7HA
332 - Peel House Level 2 (New 2019)	Y	14-20 High Street HA3 7HA
334 - Peel House Level 3 (New 2019)	Y	14-20 High Street HA3 7HA
351 - Headstone Dr, Health Centre Side	Y	21 High Street HA3 5BY
352 - Headstone Dr, Po/s 20 to 22	Y	21 High Street HA3 5BY
354 - Headstone Dr, opp 196	Y	219 Harrow View HA1 4SS
361 - Sandridge Cl, behind stn opp Churchill Place	Y	16-22 Station Rd HA1 2SL
371 - Wolseley Rd, o/s #2	Y	35-43 High Street HA3 5DF
372 - Wolseley Rd, opp 47	Y	120 High Street HA3 7AL
373 - Graham Rd, opp 3	Y	120 High Street HA3 7AL
374 - Locket Rd, o/s #5	Y	120 High Street HA3 7AL
375 - Montrose Rd, o/s church	Y	120 High Street HA3 7AL
376 - Thompson Rd, opp 17 garage	Y	120 High Street HA3 7AL
377 - Thomson Road, s/o 12 grant Road	Y	120 High Street HA3 7AL
378 - Ladysmith Rd, s/o 131 high street	Y	120 High Street HA3 7AL
379 - Spencer Road opp 1-3	Y	120 High Street HA3 7AL
385 - Masons Ave, under bridge	Y	1 Mason Avenue HA3 5AH
387 - Wolseley Rd, middle	Y	120 High Street HA3 7AL
388 - Whitefriars Avenue	N	120 High Street HA3 7AL
414 - Davy House CP	Y	263 Station Road HA1 2TB
415 - Davy House CP	Y	263 Station Road HA1 2TB
427 - Greenhill Way CP	Y	263 Station Road HA1 2TB
428 - Greenhill Way CP	Y	263 Station Road HA1 2TB
429 - Greenhill Way CP	Y	263 Station Road HA1 2TB

510 - Brigade Close CP	Y	11 Northolt Road HA2 0LH
511 - Parkfield Road, junct Northolt Rd	Y	242 Northolt Road HA2 8DU
512 - Northolt Rd, o/s 267 Superdrug	Y	242 Northolt Road HA2 8DU
513 - Northolt Rd, o/s 274 Iceland	Y	242 Northolt Road HA2 8DU
514 - Northolt Rd, o/s 287 Santander	Y	242 Northolt Road HA2 8DU
515 - Northolt Rd, o/s 310 Cancer Research	Y	242 Northolt Road HA2 8DU
517 - Northolt Rd, o/s 309 Nandos	Y	242 Northolt Road HA2 8DU
518 - Northolt Rd, o/s 189 Shan & Co	Y	185 Northolt Road HA2 0LY
519 - Northolt Rd, o/s 399	Y	491 Northolt Road HA2 8JN
520 - Eastcote Rd, junc Northolt Rd	Y	242 Northolt Road HA2 8DU
522 - Sherwood Rd, under bridge	Y	185 Northolt Road HA2 0LY
524 - Sherwood Rd, jnc Stanley Rd	Y	185 Northolt Road HA2 0LY
525 - Brooke Ave, o/s 2&2A	Y	185 Northolt Road HA2 0LY
526 - South Hill Ave, opp #12	Y	185 Northolt Road HA2 0LY
527 - South Hill Ave, opp #38	Y	185 Northolt Road HA2 0LY
530 - Brooke Ave, s/o 64 south hill ave	Y	186 Northolt Road HA2 0LY
611 - 118 Kenton Rd, indian property specialists	Y	242 Northolt Road HA2 8DU
612 - 160 Kenton Road	Y	148 Kenton Road HA3 8AZ
613 - 192 Kenton Rd, jnc Willowcourt Ave	Y	148 Kenton Road HA3 8AZ
650 - Belmont Circle, o/s 20 Fancy Piri Piri	Y	7 Warwick Parade Kenton Ln, Harrow HA3 8SA
651 - Kenton Ln, o/s 404 Tesco's	Y	Belmont Service Stn Belmont Circle HA3 8SF
662 - Belmont Circle CP, Kenton Lane	Y	11 Station Parade HA3 8SB
663 - Kingshill Drive CP, Kingshill Drive	Y	Belmont Service Stn Belmont Circle HA3 8SF
711 - Imperial Drive, o/s 228 Allegro Blinds	Y	462 Alexandra Avenue HA2 9TL
712 - Imperial Drive, o/s 235 Dee Therapy	Y	462 Alexandra Avenue HA2 9TL
713 - Rayners Ln. o/s 355 Cake Shop	Y	462 Alexandra Avenue HA2 9TL
714 - Rayners Ln. o/s 403 Supermarket	Y	462 Alexandra Avenue HA2 9TL
715 - Rayners Ln. o/s 336 Pound +	Y	462 Alexandra Avenue HA2 9TL
716 Rayners Ln. o/s 374 Madina	Y	462 Alexandra Avenue HA2 9TL
718 - Imperial Drive, opp Talbot House	Y	462 Alexandra Avenue HA2 9TL
721 - Rayners Lane, Behind Cinebar	Y	462 Alexandra Avenue HA2 9TL
722 - Rayners Lane, Rear of 418 Alexandra Ave	Y	410 Alexandra Avenue HA2 9TR
723 - o/s 2a Warden Ave, nr junc Alexander Ave	Y	410 Alexandra Avenue HA2 9TR
724 - Alexandra Ave, o/s Zoroastrian Centre	Y	462 Alexandra Avenue HA2 9TL
725 - Alexander Ave, o/s 428 Dry Cleaners	Y	462 Alexandra Avenue HA2 9TL
727 - Alexander Ave, o/s 441 Roxbourne Press	Y	462 Alexandra Avenue HA2 9TL
728 - Alexander Ave, o/s 463 Smakosz	Y	462 Alexandra Avenue HA2 9TL
750 - Blenheim Rd, o/s 130 hair salon	Y	182 Pinner Road HA1 4JP
752 - The Gardens, under the bridge	Y	182 Pinner Road HA1 4JP
811 - Montgomery Rd, s/o 87 Whitchurch Rd	Y	6 Handel Parade HA8 6LD
812 - Mead Rd, s/o 2 Whitchurch Lane	Y	6 Handel Parade HA8 6LD
813 - Handel Way, jnc Whitchurch Rd	Y	6 Handel Parade HA8 6LD
814 - 6-8 Whitchurch Ln / Whitchurch parade	Y	6 Handel Parade HA8 6LD

815 - o/s 6 Whitchurch Ln / Handel Parade	Y	6 Handel Parade HA8 6LD
816 - o/s 19a Whitchurch Ln, opp jnc Handel Way	Y	6 Handel Parade, Edgware
820 - High St, Edgware, o/s 89 Aviv Restaurant	Y	106 High Street HA8 7HF
822 - High St, Edgware, opp Fernhurst Gdns	Y	106 High Street HA8 7HF
823 - Canons Drive, j/w Lodge Close	Y	106 High Street HA8 7HF
824 - Rye Way	Y	106 High Street HA8 7HF
826 - Coverdale Close	Y	29-43 The Broadway HA7 4DJ
839 - Canons Corner, o/s 3 Spar	Y	7 Canons Corner HA8 8AE
840 - 42 London Rd & Brockleyside	Y	7 Canons Corner HA8 8AE
850 - 17 Whitchurch Lane / station parade o/s Moreland	Y	1 Station Parade HA8 6RW
851 - 7 Whitchurch Lane/ station parade o/s Canons Tandoori	Y	1 Station Parade HA8 6RW
852 - Donnefield Ave, opp #4	Y	1 Station Parade HA8 6RW
854 - Donnefield Ave, nr CP entrance	Y	1 Station Parade HA8 6RW
860 - Bacon Ln j/w selwyn court	Y	297 Burnt Oak Broadway HA8 5ED
861 - 18 Bacon Ln, opp jnc Vancouver Rd	Y	297 Burnt Oak Broadway HA8 5ED
862 - Bacon Ln, o/s #22 opp surgery	Y	297 Burnt Oak Broadway HA8 5ED
863 The Chase Edgware opp #134	Y	297 Burnt Oak Broadway HA8 5ED
864 - o/s 1 Columbia Ave	Y	243 Burnt Oak Broadway HA8 5ED
865 - Opp 6 Columbia Ave s/o 77 Vancouver Rd	Y	243 Burnt Oak Broadway HA8 5ED
866 - Oakleigh Ave, opp Park Way	Y	154 Burnt Oak Broadway HA8 0AX
867 - Vancouver Rd, s/o 8 Oakleigh Ave	Y	154 Burnt Oak Broadway HA8 0AX
868 - Burnt Oak B/way, o/s 103 Oxfam	Y	154 Burnt Oak Broadway HA8 0AX
869 - Burnt Oak B/way, o/s 85 Nail Spa	Y	154 Burnt Oak Broadway HA8 0AX
870 - Burnt Oak B/way, o/s 61 Optician	Y	154 Burnt Oak Broadway HA8 0AX
871 - The Highlands, s/o 99 Burnt Oak Broadway	Y	154 Burnt Oak Broadway HA8 0AX
872 - 61 Burnt Oak B/way o/s Global Translations	Y	126 Burnt Oak Broadway HA8 0BB
880 - o/s 2 Mollison Way / North Parade	Y	13 North Parade HA8 5QH
882 - Mollison Way, o/s 15 North Parade Cheeky Chums	Y	13 North Parade HA8 5QH
883 - Mollison Way, o/s 40 South Parade Tamu Tamu	Y	13 North Parade HA8 5QH
884 - Mollison Way, o/s 32	Y	13 North Parade HA8 5QH
890 - Kingsbury Roundabout	Y	609 Kenton Road HA3 9RY

911 - Pinner Rd, N. Harrow o/s 28 Saras	Y	9 Broadway Parade Pinner Road HA2 7SYC
912 - Pinner Rd, N. Harrow o/s 497 Wealdstone Motors	Y	553 Pinner Road HA2 6EQ
914 - Pinner Rd, N. Harrow o/s 531 Shayona	Y	553 Pinner Road HA2 6EQ
915 - Station Rd, N. Harrow o/s #36	Y	9 Broadway Parade Pinner Road HA2 7SYC
917 - Station Rd, N. Harrow o/s #85	Y	83 Station Road HA2 7SW
918 - Station Rd, N. Harrow o/s #68	Y	70 Station Road HA2 7SJ
920 - Argyle Rd s/o 70 Station Rd	Y	70 Station Road HA2 7SJ
925 - Cambridge Road CP	Y	9 Broadway Parade Pinner Road HA2 7SY
926 - Cambridge Road CP	Y	9 Broadway Parade Pinner Road HA2 7SY
927 - Cambridge Road CP	Y	9 Broadway Parade Pinner Road HA2 7SY
950 - Devonshire Rd, nr jnc Pinner Rd	Y	103-105 Pinner Road HA1 4EU
951 - Pinner View, s/o 196 Pinner Rd	Y	182 Pinner Road HA1 4JP
952 - 1 to 14 (Sycamore Court) Bedford Rd, nr jnc Pinner Rd	Y	182 Pinner Road HA1 4JP
953 - Pinner Rd, o/s 158 Sunrup	Y	182 Pinner Road HA1 4JP
955 - o/s 170 Pinner Rd	Y	134 Pinner Road HA1 4JE
960 - Neptune Road - to left on entry	Y	103-105 Pinner Road HA1 4EU
961 - Neptune Road s/o 7	Y	103-105 Pinner Road HA1 4EU
1011 - Greenford Rd, o/s 92 W. Hanson	Y	148 Greeford Road HA1 3QP
1013 - Rosebank Ave, s/o 150 Greenford Rd	Y	148 Greeford Road HA1 3QP
1014 - Fernbank Ave s/o 164 Greenford Rd	Y	148 Greeford Road HA1 3QP
1016 - Greenford Rd, o/s 151 Pizza Hut	Y	148 Greeford Road HA1 3QP



### You will need to produce an Equality Impact Assessment (EqIA) if:

- You are developing a new policy, strategy, or service
- You are making changes that will affect front-line services
- You are reducing budgets, which may affect front-line services
- You are changing the way services are funded and this may impact the quality of the service and who can access it
- You are making a decision that could have a different impact on different groups of people
- You are making staff redundant or changing their roles

Guidance notes on how to complete an EqIA and sign off process are available on the Hub under Equality and Diversity. You must read the [guidance notes](#) and ensure you have followed all stages of the EqIA approval process (outlined in appendix 1). Section 2 of the template requires you to undertake an assessment of the impact of your proposals on groups with protected characteristics. Equalities and borough profile data, as well as other sources of statistical information can be found on the Harrow hub, within the section entitled: [Equality Impact Assessment](#) - sources of statistical information.

Equality Impact Assessment (EqIA)			
Type of Decision: <b>Cabinet</b>	<input type="radio"/> Cabinet	<input type="radio"/> Portfolio holder	<input checked="" type="radio"/> Other (state)
Title of Proposal	Moving to a "cash-lite" Council	Date EqIA created 30th September 2022	
Name and job title of completing/lead Officer	Jonathan Milbourn – Head of Customer Services & Modernisation		
Directorate/ Service responsible	RESOURCES		
Organisational approval			
EqIA approved by Head of Equality, Diversity and Inclusion	Shumaila Dar	<b>Signature</b> <input checked="" type="checkbox"/> <b>Tick this box to indicate that you have approved this EqIA</b>  <b>Date of approval 04/10/22</b>	

## 1. Summary of proposal, impact on groups with protected characteristics and mitigating actions

(to be completed **after** you have completed sections 2 - 5)

### a) What is your proposal?

A programme of work is in place over the next six months to reduce the amount of cash accepted by the Council for the payment of services. This will include:

- (i) The closure of the payment kiosks at the Civic Centre once the building is closed by the end of the year (2020).
- (ii) The reduction of cash payments ( but cash payments will be still allowed) as an option for outlying buildings and services including:
  - Registrars
  - Libraries
  - Harrow Arts Centre
  - Harrow Museum
- (iii) The move to cashless parking whereby all parking pay and display machines will be removed for both on and off-street parking and parking sessions can only be made using the current PaybyPhone option available or using a new paypoint solution implemented in local businesses where appropriate. At locations where paypoint locations are not within 5 minutes walk a card payment machine will still be located in the vicinity to provide a alternate solution to PaybyPhone or there will be some free parking.

Engagement is underway with those residents most affected and the feedback received will be used to update the EqIA and inform how to assist all residents in making payments without cash.

### b) Summarise the impact of your proposal on groups with protected characteristics

The EqIA will be monitored and updated after these measures have been put in place so that the impact on those with protected characteristics can be further incorporated and any further possible mitigations included.

- (i) Closure of the payment kiosks

The number of people using the kiosks fell during Covid and has not risen since restrictions were lifted. The table below shows the demand on the payment kiosks for the last financial year.

Service	Cash Transactions 2021/22	Debit/Credit Card Transactions 21/22
Council Tax	6,330	3,520
Housing Rents	1,380	1,035
Car Parking Fines	336	596
AR Invoice	90	117
HB Overpayments	60	39
Car Parking Permits	17	53
Highways	2	7
NNDR	17	8
Waste Collection	5	7
Account Payers	0	4
Licensing	14	1
Adult Social Care	13	12
	<b>8,252</b>	<b>5,399</b>

Since February 2022, the Kiosks located in the civic centre have not taken any cash payments or cheques. This has seen minimal customer resistance and no formal complaints have been made. March and April are the busiest time for payments and to date there have been no adverse impact on collection rates. The Customer Services team spoke to 1,335 customers who came into the Civic Centre to use the kiosks.

#### WHY DO YOU USE THE CASH KIOSK

Easy to use	12.1%
Need support to use online services	43.8%
Do not have bank account	0.9%
Paying for someone else	5.3%
Exercise/Social interaction	7.6%
Convenience	10.9%
Want a receipt	8.5%
Do not trust internet	10.9%
	<b>100.0%</b>

Nationally, 4% of the population do not have access to a bank account but less than 1% of those interviewed used the kiosk for that reason. Over 50% of those spoken to were not confident in using the website so the staff talked them through the alternative payment methods and supported them to make the payment online where appropriate.

#### HOW DID YOU PAY DURING THE PANDEMIC?

The Bank	<b>18.6%</b>
Automated Telephone line	<b>33.3%</b>
Online	<b>9.3%</b>
Other	<b>38.8%</b>
	<b>100%</b>

The characteristics of those people interviewed are embedded within section 2.

Engagement with Council Tax and Housing (which account for 93% of kiosk payments) has commenced to target resident uptake of Direct Debit, online and telephone payments. The Communications team has begun to draw up a plan to ensure residents are engaged and alternative payment methods are promoted

The table below highlights the early success in transitioning residents to alternative payment methods

	PAYMENT KIOSK	PAYMENT LINE	WEB PAYMENTS
1 APRIL to 30 JUNE 2021	3,574	48,113	52,638
1 APRIL to 30 JUNE 2022	2,081	48,903	58,967
% Difference	-41%	+2%	+12%

- (ii) The reduction of cash payments as an option for outlying buildings and services

Harrow Arts Centre & Harrow Museum – Cash will not be fully phased out so cash in transit will remain however card payments will be encouraged

Library Network – The libraries already have Biblioteca kiosks installed which take card payments. Cash will not be fully phased out so cash in transit will remain however card payments will be encouraged

Registrars – The Registry Office only takes cash payment when the chip and pin machines are not available or functioning. A robust internet connection will be in place for the handheld devices as part of the move to Greenhill Cash will not be fully phased out so cash in transit will remain however card payments will be encouraged

CA Site – The CA site moved to chip & pin machines during the pandemic and there are no plans to revert to cash payments

## (iii) The move to cashless parking

Currently the Council has 218 Pay and Display Machines

- 31 in car parks
- 187 on street

Remove all pay and display machines across the borough and replace with alternative payment options based on location as follows:

- PaybyPhone and PayPoint (& Shops within 5 minutes' walk)
- 
- Paybyphone and payment machine( in areas where there is no paypoint facility within 5 minutes walk)
- Max Stay Only (Revenue does not cover operating costs)

This will ensure the option of cash payment remains at the majority of key locations.

- Currently 65% of parking payments are already made using PaybyPhone who provide the cashless parking service in the borough. This is mainly because the current free 1-hour parking is only available via the pay and display machines which still encourages the use of cash for parking sessions.
- The intention is that the current free 1-hour parking session will be moved to PaybyPhone and PayPoint except in locations where there will be implemented a maximum stay free parking period
- The Parking team have already commenced a review of all pay and display machine locations to draft list of recommendations based on the option proposals above.
- A number of existing PayPoint providers for example shops in the vicinity of pay and display machines have been provided by PaybyPhone and these will be instructed and trained on how to process parking sessions for free and paid periods.
- Locations where potential PayPoint providers have been identified in the vicinity of pay and display machines will be passed to PaybyPhone to arrange for them to liaise with PayPoint to have these locations set up as providers.
- In some locations where there is a reasonable level of revenue generated but there are no suitable locations which could provide a PayPoint service will be amended to provide 1-hour free parking only using PaybyPhone with a pay and display machine in the vicinity. However, It should be noted that at these locations the 1 hour free session would not be available from the machine. This is a reverse of the current arrangements where the 1 hour is only available at the machine but not using PaybyPhone.
- A visit to another London Borough that is cashlite has been undertaken
- Paypoint providers to take cash payments have been located in conjunction with PaybyPhone
- Initial engagement with Communications team has begun to ensure when the project is rolled out residents are informed understand the changes and the options for making payments
- New potential paypoint shops have been identified and paypoint will be onboarding them directly during October/November
- For the Leisure Centre site, its proposed that the onsite facilities will have access to book free parking

**c) Summarise any potential negative impact(s) identified and mitigating actions**

As below



<b>2. Assessing impact</b>					
You are required to undertake a detailed analysis of the impact of your proposals on groups with protected characteristics. You should refer to <a href="#">borough profile data</a> , <a href="#">equalities data</a> , service user information, consultation responses and any other relevant data/evidence to help you assess and explain what impact (if any) your proposal(s) will have on <b>each</b> group. Where there are gaps in data, you should state this in the boxes below and what action (if any), you will take to address this in the future.		What does the evidence tell you about the impact your proposal may have on groups with protected characteristics? Click the relevant box to indicate whether your proposal will have a positive impact, negative (minor, major), or no impact			
Protected characteristic	For <b>each</b> protected characteristic, explain in detail what the evidence is suggesting and the impact of your proposal (if any). Click the appropriate box on the right to indicate the outcome of your analysis.	Positive impact	Negative impact		No impact
			Minor	Major	
<b>Age</b>	<p>20.6% of Harrow's residents are under 16.</p> <p>64.2% of Harrow's population are of working age (16 to 64) and 15.2% of Harrow's residents are 65 or older. The average (median) age is 37.4 years, lower than many other places.</p> <p>As with most areas in the country, the borough has an aging population. It is expected that the number of residents aged 65 plus will increase by 41% and those aged 85 plus could increase by over 67% by 2031.</p> <p>It is also expected that the number of children (0-15) will also increase by 14% during the 10 year period between 2014 and 2024.</p> <p>There may be a limited number of people who are still unable to pay without using cash and the engagement will enable us to better understand who these people are and how they can be best supported.</p> <p>For those who are less confident with mobile phone technology a helpline does exist for cashless parking, and the process of setting up an account can be accessed at a more relaxed pace online. PaybyPhone sessions can be made by phone call, text or using an App</p> <p>This will be mitigated by considering the location of a machine to be deactivated carefully, and special consideration will be given to any nearby services that might make</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



	<p>it more likely for older people to wish to use those parking spaces in particular. It is intended that the furthest alternate pay option to PaybyPhone will be no more than 5 minutes walk away from the location</p> <p>Older people may also be more affected by mobility and the convenience of the cash payment locations moving further away. This will be mitigated by the implementation of 10 minute observation period before a parking penalty is issued. Where users are able to make use of the cashless option they will find it more convenient and safer than having to take cash to a parking machine.</p> <p>The age profile of the 1,335 residents interviewed was as follows</p> <p><b>AGE PROFILE</b></p> <table data-bbox="459 598 1120 885"> <tr><td>18-24</td><td>0.0%</td></tr> <tr><td>25-34</td><td>6.8%</td></tr> <tr><td>35-44</td><td>10.2%</td></tr> <tr><td>45-54</td><td>25.4%</td></tr> <tr><td>55-64</td><td>23.7%</td></tr> <tr><td>65-74</td><td>23.7%</td></tr> <tr><td>75+</td><td>10.2%</td></tr> <tr><td></td><td><b>100%</b></td></tr> </table>	18-24	0.0%	25-34	6.8%	35-44	10.2%	45-54	25.4%	55-64	23.7%	65-74	23.7%	75+	10.2%		<b>100%</b>				
18-24	0.0%																				
25-34	6.8%																				
35-44	10.2%																				
45-54	25.4%																				
55-64	23.7%																				
65-74	23.7%																				
75+	10.2%																				
	<b>100%</b>																				
<b>Disability</b>	<p>13.7% of Harrow's working age population classified themselves as disabled, a total of 22,100 people. 6,470 individuals, 2.6% of the total population, receive Personal Independence Payments (PIPs).</p> <p>A total of 2302 people received long term social care services primarily for physical support needs during 2016-17. This is about 1% of the total resident population. An additional 86 people received long term support primarily for sensory impairments.</p> <p>There were 575 Harrow residents receiving long-term social care support from Harrow Adult Social Care Services for learning disabilities during '16-17. 518 (approximately 90%) were younger adults under the age of 65. (source: SALT). 18% of younger adults with learning disabilities were in paid employment during the year. In comparison to London (7.2%) and England (5.7%), Harrow has a high number of LD clients who are in employment. In 2016-17, 73% younger adults with learning disabilities were in settled</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>																

	<p>accommodation (with security of tenure). This is slightly below the England average (76%), but is above that of London (71%).</p> <p>There are 4,826 Housing Benefit/Council Tax Support claimants in receipt of PIPs, Severe Disablement Allowance or Employment Support Allowance (Support Component) as classified under the regulations.</p> <p><b>BLUE BADGE HOLDERS</b></p> <p>There is no information on ability to drive or access to a vehicle, or on mobile phone take up, amongst disabled groups, and there is very little on the proportions without a bank account. Therefore it has not been possible to assess this in detail for the parking cashlite options. However, blue badge holders have the ability to park for free in any paid for parking locations in the borough now and this will continue post the cashlite project. Blue badge holders have 3 hours free on single yellow lines and free unrestricted parking in resident and shared use bays bays.</p> <p>There may be a limited number of people who are still unable to pay without using cash and the engagement will enable us to better understand who these people are and how they can be best supported.</p> <p>Of the 1,335 residents interviewed at the Civic Centre 17% identified as having a disability</p>				
<b>Gender reassignment</b>	<p>There is insufficient data regarding gender reassignment in Harrow</p> <p>There is no evidence to show any negative impact regarding gender reassignment as in all scenarios the gender of the customer is not accounted for in the process.</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>Marriage and Civil Partnership</b>	<p>54% of Harrow residents are married, the highest level in London.</p> <p>As of 31st December 2016, there have been 142 Civil Partnerships in Harrow, 19 of which have been converted to marriage. There have been 32 same sex marriages in Harrow since inception on 29th March 2014.</p> <p>The marital status of the 1,335 customers engaged with is as follows</p> <p><b>MARITAL STATUS</b></p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

	<p>Single 4.4%</p> <p>Married 53.3%</p> <p>Separated 8.9%</p> <p>Divorced 15.6%</p> <p>Widowed 17.8%</p> <p>Same sex civil partnership 0.0%</p> <p><b>100%</b></p> <p>There is no evidence to show any negative impact regarding Marriage and Civil Partnership as in all scenarios the marital status of the customer is not accounted for in the process.</p>				
<p><b>Pregnancy and Maternity</b></p>	<p>In 2016 there were 14.5 live births per 1000 population which is higher than the UK average of 11.8. For women under the age of 18, the birth rate was 3.7 per 1000 population which is in line with the London average of 3.8 and lower than the UK average of 5.7.</p> <p>Harrow has the lowest levels of live births outside of marriage in the country (19.4%)</p> <p>There is no evidence to show any signifant negative impact regarding pregnancy or maternity as in all scenarios the pregenancy or maternity factors of the customer is not accounted for in the process. The minor adverse impact that may adversely affect pregnant women or women with young children is the additional distance that they may need to walk to pay for parking with cash.</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Race/ Ethnicity	The ethnic origin of the 1,335 residents spoken to is as follows				
	<b>ETHNIC ORIGIN</b>				
	Asian/Asian British: Afghan 4.0%				
	Asian/Asian British: Bangladeshi 0.0%				
	Asian/Asian British: Chinese 0.0%				
	Asian/Asian British: Indian 12.0%				
	Asian/Asian British: Pakistani 2.0%				
	Asian/Asian British: Sri Lankan 8.0%				
	Black/Black British: African 10.0%				
	Black/Black British: Caribbean 22.0%				
	Black/Black British: Somali 8.0%				
	White: English/Welsh/Scottish/Northern Irish 16.0%				
	White: Irish 2.0%				
	White: Gypsy or Irish Traveller 0.0%	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	White: Jewish 0.0%				
	Arab 4.0%				
	Iranian 2.0%				
	Romanian 4.0%				
	Polish 0.0%				
	White and Asian 2.0%				
	White and Black African 2.0%				
	White and Black Caribbean 2.0%				
	<b>100%</b>				
	61.8% of residents classify themselves as belonging to a minority ethnic group. The White British group forms the remaining 38.2% of the population, (down from 50% in 2001).				
	26.4% of Harrow's residents are of Indian origin – the largest minority ethnic group in the borough, followed by Kenyans and Sri Lankans. Harrow is home to the largest Sri Lankan born community in the country.				

	<p>In 2015/16 Harrow recorded its 2nd highest levels of migration in a decade signifying a significant change in population make up since the 2011 census. The top three nationalities of these most recent arrivals are Romanian, Indian and Polish.</p> <p>The top 5 most recorded community languages in Harrow are: English, Gujarati, Tamil, Romanian, Arabic and there are over 155 languages spoken in Harrow schools.</p> <p>The website can be translated into many languages through 'Google Translate' ensuring that online payments are accessible</p> <p>Currently, residents who do not speak English as a first language either bring a relative to the Civic Centre or speak to one of a number of staff who are bi-lingual. Many engage with a community group for assistance.</p> <p>Where race is an indicator of a group that may not have English as a first language they may have difficulty accessing the phone service, however a telephone helpline does exist to help people who can speak, but not read English, and the online option is also there allowing users to register for the service in a more relaxed manner. Once set up, the action of using the associated mobile phone app or sending a text to use a parking session requires no more fluency in English than operating a parking machine.</p>				
<p><b>Religion or belief</b></p>	<p>Harrow is also said to be the most religiously diverse borough in the country. The borough had the highest proportion of Hindus, Jains and members of the Unification Church, the second highest figures for Zoroastrianism and was 6th for Judaism.</p> <p>37% of the population is Christian, the 5th lowest figure in the country. Muslims accounted for 12.5% of the population.</p> <p>In Greenhill and Wealdstone there are proportionately more followers of Islam and slighter lower Hindus. There is a higher proportion of Bangladeshi and Pakistanis in these wards.</p> <p>There is no evidence to show any negative impact regarding religion or belief as in all scenarios the religion or belief of the customer is not accounted for in the process.</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p><b>Sex</b></p>	<p>49.9% of the population are male and 51.1% are female</p> <p>Of the 1,335 residents interviewed at the Civic Centre 65% were female</p> <p>There is no evidence to show any negative impact regarding sex as in all scenarios the sex of the customer is not accounted for in the process.</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

<b>Sexual Orientation</b>	It is estimated that 10% of the UK population are lesbian, gay and bisexual (LGB), which would equate to approximately 24,713 of our residents	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
There is no evidence to show any negative impact regarding sexual orientation as in all scenarios the sexual orientation of the customer is not accounted for in the process.					
<b>2.1 Cumulative impact – considering what else is happening within the Council and Harrow as a whole, could your proposals have a cumulative impact on groups with protected characteristics?</b>					
<input type="checkbox"/> Yes                      No <input checked="" type="checkbox"/>					
This may change as engagement takes place with various customer groups					
<b>2.2 Any other impact - considering what else is happening nationally/locally (national/local/regional policies, socio-economic factors etc), could your proposals have an impact on individuals/service users, or other groups?</b>					
<input type="checkbox"/> Yes                      No <input checked="" type="checkbox"/>					
Benefit Claims are paid into the bank					

### 3. Actions to mitigate/remove negative impact

**Only complete this section if your assessment (in section 2) suggests that your proposals may have a negative impact on groups with protected characteristics. If you have not identified any negative impacts, please complete sections 4 and 5.**

In the table below, please state what these potential negative impact (s) are, mitigating actions and steps taken to ensure that these measures will address and remove any negative impacts identified and by when. Please also state how you will monitor the impact of your proposal once implemented.

State what the negative impact(s) are for <b>each</b> group, identified in section 2. In addition, you should also consider and state potential risks associated with your proposal.	Measures to mitigate negative impact (provide details, including details of and additional consultation undertaken/to be carried out in the future). If you are unable to identify measures to mitigate impact, please state so and provide a brief explanation.	What action (s) will you take to assess whether these measures have addressed and removed any negative impacts identified in your analysis? Please provide details. If you have previously stated that you are unable to identify measures to mitigate impact please state below.	Deadline date	Lead Officer
Closure of the payment kiosks	<p>Alternative methods of payment available</p> <ul style="list-style-type: none"> <li>• Direct Debit</li> <li>• Bank transfer</li> <li>• Telephone</li> <li>• Online payment</li> <li>• Chip &amp; pin</li> </ul> <p>Continued engagement with residents to understand any issues paying over the telephone or internet, and support to train them to do so. This would include support for residents for whom English is not their first language.</p>	<ul style="list-style-type: none"> <li>• Track income collection to ensure that payments are made</li> <li>• Review engagement feedback at Civic Centre</li> <li>• Review feedback received at Greenhill library</li> </ul>		Fern Silverio
Reduction in cash payments for Council services	<p>Alternative methods of payment available</p> <ul style="list-style-type: none"> <li>• Direct Debit</li> <li>• Bank transfer</li> <li>• Telephone</li> <li>• Online payment</li> <li>Chip &amp; pin</li> </ul>	<ul style="list-style-type: none"> <li>• Track income collection to ensure that payments are made</li> <li>• Review customer feedback</li> </ul>		Fern Silverio
Introduction of cashlite parking	<ul style="list-style-type: none"> <li>• One hour free parking available</li> <li>• Blue Badge holders are eligible for 3 hours free parking</li> <li>• Paypoint</li> </ul>	<ul style="list-style-type: none"> <li>• Review customer feedback</li> </ul>		Ian Slaney

Introduction of cashlite parking	<p>Older, disabled and pregnant residents may also be more affected by mobility and the convenience of the cash payment locations moving further away. This will be mitigated by the implementation of 10 minute observation period before a parking penalty is issued.</p> <p>Where users are able to make use of the cashless option they will find it more convenient and safer than having to take cash to a parking machine. All payment shops are within 5 minutes walk.</p>	<ul style="list-style-type: none"> <li>• Review customer feedback</li> <li>• Monitor feedback and challenges to parking tickets</li> </ul>		Ilan Slaney
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#### 4. Public Sector Equality Duty

How does your proposal meet the Public Sector Equality Duty (PSED) to:

1. Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act 2010
2. Advance equality of opportunity between people from different groups
3. Foster good relations between people from different groups

#### **Include details in the space below**

There will be ongoing support for residents at Greenhill library whereby trained Customer Service staff will be available to discuss alternative payment methods and assist using the telephone and online services.



**5. Outcome of the Equality Impact Assessment (EqIA) click the box that applies**

**Outcome 1**

**No change required: the EqIA has not identified any potential for unlawful conduct or disproportionate impact and all opportunities to advance equality of opportunity are being addressed**

**Outcome 2**

**Adjustments to remove/mitigate negative impacts identified by the assessment, or to better advance equality, as stated in section 3&4**

This EqIA will be updated to take into account the consultation responses.

**Outcome 3**

**This EqIA has identified discrimination and/ or missed opportunities to advance equality and/or foster good relations. However, it is still reasonable to continue with the activity. Outline the reasons for this and the information used to reach this decision in the space below.**

Include details here

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**Report for: Cabinet**

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<b>Date of Meeting:</b>	13 October 2022
<b>Subject:</b>	Q1 Revenue and Capital Budget 2022-23
<b>Key Decision:</b>	No
<b>Responsible Officer:</b>	Dawn Calvert - Director of Finance and Assurance
<b>Portfolio Holder:</b>	Councillor David Ashton - Portfolio Holder for Finance and Human Resources
<b>Exempt:</b>	No
<b>Decision subject to Call-in:</b>	Yes
<b>Wards affected:</b>	All
<b>Enclosures:</b>	Appendix 1 – Summary of Grants 2022-23 Appendix 2 – Capital Programme 2022-23 Appendix 3 – Trading Company Update 2022-23

## Section 1 – Summary and Recommendations

This report sets out the Council's projected revenue and capital outturn position for 2022-23, based on all information known at the end of Q1 30 June 2022.

### Recommendations:

1. That Cabinet notes the revenue and capital outturn positions set out in paragraphs 1.2 to 1.4.
2. That Cabinet note the Council's Trading Update as detailed in Appendix 3.

### Reason: (For recommendations)

To report the 2022-23 financial forecast position at Q1 and to update Cabinet on trading company performance.

## Section 2 – Report

### 1.0 INTRODUCTION

- 1.1 This is the first budget monitoring report for 2022-23.
- 1.2 The revenue budget in 2022-23 at Q1 is £183.285m which is net of government and other specific grants. A list of external grants is shown at Appendix 1. The net forecast position on the revenue budget for 2022-23, after the planned use of reserves, cross divisional adjustments and management actions including one-off income, is a net overspend of £5.721m. This assumes the planned draw down of £14.711m from the Budget Planning Reserve. This also assumes that the 2022-23 pay award will be 5% which is explained further in this report.
- 1.3 The general fund capital programme budget in 2022-23 is £101.807m. The net forecast position on the capital budget at Q1 is £63.818m which represents 63% of the total capital programme budget. The variance of £37.989m is made up of proposed slippage of £30.730m and an underspend of £7.259m.
- 1.4 The Housing Revenue Account (HRA) capital programme budget is £52.446m. The net forecast position on the HRA capital budget at Q1 is £46.154m which represents 88% of the total HRA capital programme budget. The variance of £6.294m is made up of proposed slippage of £1.444m and a net underspend of £4.850m.

## 2.0 REVENUE MONITORING

2.1 As at Q1 the forecast revenue budget outturn, after the planned use of reserves, cross divisional adjustments and management actions including one-off income, is a net overspend of £5.721m.

**Table 1: Summary of Revenue Budget Monitoring – Forecast at Q1 2022-23**

Service Area	Revised Budget	Outturn	Variance	Contribution/ Drawdown From reserves	Cross Divisional Adjustments	Use of one off funding / management actions	Revised Outturn	Variance to budget
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Resources	37,680	41,448	3,768	-3,420	0	0	38,028	348
Place	29,871	31,913	2,042	2,865	-1,518	0	33,260	3,390
People's Services	104,351	112,733	8,382	-5,190	0	-1,554	105,989	1,638
<b>Total Directorate Budgets</b>	<b>171,902</b>	<b>186,094</b>	<b>14,192</b>	<b>-5,745</b>	<b>-1,518</b>	<b>-1,554</b>	<b>177,277</b>	<b>5,376</b>
Corporate	4,275	4,275	0	0	0	0	4,275	0
Contingency for Unforeseen	1,248	1,248	0	0	0	0	1,248	0
Technical	5,776	21,820	16,044	-16,042	0	0	5,778	2
Investment Properties	-2,876	-2,796	80	-80	0	0	-2,876	0
Pay Inflation	2,000	5,000	3,000	0	0	0	5,000	3,000
Non-Pay Inflation	2,750	92	-2,658	0	0	0	92	-2,658
MTFS Growth held centrally	2,250	2,250	0	0	0	0	2,250	0
<b>Total Corporate Budgets</b>	<b>15,423</b>	<b>31,889</b>	<b>16,466</b>	<b>-16,122</b>	<b>0</b>	<b>0</b>	<b>15,767</b>	<b>344</b>
Uncontrollable Budgets	-4,040	-4,040	0	0	0	0	-4,040	0
<b>Grand Total</b>	<b>183,285</b>	<b>213,943</b>	<b>30,658</b>	<b>-21,867</b>	<b>-1,518</b>	<b>-1,554</b>	<b>189,004</b>	<b>5,721</b>

## RESOURCES

**Table 2: Resources Forecast Outturn Q1 2022-23**

Division	Budget	Forecast	To/ (From) Reserves	Revised Forecast	Variance to budget
	£000	£000	£000	£000	£000
Business Support	3,361	3,401	0	3,401	40
Finance & Insurance	3,337	3,592	-255	3,337	0
Management (including Modernisation)	809	1,448	-625	823	14
Strategy	2,841	3,283	-325	2,958	117
Revenues & Benefits	9,147	9,547	-400	9,147	0
ICT	7,452	7,554	-90	7,464	12
Procurement	687	687	0	687	0
Access Harrow	3,675	4,013	-150	3,863	188
HR	1,863	3,287	-1175	2,113	250
Legal & Governance	3,873	4,012	-400	3,612	-261
Internal Audit/CAFT	636	624	0	624	-12
<b>Totals</b>	<b>37,681</b>	<b>41,448</b>	<b>-3,420</b>	<b>38,028</b>	<b>348</b>

2.1 As at Q1 the directorate is reporting a net overspend of £348k after draw down from reserves. The forecast includes £2.028m expected spend on the second year of the Modernisation Programme.

2.2 The reserve movements are shown in Table 3

**Table 3: Resources Reserve Movements 2022-23**

Description	Movement £'000
Borough Election	-400
Insurance Reserve	-255
Business Risk Reserve	-635
Capacity Build/ Transformation Reserve	-2,028
Equalities Diversity & Inclusion Reserve	-102
<b>Resources net draw down</b>	<b>-3,420</b>

2.3 The net overspend of £348k is made up as follows:

- **Strategy** – £117k net overspend due to unachieved income in the Comms Team
- **Access Harrow** – £188k net overspend due to the decision to not implement a prior year MTFs saving to close the telephone lines for Revenues and Collections.
- **HR** - £250k net overspend due to loss of income from schools for Payroll services
- **Legal & Governance** - £261k net underspend mainly related to additional income in registration services
- **Other net pressures** - £54k across the directorate

## PLACE

**Table 4: Place Forecast Outturn Q1 2022-23**

Division	Budget	Forecast	To/ (From) Reserves	Cross divisional adjmt	Revised Forecast	Variance to budget
	£000	£000	£000	£000	£000	£000
Directorate Management	2,931	3,426	-146	0	3,280	349
Environment	16,297	17,674	-739	0	16,935	638
Inclusive Economy, Leisure & Culture	3,601	3,778	-110	0	3,668	67
Regeneration & Development	3,183	2,921	3,848	-1250	5,519	2,336
Housing General Fund	3,859	4,115	12	-268	3,859	0
<b>Total Budget</b>	<b>29,871</b>	<b>31,914</b>	<b>2,865</b>	<b>-1,518</b>	<b>33,261</b>	<b>3,390</b>

2.4 As at Q1 the directorate is reporting a net overspend of £3.390m after contributions to and draw down from reserves and cross-divisional adjustments.

2.5 Of this, £2.490m relates to energy and fuel cost pressures due to the recent surges in the unit price of electricity, gas, and fuel. This will be funded by the non-pay inflation budget of £2.75m which is held corporately.

2.6 The reserve movements are shown in Table 5

**Table 5: Place Reserve Movements 2022-23**

Description	Movement £'000
CIL Harrow	4,000
Revenue Grant Reserve	12
Capital Feasibilities Reserve	-85
Accommodation Strategy Reserve	-152
3G Pitch	25
1 Hour Free Parking	-24
Business Risk Reserve	-765
Capacity Build/ Transformation Reserve	-146
<b>Place net contribution</b>	<b>2,865</b>

2.7 **Directorate Management** – £349k net overspend. COVID-19 is expected to continue to result in losses in income in 2022-23. As part of the 2022-23 MTFS process, budget growth of £2.482m is included in the budget to recognise the impact on income achievement. The growth is held in Directorate Management. The total forecast loss of income is £2.831m resulting in a pressure of £349k. This will be mitigated by a forecast overachievement of income in Trade Waste (£100k) and Network Management (£240k) reported elsewhere within this report.

2.8 **Environment** - £638k net overspend. This is made up as follows:

- **Fuel & Energy** - £1.543m net overspend
- **Strategy, Development & Performance** - £49k net underspend due to £100k overachievement of Trade Waste income partially offset by overspends on the Public Mortuary SLA £29k and staffing costs £22k as a result of interim staffing arrangements
- **Transport & Environmental Operations** - £515k net underspend. This is as a result of £185k overspend on Clean & Green in relation to the SLA with Brent Council for the management of Carpenders Park cemetery, business rates bills and staffing costs driven by additional agency spend because of difficult market conditions for permanent recruitment. These are offset by underspend of £700k in Waste Management due to favourable market conditions which has resulted in the projected disposal cost for dry recyclables to be lower than budgeted for. As the market is very volatile and the gate fee can fluctuate up or down, this will be monitored closely.
- **Parking Enforcement & Network Management** - £341k net underspend. This is due to forecast overachievement of £240k in Network Management driven by increased street works activity and an underspend of £101k on staffing costs in Parking Services due to vacant posts.

2.9 **Inclusive Economy, Leisure and Culture** - £67k net overspend. This is due to fuel and energy pressures totalling £53k and business rates bills at the Harrow Arts Centre of £14k

## 2.10 Regeneration and Sustainable Development - £2.336m net overspend

- **Fuel & Energy** - £894k net overspend
- **Estates & Facilities Management** - £942k net overspend.
  - Facilities Management - £826k net overspend due to additional security staff across various council sties, corporate cleaning due to the opening of the Harrow Council Hub and loss of income assumed for room letting bookings at the Civic Centre and rental income from units at the Depot.
  - Corporate Estates – £80k net overspend due to interim staffing arrangements
  - Head of Facilities & Estates - £69k net overspend due to interim staffing arrangements
  - Catering Services - £33k net underspend due to underspend on staffing costs £84k partially offset by £51k net pressure on the Harrow Meals on Wheels service.
  - Planning & Development - £500k net overspend due to under achievement of planning application fee income as the number of planning applications are lower than expected

2.11 **Housing General Fund** – the forecast at Q1 is showing a balanced position after utilising £2.234m from the Homelessness Prevention Grant (HPG) to meet the business as usual and covid related costs associated with the Homelessness Reduction Act. The £0.966m increase in the use of HPG in 2022-23 is due to the decision of the service to increase the level of service delivery geared towards prevention of homelessness; keeping the vulnerable households in their current accommodation. However, the spiraling cost of living which may result in vulnerable households prioritizing food over rent will increase the demand for support. This leaves the balance of the HPG of £5.703m.

### **Housing Revenue Account (HRA)**

- 2.12 The budget for the HRA was set at an in-year loss of £241k for 2022-23. As at Q1 the forecast is that the loss will increase by £300k to £541k. This would leave general reserves of £4.636m at 31 March 2023 which is still above the minimum required by the business plan (greater than 7% of income which is £2.37m in 2022-23).
- 2.13 The reason for the adverse variance is the increased utility costs over and above inflation which was not fully factored into the budget. The figures assume that £30k of the increase is recovered from leaseholders as their charges are based on actual expenditure for the year.
- 2.14 The budget for 2023-24 will factor in these increases in terms of costs and charges to recover the same.



2.15 Repairs remains a red risk. The forecast assumes to budget as measures have been introduced to manage expenditure to fund known pressures such as fence replacement and legionella surveys. These measures include greater control of void specifications to contractors, authorisation and verification of all works over £500 and reduction of expenditure on Aids and Adaptations by using alternative contractors.

## **PEOPLE SERVICES**

**Table 6: People Services Forecast Outturn Q1 2022-23**

Division	Service Area	Revised Budget	Forecast	To/ (From) Reserves	One off funding/ Mgt Actions	Revised Forecast	Variance to budget
		£'000	£'000	£'000	£'000	£'000	£'000
Adults	Strategic Management	960	1,960	-1,000	0	960	0
	Purchasing	42,195	43,295	0	-1,100	42,195	0
	Mental Health	6,422	6,422	0	0	6,422	0
	Other Adults	12,326	12,326	0	0	12,326	0
	In House Services	5,415	5,415	0	0	5,415	0
<b>Adults Total</b>		<b>67,318</b>	<b>69,418</b>	<b>-1,000</b>	<b>-1,100</b>	<b>67,318</b>	<b>0</b>
<b>Public Health Total</b>		<b>-163</b>	<b>470</b>	<b>-633</b>	<b>0</b>	<b>-163</b>	<b>0</b>
Children's Services	Children & Young People	27,026	30,917	-2,117	-454	28,346	1,320
	Education Services	8,796	10,272	-1,346	0	8,926	130
	People Services Mgt	1373	1655	-94	0	1561	188
<b>Children's Services Total</b>		<b>37,195</b>	<b>42,844</b>	<b>-3,557</b>	<b>-454</b>	<b>38,833</b>	<b>1,638</b>
<b>People Services Total</b>		<b>104,350</b>	<b>112,732</b>	<b>-5,190</b>	<b>-1,554</b>	<b>105,988</b>	<b>1,638</b>

2.16 As at Q1 the directorate is reporting a net overspend of £1.638m after draw down from reserves and one-off funding & management actions.

2.17 The reserve movements are shown in Table 7

**Table 7: People Services Reserve Movements 2022-23**

Description	Movement £'000
Children's – Revenue Grant Reserve	-52
Children's – PFI Schools Sinking Fund	-386
Children's – Children's Social Care Reserve	-3,029
Children's – Business Risk Reserve	-90
Public Health – Public Health Reserve	-633
Adult Services – Adults Social Care Reserve	-1,000
<b>People Services net draw down</b>	<b>-5,190</b>

2.18 The variations are explained in more detail at the following paragraphs.

## Adult Services

- 2.19 As at Q1 the service is reporting a net overspend of £2.1m before mitigating actions. This will be managed by £1m draw down from the Adults Social Care (ASC) reserve and the remaining £1.1m is expected to be mitigated through a number of projects to reduce the underlying expenditure.
- 2.20 **Strategic Management** - £1m overspend before draw down from reserves. There is a pressure of £1m related to staffing above establishment to ease the impact of the cessation of the workforce grants allocated in previous years and will be funded by a one-off drawdown of £1m from the ASC Reserve. There is a real tension in relation to staffing (reflecting increased cost of agency staff and retention of long-standing staff) which have the potential to cause an overspend. This is being carefully monitored and discussed within the service to agree next steps.
- 2.21 **Purchasing** - £1.1m overspend before mitigating actions. The balance of the forecast overspend of £1.1m relates to the placement budget. This assumes a growth in placements (after allowing for deaths) of £1.051m and allows for 10 new packages per week (6 community and 4 across residential/nursing placements), with further cost increases of £1.4m reflecting complexity. The forecast assumes that outstanding debt will continue to age requiring an increase in the bad debt provision of £500k (as budgeted) although targeted recovery action is taking place to minimise the position.
- 2.22 The forecast assumes £700k in relation to the Q1 Discharge to Assess (D2A) funding from health (which has now been extended to end August) and increased BCF funding of £385k on an ongoing basis (of which £125k is uncommitted and supporting the balanced position being reported). There are however a number of risks around this early forecast, as the post pandemic operating model, particularly around the health interface, is volatile. There are also increasing costs arising from provider inflation requests, although it is hoped that any resultant pressures can be picked up within the market sustainability grant.
- 2.23 The forecast overspend on the placement budget is expected to be mitigated through a number of projects to reduce the underlying expenditure (£850k) and targeted actions around debt recovery (£250k). These projects have been slow to start and are challenging in the context of the current social work pressures and will be closely monitored to ensure that the forecast is not understated.
- 2.24 **Inhouse Services and Other Adults** – balanced budget. The position assumes that inhouse services and those managed by CNWL for citizens requiring mental health support under the age of 65 will be balanced. The directorate is in the process of agreeing the 2022-23 budget for CNWL to manage services following the receipt of the recovery plan (estimated at £229k part year effect). The existing growth held within the Adults budget is sufficient to fund the forecast position, and there is potential for an underspend to mitigate wider pressures.

2.25 The balance of the ASC Reserve is held for costs to support implementation of savings plans (£300k), ASC reforms (£500k) and one-off pressures (£1.969m)

### **Public Health**

2.26 As at Q1 Public Health is reporting a balanced position after a planned draw down of £633k from the Public Health reserve to fund the continuation of improvement projects and increased funding for wider determinants of health.

### **Children's Services**

2.27 As at Q1 the service is reporting a net overspend of £1.638m after a draw down from reserves and use of one-off funding.

2.28 The Children's Services budget has increased by £1.770m through permanent growth in the MTFs. In addition, £2.117m has been earmarked in the Children's Social Care (CSC) Reserve to support overall pressures.

2.29 The main variances are summarised in the following paragraphs.

2.30 **Children and Young People Services** – £1.320m net overspend

- **Children's Placements & Accommodation** - £2.374m net overspend. The forecast assumes that there will be additional new placements throughout the financial year of £1m. If this does not come to fruition the forecast will reduce each month
- **Frontline Staffing** – £871k net overspend due to staffing pressures to maintain safe caseloads and use of agency staff due to difficulties in permanent recruitment which are more expensive
- **Client Related Spend** – £389k net overspend including legal fees, signers and interpreters, and subsistence to families
- **Early Support Services** - £131k net overspend related to increased utilities costs. This is offset against the underspend in the non pay inflation budget held corporately.
- **Other pressures** - £126k net overspend various pressures across the directorate
- **Draw down from reserves** - £2.117m draw down to partially mitigate pressures
- **Use of one-off income** - £454k to partially mitigate pressures

2.31 **Education Services** - £130k net overspend

- **SEN Transport** – £267k net overspend due to anticipated growth in the number of children and routes for the 2022-23 academic year. The full impact of this will not be known until September/October when the final routes have been set.

- **Other Education Services** – net underspend £137k mainly due to additional SLA income

2.32 **Commissioning & People Services Management** – £188k net overspend. This relates to a reduction in grant income £67k, staffing pressures in relation to the Mosaic Team and shortfall in income in the Safeguarding Team

### 2.33 **Dedicated Schools Grant**

2.34 The Dedicated Schools Grant (DSG) is a ring-fenced grant of which the majority is used to fund individual school budgets in maintained schools, academies, and free schools in Harrow. It also funds Early Years nursery free entitlement places for 2-, 3- and 4-year-olds in maintained council nursery classes and private, voluntary, and independent (PVI) nurseries as well as provision for pupils with High Needs.

2.35 There is a projected overspend on the High Needs Block of £1.261m in 2022-23 which added to the cumulative deficit of £4.007m brought forward from previous years will take the total projected deficit at the end of March 2023 to £5.268m.

2.36 Any deficits an authority may have on its DSG account is expected to be carried forward and does not allow or require a local authority to cover this from its general reserves. This is a temporary arrangement for three years ending in March 2023.

2.37 The DfE requires local authorities to explain their plans for bringing the DSG account back into balance. A recovery plan was drafted and discussed with Schools Forum in 2022. This now needs to be updated to take account of current numbers of EHCPs and revised EHCP and financial projections. Despite the significant proposals and measures planned over the next ten years, the Deficit Management Plan shows that this will not fully mitigate the deficit. This is due to the following contributory factors:

- historical underfunding
- current budgets being based on historical budgets rather than historical spend
- extension of age range to include 0-5 and post 19
- current and projected formulaic funding which does not keep pace with demand
- significant historical and projected growth in number of EHCPs
- continued growth in complexity of pupils' needs
- limitations about creating cost effective provision in borough due to capacity and site limitations

## **CORPORATE AND TECHNICAL**

2.38 As at Q1 the forecast for Corporate & Technical budgets is a net underspend of £2.658m as detailed below.

## **Corporate Items**

2.39 As at Q1 the forecast is a balanced budget.

## **Technical Budgets**

2.40 As at Q1 the forecast is a balanced budget.

## **Pay & Non Pay Inflation Budgets**

2.41 As at Q1 the pay and non pay inflation budgets are held corporately. There is a net underspend on the non pay inflation budget of £2.658m which is offset by energy and fuel inflation pressures forecast in the directorates.

2.42 The pay inflation budget of £2m is projected to overspend by £3m which would equate to a 5% pay award (Municipal Journal estimate May 2022). Based on previous years, should there be significant slippage in the capital programme, there will be an in year underspend on the capital financing budgets. However at Q1 it is too early in the year for this figure to be confirmed. In addition, the assumed figure of 5% for the pay award is a best estimate and would increase by £1m for every additional 1% pay award. Even if it is possible to fund the in year impact of a 5% pay award in 2022/23, the pay award will have an ongoing impact, which will add to the MTFs gap in future years. Any future capital financing underspends are planned for contribution to the MTFs budget gap in 2023-24 and 2024-25.

## **Investment Properties**

2.43 As at Q1 the forecast for investment properties is a net overspend of £80k. This is due to vacant space which results in loss of rental income. This will be funded by a draw down from the Investment Properties Reserve.

2.44 From 2015 to 2019 the Council acquired seven investment properties at a cost of £48.2m. The portfolio consists of warehouses and other commercial and residential properties across the UK, as well as an office block in Harrow. At acquisition, the net yield was estimated at 2.31% (gross yield 7.3%) for all but the office block Kings House (net yield 0.9% and gross yield 5.9%) which was also purchased as a land acquisition for potential regeneration. The return from investment properties was included in the MTFs.

2.45 The projected return from all but Kings House is currently on target despite COVID-19. There is vacant space in Kings House – part of the 3<sup>rd</sup> floor has been vacant since acquisition and the remainder of the 3<sup>rd</sup> floor became vacant in December 2020. This results in loss of rental receipts and the additional cost such as business rates and service charges which falls back to the council.

2.46 The annual estimated impact of vacant space at Kings House in 2022-23 is a loss of rental income and charges relating to vacant space in total of £369k. This is partly offset by earlier investment purchases achieving returns over and above

their target hence the overall investment property pressure of £80k. This will be funded by a draw down from the Investment Property Reserve.

## RESERVES

**Table 8: Summary of Reserves 2022-23**

Description	Brought Forward 01/04/22	Directorate Reserve Movements	Corporate Reserves Movements	Other Reserves movement	Balance Carry Forward 31/03/2023
CIL Harrow	-7,108,388	-4,000,000		5,533,000	-5,575,388
Revenue Grant Reserve	-6,641,420	40,000			-6,601,420
Compensatory Added Year Reserve	-242,782				-242,782
PFI Schools Sinking Fund	-2,071,676	386,000			-1,685,676
Public Health Reserve	-2,674,142	633,000			-2,041,142
PFI NRC Sinking Fund	-1,823,836				-1,823,836
Legal Services Contingency	-821,239				-821,239
HRA Transformation Reserve	-542,965			475,000	-67,965
Carryforward Reserve	-1,330,981		1,330,718	263	0
Collection Fund Reserve	-4,634,745				-4,634,745
Capital Feasibilities Reserve	-500,000	85,000			-415,000
Accommodation Strategy Reserve	-652,000	152,000			-500,000
Adults Social Care Reserve	-3,769,475	1,000,000			-2,769,475
Children's Social Care Reserve	-3,108,120	3,029,000			-79,120
Borough Election	-574,677	400,000			-174,677
Harvist Reserve Harrow Share	-34,034				-34,034
Proceeds Of Crime Reserve	-63,000				-63,000
Proceeds Of Crime Reserve Planning	-430,172				-430,172
CIL Mayor	-150,520				-150,520
Insurance Reserve	-959,318	255,000			-704,318
Public Mortuary Expansion Reserve	-500,000				-500,000
3G Pitch	-25,000	-25,000			-50,000
1 Hour Free Parking	0	24,000		-624,000	-600,000
Vehicle Fund	-1,250,478				-1,250,478
Investment Property Reserve	-977,385		80,000		-897,385
PAP Sinking Fund	-393,300				-393,300
HRA Hardship Fund	-25,000				-25,000
HRA Regeneration Reserve	-722,200				-722,200
HRA Repair Reserve	-277,428				-277,428
Business Risk Reserve	-1,968,198	1,490,017			-478,181
Budget Planning Reserve MTFS gap	-22,490,358		14,711,000	623,737	-7,155,621
Capacity Build/ Transformation Reserve	-3,172,652	2,174,000		300,000	-698,652
<b>Total Ringfenced Reserves</b>	<b>-69,935,490</b>	<b>5,643,017</b>	<b>16,121,718</b>	<b>6,308,000</b>	<b>-41,862,755</b>
Headstone Manor Reserve	-287,750			287,750	0
Libraries Reserve	-150,000			150,000	0
IT Reserve	-134,000			134,000	0
Equalities Diversity & Inclusion Reserve	-157,273	102,000		55,273	0
General Fund Reserves	-10,008,000			-627,023	-10,635,023
<b>Total Usable Reserves</b>	<b>-10,737,023</b>	<b>102,000</b>	<b>0</b>	<b>0</b>	<b>-10,635,023</b>
DSG Overspend	4,006,867			1,261,241	5,268,108
<b>Grand Total All Reserves</b>	<b>-76,665,646</b>	<b>5,745,017</b>	<b>16,121,718</b>	<b>7,569,241</b>	<b>-47,229,670</b>

## GRANTS

2.47 Attached at Appendix 1 is a schedule of all the revenue grants the Council expects to receive in 2022-23. The majority of these grants are received and paid out and don't impact on the bottom line for example Dedicated Schools Grant £143m which is paid out to education providers and Housing Benefit Subsidy £117m which is paid to Housing Benefit Claimants.

### 3.0 CAPITAL PROGRAMME

3.1 The revised capital budget for 2022-23 is £154.253m as set out at Table 9 and in more detail at Appendix 2:

**Table 9: Capital Programme Budget 2022-23 Q1**

Directorate	TOTAL BUDGET	Actuals	Commitments	Forecast Spend	Forecast Variance	Slippage	Over/Underspend after Slippage
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>RESOURCES TOTAL</b>	<b>12,104</b>	<b>894</b>	<b>914</b>	<b>12,104</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>PLACE:</b>							
Environment	29,651	1,093	7,662	21,881	(7,770)	(511)	(7,259)
Leisure & Culture	2,677	59	2,401	2,677	0	0	0
Inclusive Economy	3,057	185	764	1,257	(1,800)	(1,800)	0
Planning	1,395	27	150	1,395	0	0	0
Regeneration	14,267	(123)	208	1,999	(12,268)	(12,268)	0
Housing General Fund	10,429	54	358	10,428	(1)	0	(1)
<b>PLACE TOTAL</b>	<b>61,477</b>	<b>1,296</b>	<b>11,544</b>	<b>39,638</b>	<b>(21,839)</b>	<b>(14,580)</b>	<b>(7,259)</b>
<b>PEOPLE:</b>							
Adults	395	0	0	308	(88)	(88)	0
Public Health	7	4	2	7	0	0	0
Children	27,825	800	1,345	11,762	(16,062)	(16,062)	(0)
<b>PEOPLE TOTAL</b>	<b>28,226</b>	<b>804</b>	<b>1,348</b>	<b>12,076</b>	<b>(16,150)</b>	<b>(16,150)</b>	<b>0</b>
<b>TOTAL GENERAL FUND</b>	<b>101,807</b>	<b>2,994</b>	<b>13,806</b>	<b>63,818</b>	<b>(37,989)</b>	<b>(30,730)</b>	<b>(7,259)</b>
<b>TOTAL HRA</b>	<b>52,446</b>	<b>(126)</b>	<b>5,888</b>	<b>46,151</b>	<b>(6,294)</b>	<b>(1,444)</b>	<b>(4,850)</b>
<b>TOTAL GENERAL FUND &amp; HRA</b>	<b>154,253</b>	<b>2,868</b>	<b>19,694</b>	<b>109,970</b>	<b>(44,283)</b>	<b>(32,174)</b>	<b>(12,109)</b>

3.2 As at Q1 the projected spend is £109.970m which is 71% of the total Capital Programme budget. The projected spend on the General Fund is £63.818m, (63% of budget). The variance of £37.989m is made up of proposed slippage of £30.730m and a net underspend of £7.259m.

3.3 The projected spend on the Housing Revenue Account is £46.154m (88% of the budget). The variance on the HRA of £6.294m is made up of slippage of £1.444m and an underspend of £4.850m.

### RESOURCES

3.4 As at Q1 the projected spend is £12.104m which represents 100% of the capital budget.

## **PLACE**

3.5 As at Q1 the projected spend is £39.637m which represents 64% of the capital budget. Of the variance to budget of £21.839m, a total of £14.579m of funding will be slipped to 2023-24. The underspend of £7.260m results from projects no longer going ahead.

## **Environment**

3.6 The services forecast to spend £21.881m against a budget of £29.651m. £511k is forecast to be slipped to 2023-24 and £7.259m is reported as an underspend for the reasons listed below.

- **Highway Programme** - £511k slippage. This is due to the delay in commencing the 2022-23 programme. Footway improvement schemes will normally require detailed design, therefore it is anticipated that some of these works will not be fully completed this year.
- **TfL Local Implementation Plan** - £1.391m underspend. A forecast underspend of the full amount assumed in the Capital Programme is reported. The funding allocation from TfL to date is primarily for scheme design and staffing cost. TfL funding has been adversely affected following COVID-19 pandemic, therefore it is anticipated that no funding will be provided to implement any capital schemes this year.
- **Wealdstone Future High Street Fund** – £5.868m underspend. The 2022-23 budget allocation including 2021-22 carried forward budget is reported as an underspend. Funding was awarded from DLUHC in 2021 following the successful bid to the Future High Street Fund for the construction of a footbridge and the implementation of Intelligent High Street in Wealdstone. The project is currently put on hold.

3.7 Unless stated otherwise, the slippage has no implications on the revenue budget.

## **Leisure and Culture**

3.8 The projected spend is £2.677m which is 100% of the total capital budget.

## **Inclusive Economy**

3.9 The forecast spend is £1.257m against a budget of £3.057m. The remaining £1.8m is forecast to be slipped to 2023-24.

- **High Street Fund** - £1.8m slippage. This is a multiple year programme, with a number of committed projects underway. Of the total funding of £2.868m this year, £1.068m is forecast to be utilised to complete existing projects. Any spend on new projects is subject to review, therefore the remaining budget of £1.8m is reported as slippage at this stage.



3.10 Unless stated otherwise, the slippage has no implications on the revenue budget.

### **Planning**

3.11 The service forecast to spend the total budget of £1.395m in full in 2022-23

### **Regeneration**

3.12 The service forecasts to spend £1.999m against a budget of £14.267m. The remaining £12.268m is forecast to be slipped to 2023-24

- Waxwell Lane and Haslam House - £526k to budget. There are some known risks to this position identified on Waxwell Lane where an extension of time claim has been submitted by the contractor. The final account negotiations are expected to be completed by Summer 2022-23.
- Accommodation Strategy - £1.473m to budget. This budget is allocated for fit out works for various ancillary sites. Works are underway and these are expected to be completed this year.
- Investment in Harrow New Civic and 3 core sites - £12.268m slippage. Following the Cabinet report in March 2022 on the update of the Harrow Strategic Development Partnership (HSDP), the viability review of various sites is underway and the outcomes will be reported back to Cabinet. The funding of £12.268m in the Capital Programme will not be committed until the financial implications to the Council are refreshed. Therefore the full budget is forecast as slippage at this stage.

### **Housing General Fund**

3.17 The service forecast to spend £10.428m which represents 100% of the total capital budget.

3.18 Additional Disabled Facilities Grant (DFG) was carried forward at the end of 2021-22 resulting in a total budget allocation of £2.808m in 2022-23. There is a risk that not all of the budget will be spent this year and Housing Services is working closely with People Services to ensure full use of the funding is made in 2022-23.

### **Housing Revenue Account (HRA)**

3.19 The HRA capital programme budget is £52.446m. As at Q1 the net forecast spend position is £46.154m which represents 88% of the total HRA capital programme budget. The variance of £6.294m is made up of proposed slippage of £1.444m and a net underspend of £4.650m.

3.20 The slippage of £1.444m relates to two schemes

- **Decarbonisation Programme** - £750k slippage which has been delayed due to funding proposals and partnering arrangements being established with other local authorities
- **Install Heat Pump technology** - £694k slippage which, due to issues with one site, has led to the programme not being fully delivered as planned in 2022-23.

3.21 It is proposed to carry forward the funding of £1.444m for these two programmes to 2023-21. There are no revenue implications as a result of this slippage.

3.22 The underspend of £4.850m relates to the Planned Investment Programme which is to be reprofiled to 2023-24 pending Cabinet of approval of schemes in October 2022.

### **PEOPLE SERVICES**

3.23 As at Q1 the projected spend is £12.076m which is 43% of the total budget.

#### **3.24 Adult Services**

3.25 As at Q1 the forecast spend is £308k which is 78% of the total budget. The remaining £88k is reported as slippage.

**3.26** The slippage relates to funding for inhouse provision which largely represents a placeholder in the event of any unforeseen requirements. It is not anticipated that the full budget will be required this financial year. There are no revenue implications as a result of this slippage.

#### **3.27 Public Health**

**3.28** As at Q1 the projected spend is £7k which represents 100% of the budget.

#### **3.29 Children's Services**

3.30 As at Q1 the projected spend is £11.762m which is 42% of the total budget. The remaining £16.062m will be slipped to future years.

3.31 Additional Basic Need Grant Funding of £14.973m was allocated to the LA in 2021-22 to enable the LA to meet its statutory duty of providing sufficient mainstream school places. However, the current projections indicate that there is not a requirement for any permanent expansion at this stage. Funding allocated for bulge classes and historical capital maintenance funding, also funded from grant, will also be slipped to future years as this is not currently required.

3.32 There are no revenue implications as a result of this slippage.

#### 4.0 **COUNCIL TRADING STRUCTURE UPDATE 2022-23**

4.1 The Council's Trading Structure update is attached at Appendix 3 and summarises the financial position and provides a general update on the activities of all the Council's trading entities.

#### 5.0 **REPORTING FOR THE 2022-23 FINANCIAL YEAR**

5.1 This is the first revenue and capital budget monitoring report for 2022-23

5.2 Cabinet will receive quarterly monitoring reports during the year as follows:

- Q2 Revenue & Capital Monitoring – December 2022
- Q3 Revenue & Capital Monitoring – February 2023
- Q4/Final Revenue & Capital Monitoring – July 2023

#### 6.0 **Implications of the Recommendation**

Implications of recommendation are set out in the body of this report.

#### 7.0 **Performance Issues**

Good financial monitoring is essential to ensuring that there are adequate and appropriately directed resources to support delivery and achievement of Council priorities and targets as set out in the Corporate Plan. In addition, adherence to the Prudential Framework ensures capital expenditure plans remain affordable in the longer term and that capital resources are maximized.

As at Q1 the forecast on the revenue budget is a net overspend of £5.721m.

The projected spend on the Capital Programme is £109.970m, 71% of the total budget.

#### 8.0 **Environmental Implications**

There is no direct environmental impact.

#### 9.0 **Risk Management Implications**

Risks included on corporate or directorate risk register? **Yes**

Separate risk register in place? **No**

The relevant risks contained in the register are attached/summarised below.  
**Yes**

The following key risks should be taken onto account when noting the report:

Risk Description	Mitigations	RAG Status
Failure to deliver the budget on target	<ul style="list-style-type: none"> <li>▪ At Q1 there is a projected net revenue overspend of £5.721m which assumes a 5% pay award increase.</li> <li>▪ It is anticipated that by the end of the year this overspend can be contained within budget through continued robust budget monitoring and challenge and use of a one off capital financing underspend which will be confirmed later in the year.</li> </ul>	Amber
Pay inflation impact on budget	<ul style="list-style-type: none"> <li>▪ The forecast overspend assumes a 5% pay award and therefore, there is a further risk to the forecast should the pay award be in excess of 5%. For every additional 1% pay award this would equate to an additional £1m overspend, which would require compensatory savings to be made or central government support be provided to fund both the in year and ongoing impact.</li> </ul>	Red
Trading companies' failure to deliver required contribution to the MTFS	<ul style="list-style-type: none"> <li>▪ Income target reprofiled over four years rather than three</li> <li>▪ Impact of reprofiling on 2022-23 budget is already assumed in the overall outturn</li> <li>▪ Quarterly stakeholder groups</li> <li>▪ Review of financial and non-financial performance information</li> </ul>	Green

## 10.0 Procurement Implications

Any procurement arising from this report will be supported by the Procurement Team and will be undertaken compliant with the Public Contract Regulations 2015 and the Council's Contract Procedure Rules.

## 11.0 Legal Implications

Section 151 of the Local Government Act 1972 states that without prejudice to section 111, every local authority shall make arrangements for the proper administration of their financial affairs and shall secure that one of their officers has responsibility for the administration of those affairs". Section 28 of the Local government Act 2003 imposes a statutory duty on a billing or major precepting authority to monitor, during the financial year, its income and expenditure against budget calculations.

## 12.0 Financial Implications

Financial matters are integral to this report.

## 13.0 Equalities implications / Public Sector Equality Duty

13.1 Decision makers should have due regard to the public sector equality duty in making their decisions. The equalities duties are continuing duties they are not duties to secure a particular outcome. The equalities impact will be revisited on

each of the budget proposals as they are developed. Consideration of the duties should precede the decision. It is important that Cabinet has regard to the statutory grounds in the light of all available material such as consultation responses. The statutory grounds of the public sector equality duty are found at section 149 of the Equality Act 2010 and are as follows:

13.2 A public authority must, in the exercise of its functions, have due regard to the need to:

- eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
- advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

13.2 Having due regard to the need to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:

- remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic;
- take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it;
- Encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.
- The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities.
- Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:
  - Tackle prejudice, and
  - Promote understanding.

13.3 Compliance with the duties in this section may involve treating some persons more favourably than others; but that is not to be taken as permitting conduct that would otherwise be prohibited by or under this Act. The relevant protected characteristics are:

- Age
- Disability
- Gender reassignment
- Pregnancy and maternity
- Race,
- Religion or belief

- Sex
- Sexual orientation
- Marriage and Civil partnership

13.4 Equality assessments were undertaken for the budget proposals agreed by Council listed as part of the MTFS process and an overall equality assessment was undertaken on the MTFS.

### **Section 3 - Statutory Officer Clearance**

**Statutory Officer: Dawn Calvert**

Signed by the Chief Financial Officer

**Date: 05.09.22**

**Statutory Officer: Jessica Farmer**

Signed on behalf of the Monitoring Officer

**Date: 01.09.22**

**Chief Officer: Paul Hewitt**

Signed off by the Acting Chief Executive

**Date: 05.09.22**

**Head of Procurement: Nimesh Mehta**

Signed by the Head of Procurement

**Date: 30.08.22**

**Head of Internal Audit: Susan Dixon**

Signed by the Head of Internal Audit

**Date: 06.09.22**

### **Mandatory Checks**

*Ward Councillors notified: NO as it impacts on all Wards*

*EqIA carried out: NO*

### **Section 4 - Contact Details and Background Papers**

**Contact:** Sharon Daniels, Head of Strategic and Technical Finance  
(Deputy S151), Telephone 020 8424 1332, Sharon

[Daniels@harrow.gov.uk](mailto:Daniels@harrow.gov.uk)

**Background Papers:**

[Final Revenue Budget 2022/23 and Medium-Term Financial Strategy 2022/23 to 2024/25 Report](#)

**Call-in waived by the Chair of Overview and Scrutiny Committee - NO**

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## SUMMARY OF GRANTS 2022-23

## APPENDIX 1

Directorate	Division	Awarding Body	Grant Name	Ringfenced Y/N	Value	Purpose of grant
People	Adults	DHSC	Market Sustainability and Fair Cost of Care Fund	Y	£654,634	the primary purpose of the fund is to support local authorities to move towards paying providers a fair cost of care and to prepare their markets for adult social care reform
People	Adults	Department for	Independent Living Fund	Y	£295,206.00	to provide financial support to disabled people with high support needs
People	Adults	DHSC	Local Reform and community voices	Y	£145,811	• Funding for Deprivation of Liberty Safeguards (DOLS) in Hospitals; • Local Healthwatch funding, and; • Funding for Independent NHS Complaints Advocacy Services (ICAS).
People	Adults	MHCLG	PFI	Y	£965,648	To help fund costs of historic PFI projects for NRC's
People	Adults		Implementation Support Grant	Y	£107,980	support to local authorities towards expenditure associated w
Place	Environment	Mayor of London - Rewild London Fund	Making the Difference - Bentley Priory: Bigger; Better; Wetter and all Joined Up	Y	£48,601	To help restore wildlife habitats including rivers, help species such as water vole thrive, create meadows for pollinators and new wetlands for birds, as well as enable the monitoring of iconic species such as hedgehogs to inform projects to reverse their decline.
Place	Environment	West London Waste Authority	Food Waste Project	Y	£141,740	The project is underway. Bins purchased and being delivered to housing sites. The remaining funding will be used to fund the additional revenue costs during the pivot.
Place	Housing	Department of Levelling Up, Housing & Communities	Homelessness Prevention Grant	Y	£2,246,458	to give local authorities control and flexibility in managing homelessness pressures and supporting those who are at risk of homelessness
Place	Housing	Department of Levelling Up, Housing & Communities	Rough Sleeping Initiative	Y	£221,944	support for rough sleepers. £221,944 is the allocation for this year which we expect to be reduced by the amount of £32,571 which was carried forward from 21-22
Place	Housing	Department of Levelling Up, Housing & Communities	Domestic abuse Act new burdens	Y	£30,884	to cover the cost of new burdens associated with the expansion of priority need to those forced into homelessness by domestic abuse

Directorate	Division	Awarding Body	Grant Name	Ringfenced Y/N	Value	Purpose of grant
Place	Housing	Department of Levelling Up, Housing & Communities	Domestic Abuse Accommodation Based Support	Y	£35,230	To support local authorities to provide accommodation based support to victims of domestic abuse and their children in refuges and other safe accommodation
Place	Housing	Department of Levelling Up, Housing & Communities	Mayor's Rough Sleeping Accommodation Programme	Y	£124,548	To support Rough sleepers into longer term accommodation to enable them to transition to independent living.
Place	Regeneration & Development	DEFRA	Biodiversity Net Gain	Y	£10,047	The grant relates to supporting the Council to meet its statutory obligations relating to Biodiversity Net Gain under the Environment Act 2021. The grant has just been awarded and the Government is insisting that it is invoiced for / paid by the end of financial year, so it is not practical to spend the grant within the financial year, so it therefore needs to be carried forward (from 21/22)
Place	Regeneration & Development	Heat Network Delivery Unit	HNDU Support	Y	£48,000	Work on potential heat network serving the main Council regeneration sites was put on hold as part of the broader review of the Regeneration programme. Consequently the work proposed to be undertaken using this grant was not progressed in 2019/20 - 2021/22. Heat network considerations form part of the newly appointed Harrow Strategic Development Partner and also Local Plan review / climate emergency, so grant likely to be spent on 2022/23. Grant condition requires it to be spent on heat network / carbon investigations.
Resources	Benefits	MHCLG	MHCLG Local Council Tax Support Schemes Grant		£545,000	this is c/f fro Council Tax hardship support
Resources	Benefits	MHCLG	Test/Trace Support Payment Scheme PLPYJ0021531		£268,785	Selfisolation £500per person payment for each claimant needing to stay at home
People	Schools	ESFA	Dedicated Schools Grant	Y	£143,293,401	75% passported to schools and early years providers determined by funding formulae. 25% retained by LA for commissioning of High Needs provision for pupils with Special Educational Needs & Disabilities
People	Schools	ESFA	Pupil Premium Grant	Y	£3,682,245	All passported to schools
People	Schools	ESFA	Universal Infant Free School Meals	Y	£1,329,952	All passported to schools
People	Schools	ESFA	16-19 Sixth Form provision	Y	£1,860,369	All passported to schools
People	Schools	ESFA	PE & Sports	Y	£1,858,719	All passported to schools (2021-22 allocation, 2022-23 tbc)

Directorate	Division	Awarding Body	Grant Name	Ringfenced Y/N	Value	Purpose of grant
People	Children	Home Office	Unaccompanied Asylum Seeking Children	Y	£1,491,632	To support UASC and 18+ Asylum seekers. Grant as is claimed in arrears based on agreed support days. £1,491,632 grant banked from Home Office during 2021/22.
People	Children	YJB	Youth Justice Grant	Y	£257,636	Delivery of youth justice services
People	Children	DFE	Holiday Activities & Food Programme	Y	£663,060	Local co-ordination of free activities and healthy food for disadvantaged children.
People	Children	ESFA	Children Looked After Pupil Premium Grant	Y	£339,810	Grant per child for looked after children by LA for at least 1 day. LAC premium is managed by Virtual School Head for the benefit of the child. Grants to be paid to schools and also can be held centrally to be pay for staffing, tutors training etc. Grant needs to be fully spent. Unspent grant is recovered by ESFA.
People	Children	MHCLG	Supporting Families (was Troubled Families)	Y	£691,934	Provision of intensive family support services and increasing the maturity of the Early Help system. Also bringing services together around families to deliver whole family working. £534k Advance payment and up to £158k Payments by Results
People	Children	DWP	Reducing Parental Conflict	Y	TBC	To develop staff skills and capability to identify parents experiencing parental conflict, deliver specialist interventions and provide other support to reduce parental conflict
People	Children	DfE	Social Workers in Schools	Y	TBC	A team of social workers based in schools (SWIS) with the aim they work more effectively with education colleagues and with children and families. Grant can be
People	Children	DfE	School Improvement Monitoring & Brokerage	Y	£28,854	Purpose of this grant is to support LA fulfilling statutory school improvement functions for maintained schools
People	Children/Adults	DfT	Bus Service Operators (BSOG)	Y	£69,341	Split 66.66% childrens and 33.33% adults. Payment made to LA for community transport.
People	Children	DfE	Extended Rights for Home to School Travel	Y	£7,600	To promote sustainable travel for children and young people of compulsory school age who travel to receive education or training
People	Children	DfE	Schools PFI	Y	£1,543,316	

Directorate	Division	Awarding Body	Grant Name	Ringfenced Y/N	Value	Purpose of grant
People	Children	DfE	Sec 31 Extension of the Role of Virtual School Heads	Y	£30,000	The purpose of this grant is to provide support to local authorities in England, to help them meet their duty to appoint a Virtual School Head for previously looked-after children and make information and advice available to the following parties for the purposes of promoting the education of eligible previously looked-after children
People	Children	DfE	Sec 31 Extension of the Role of Virtual School Heads to children with a social worker Implementation Grant	Y	£100,000	Extend the role of the Virtual School Head to promote the educational outcomes of the cohort of children with a social worker in early years setting, schools and colleges. To help all childrens with Socail worker to make educational progress.
People	Children	DfE	Wellbeing for Education Recovery Grant	Y	TBC	First received in 2020-21 for school return in September 2020 to provide LA funding to support staff working in schools and colleges with training to respond to additional pressures young people maybe be feeling as result of the pandemic.
People	Children	HMPPS	Remand	Y	£74,417	Under 18s in remand/secure accommodation placements
People	Children	DfE	Staying Put	Y	£55,550	Statutory Staying Put duty (18+ remain with foster carers)
People	Children	DfE	Personal Advisor	Y	£71,259	Statutory duty to offer Personal Adviser support to all care leavers up to age 25
People	Children	DfE	Adoption Support Fund	Y	Variable TBC	Therapeutic services for adoptive and Special Guardianship Order (SGO) families. Extended to Residence Order and Child Arrangment Order families for 2022/23. Approved claims.
People	Children/Adults	MOPAC	Appropriate Adult	Y	TBC	46% refund for Appropriate Adult costs incurred for young people and adults in Harrow and Barnet custody
People	Children	ESFA	KS2 Moderation and KS1 Phonics	N	TBC	To support the teaching of phonics at key stage 2
People	Schools	ESFA	School Led Tutoring programme	Y	£249,729	All passported to schools. T support catch-up for lost education due to COVID-19. Grant is for 2021/22

Directorate	Division	Awarding Body	Grant Name	Ringfenced Y/N	Value	Purpose of grant
People	Schools	ESFA	Recovery Premium	Y	£111,714	All passported to schools. Additional funding for eligible schools based on Pupil Premium eligibility to provide further support to disadvantaged pupils. Grant is for 2021/22 Academic Year
People	Children	MOPAC	Your Choice	Y	Up to £58,000	To deliver High Intensity Therapeutic Interventions for children and young people who get involved in violence.
Corporate	Corporate	MHCLG	S31 Business Rates Relief	Y	£4,760,000	Compensation from government to billing authorities for the cost of reliefs
Corporate	Corporate	MHCLG	NNDR Multiplier inflation	Y	£3,259,000	
Corporate	Corporate	MHCLG	Lower Tier Grant	Y	£421,000	Funding to councils with responsibility for services such as homelessness, planning, recycling, refuse collection and leisure services
Corporate	Corporate	MHCLG	New Services Grant	Y	£2,735,129	One off grant to support local government costs including for the increase in employer NI contributions
Corporate	Corporate	MHCLG	Revenue Support Grant	Y	£1,648,000	government grant given to LAs to support revenue expenditure
Corporate	Corporate	MHCLG	Business Rates Top Up Grant	Y	£22,623,424	
Corporate	Corporate	MHCLG	Business Rates Retention	Y	£12,881,000	
Place	Inclusive Economy Leisure & Culture	Arts Council	Cultural Recovery Fund Round 3 (final payment)	Y	£110,366	To support the recovery of cultural activities in Harrow Arts Centre, Harrow Museum and Harrow Music Service
Place	Inclusive Economy Leisure & Culture	Sport England	National Leisure Recovery Fund	Y	£50,000	Funding for the development of a new Indoor and Outdoor Sports Facility Strategy as agreed by CSB. Funding carried forward from 21/22
Place	Inclusive Economy Leisure & Culture	London Youth Games	LYG Give Back	Y	£3,778	London Youth Games only ran a summer festival last year and not the full campaign due to Covid-19 and lockdowns
Place	Inclusive Economy Leisure & Culture	Arts Council	Music Education Grant	Y	£338,179	To support the delivery of activities from Music Hub
Place	Inclusive Economy Leisure & Culture	Arts Council	Jubilee Library Grant	Y	£1,000	Funding to support the Queen's Jubilee celebrations
Place	Inclusive Economy Leisure & Culture	John Lyon's Charity	John Lyon Music Bursary Funding	Y	£9,850	Year 2 of the funding towards supporting pupil bursaries
Place	Inclusive Economy Leisure & Culture	The Royal Society	2022/23 Headstone Manor Museum - The Royal Society	Y	£3,500	To support the running of Headstone Manor Museum

Directorate	Division	Awarding Body	Grant Name	Ringfenced Y/N	Value	Purpose of grant
Place	Inclusive Economy Leisure & Culture	The National Lottery Heritage Fund	HLF Archive Conservation Project	Y	£85,000	The final claim payment for the HLF refurbishment project was received in 2021/22. Part of this grant is earmarked for the archive conservation project, however this could not be completed in the 2021-22 financial year due to COVID related delays but there is a statutory obligation for the work to be completed.
Place	Inclusive Economy Leisure & Culture	DWP	Kickstart	Y	£89,827	Kickstart Programme is to support young people into paid work placements by providing a subsidy to employers. The DWP grant funding will be used to continue to forward DWP NMW salary payments to Kickstart employers to pay Kickstarters.
Place	Inclusive Economy Leisure & Culture	DWP	Harrow Brokerage Programme	Y	£98,048	To deliver training on skills and job support
Place	Inclusive Economy Leisure & Culture	West London Alliance	Strategic Investment Pot - Businesses & Skills Funding	Y	£88,887	The works have been committed and will continue into 2022/23, to provide support to residents on skills and apprenticeship and to support entrepreneurs and micro businesses.
Place	Inclusive Economy Leisure & Culture	West London Alliance	Strategic Investment Partnership	Y	£80,868	The WLA Strategic Investment Pot - Using Public Assets to Unlock Digital Infrastructure project "Enabling Fund" will be used to support the delivery of digital infrastructure in the borough. Cabinet approved the draft Digital Infrastructure Strategy for consultation with external stakeholders in Dec 2021. This ring fenced funding cannot be used for other purposes. It will be used to support the delivery of Digital Infrastructure Strategy and the newly created post of Digital Infrastructure Lead Officer which is a 3 year fixed term post, starting from April 2022.
People	Adults	MHCLG	Improved Better Care Fund	Y	£6,663,537	Meeting adult social care needs, supporting people to be discharged from hospital when they are ready, ensuring the social care provider market is supported
People	Adults	MHCLG	Social Care Grant	Y	£7,720,558	The purpose of the grant is to provide support to local a
People	Public Health	DOH	Public Health Grant	Y	£11,627,344	Improving the health of the local population and reducing health inequalities
People	Public Health	DOH	Supplemental Substance Misuse treatment & Recovery Grant	Y	£229,290	Additional Funding to support improvement in the quality and capacity of D&A treatment
People	Public Health	DOH	Inpatient Detoxification Grant	Y	£18,428	Inpatient detox and rehab

Directorate	Division	Awarding Body	Grant Name	Ringfenced Y/N	Value	Purpose of grant
Resources	Strategy	MHCLG	Community Champions Fund		£495,000	received in 20/21 -to support small organisations in our less engaged communities to promote vaccination messaging within their communities (e.g. Romanian, Tamil, Somali, etc). Remaining amount c/f to 21/22 £212,336
Resources	Strategy	Home Office	Resettlement VPRS grant	Y	TBC	to fund resettlement cost ( admin, support officer) for refugee families
Resources	Strategy	MHCLG	Domestic Abuse Grant	Y	£170,300	to contribute to DO cost - Hestia contract
Resources	Strategy	MOPAC	VRU/LCPF	Y	£435,009	To cover cost of community projects preventing abuse and violence - gang worker
Resources	Benefits	DWP	Rent Rebate Subsidy	Y	£25,680,554	as received in 20/21 – DWP subsidy paid to local authority to cover the cost of Housing Benefit paid to local authority tenants who are paid Housing Benefit by the LA via means testing
Resources	Benefits	DWP	Rent Allowance Subsidy	Y	£91,109,269	as received in 20/21– DWP subsidy paid to local authority to cover the cost of Housing Benefit paid to privately renting tenants who are paid Housing Benefit by the LA via means testing
Resources	Benefits	MHCLG	Local Council Tax Support Administration 31/6145	Y	£256,554	To compensate local authorities for the cost of administering local council tax support
Resources	Benefits	MHCLG	local council tax support schemes grant (2021-22) [No 31/5550].		2,326,514	The grant is provided towards expenditure incurred, or to be incurred, in respect of the provision of local council tax support in 2021-22.
Resources	Strategy	DWP	Household Support Fund		£1,435,407	To support households in the most need particularly those including children and pensioners who would otherwise struggle with energy bills, food and water bills.
					<b>£361,155,674</b>	

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**Capital Programme 2022/23**

**APPENDIX 2**

Project Title	Grant Funding/CiL/ S106 (A)	Harrow Borrowing (B)	TOTAL BUDGET (A+B)	Forecast Outturn	Forecast Variance	Outturn variance split by		Slippage	Over/ Underspend after Slippage
						Grant Funding/CiL/ S106	Harrow Borrowing		
	£	£	£	£	£	£	£	£	£
<b>Resources:</b>									
ABAVUS and Waste Collector	0	0	0	0	0			0	0
Devolved IT Applications	0	2,551,953	2,551,953	2,551,953	0			0	0
Digital Improvements Programme	0	1,127,540	1,127,540	1,127,540	0			0	0
Enterprise Resource Planning System	0	922,013	922,013	922,013	0			0	0
Enterprise Resources Planning TT	0	812,150	812,150	812,150	0			0	0
LAA Performance Reward Grant	407	0	407	407	0			0	0
Ongoing ICT Refresh and Enhancements	0	3,367,261	3,367,261	3,367,261	0			0	0
Other Schemes (Council wide)	0	3,322,770	3,322,770	3,322,770	0			0	0
<b>Total Resources Directorate</b>	<b>407</b>	<b>12,103,687</b>	<b>12,104,094</b>	<b>12,104,094</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>People's Directorate:</b>									
<b>Adults:</b>									
Assistive Technology	0	270,000	270,000	270,000	0			0	0
In-House Residential	0	125,000	125,000	37,500	-87,500		-87,500	-87,500	0
<b>Total Adults</b>	<b>0</b>	<b>395,000</b>	<b>395,000</b>	<b>307,500</b>	<b>-87,500</b>	<b>0</b>	<b>-87,500</b>	<b>-87,500</b>	<b>0</b>
<b>Public Health:</b>									
Healthy Pupil Capital Fund	6,723	0	6,723	6,723	0			0	0
<b>Total Public Health</b>	<b>6,723</b>	<b>0</b>	<b>6,723</b>	<b>6,723</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Schools:</b>									
Additional Basic Need Funding	14,973,404	0	14,973,404	0	-14,973,404	-14,973,404		-14,973,404	0
Bulge Classes	552,266	0	552,266	0	-552,266	-552,266		-552,266	0
Childrens IT Development	0	135,398	135,398	135,398	0			0	0
Childrens Services Buildings Programme Works	0	1,883	1,883	1,883	0			0	0
Devolved Formula Non VA Schools	53,243	0	53,243	0	-53,243	-53,243		-53,243	0
School Amalgamation	1,760	0	1,760	1,760	0			0	0
Schools Capital Maintenance	6,797,667	0	6,797,667	6,314,236	-483,432	-483,432		-483,432	-0
Schools Expansion Programme - Phase 2	23,211	0	23,211	23,211	0			0	0
SEN Expansion	5,285,709	0	5,285,709	5,285,709	0			0	0
<b>Total Schools</b>	<b>27,687,261</b>	<b>137,281</b>	<b>27,824,542</b>	<b>11,762,198</b>	<b>-16,062,345</b>	<b>-16,062,345</b>	<b>0</b>	<b>-16,062,345</b>	<b>-0</b>
<b>Total People's Directorate</b>	<b>27,693,984</b>	<b>532,281</b>	<b>28,226,266</b>	<b>12,076,421</b>	<b>-16,149,845</b>	<b>-16,062,345</b>	<b>-87,500</b>	<b>-16,149,845</b>	<b>-0</b>

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**APPENDIX 2**

Project Title	Grant Funding/CiL/ S106 (A)	Harrow Borrowing (B)	TOTAL BUDGET (A+B)	Forecast Outturn	Forecast Variance	Outturn variance split by		Slippage	Over/ Underspend after Slippage
						Grant Funding/CiL/ S106	Harrow Borrowing		
<b>Place Directorate:</b>									
<b>Environment:</b>									
Bannisters Former Civil Defence Building	0	256,819	256,819	256,819	0			0	0
CA Site Infrastructure	0	152,506	152,506	152,506	0			0	0
Carbon Offset Fund	136,313	0	136,313	136,313	0			0	0
CCTV cameras and equipment at the depot	0	50,000	50,000	50,000	0			0	0
CCTV Infrastructure	0	1,242,500	1,242,500	1,242,500	0			0	0
Climate Emergency - Energy emissions reduction measures	250,000	0	250,000	250,000	0			0	0
Depot Redevelopment	0	3,439,380	3,439,380	3,439,380	0			0	0
Flood Defence & Highways Drainage	597,373	0	597,373	597,373	0			0	0
Harrow Green Grid	169,720	0	169,720	169,720	0			0	0
Harrow Weald Toilet Block	0	14,076	14,076	14,076	0			0	0
High Priority Plan Maintenance Corporate Property	0	1,472,143	1,472,143	1,472,143	0			0	0
Highway Improvement Programme	0	7,566,252	7,566,252	7,054,878	-511,374		-511,374	-511,374	0
Litter Bin Project	17,693	0	17,693	17,693	0			0	0
Parking Management Programme	0	445,240	445,240	445,240	0			0	0
Parks Infrastructure	23,306	797,897	821,203	821,203	0			0	0
Parks Playground Improvement	45,672	0	45,672	45,672	0			0	0
Public Sector Decarbonisation Scheme	1,711,591	250,000	1,961,591	1,961,591	0			0	0
Street Lighting Improvement Programme	0	2,198,681	2,198,681	2,198,681	0			0	0
TfL Transport Capital (LIP)	1,391,000	0	1,391,000	0	-1,391,000	-1,391,000		0	-1,391,000
Vehicle Procurement	0	136,000	136,000	136,000	0			0	0
Waste and Recycling	0	4,025	4,025	4,025	0			0	0
Waste Services bins (Trade)	0	118,389	118,389	118,389	0			0	0
Wealdstone Future High Street Fund (FHSF)	5,867,509	0	5,867,509	0	-5,867,509	-5,867,509		0	-5,867,509
Wealdstone Major Transport Infrastructure	61,502	900,000	961,502	961,502	0			0	0
WLWA Food Waste Project	335,147	0	335,147	335,147	0			0	0
<b>Total Environment</b>	<b>10,606,826</b>	<b>19,043,907</b>	<b>29,650,733</b>	<b>21,880,853</b>	<b>-7,769,883</b>	<b>-7,258,509</b>	<b>-511,374</b>	<b>-511,374</b>	<b>-7,258,509</b>

**Capital Programme 2022/23**

**APPENDIX 2**

Project Title	Grant Funding/CiL/ S106 (A)	Harrow Borrowing (B)	TOTAL BUDGET (A+B)	Forecast Outturn	Forecast Variance	Outturn variance split by		Slippage	Over/ Underspend after Slippage
						Grant Funding/CiL/ S106	Harrow Borrowing		
<b>Leisure &amp; Culture:</b>									
Harrow Arts Centre	1,985,795	0	1,985,795	1,985,795	0			0	0
Harrow Arts Centre Capital Infrastructure	0	72,587	72,587	72,587	0			0	0
Libraries and Leisure Capital Infrastructure	61,000	185,384	246,384	246,384	0			0	0
Libraries Self-Service Kiosks Refresh	0	112,513	112,513	112,513	0			0	0
Sec 106 Banister Sport Pitch	200,062	60,116	260,178	260,178	0			0	0
<b>Total Leisure &amp; Culture</b>	<b>2,246,857</b>	<b>430,600</b>	<b>2,677,457</b>	<b>2,677,457</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Inclusive Economy:</b>									
Harrow High Street Fund	1,841,204	1,027,000	2,868,204	1,068,204	-1,800,000	-773,000	-1,027,000	-1,800,000	0
Lyon Rd Pop Restaurant & Square	188,323	0	188,323	188,323	0			0	0
<b>Total Inclusive Economy</b>	<b>2,029,527</b>	<b>1,027,000</b>	<b>3,056,527</b>	<b>1,256,527</b>	<b>-1,800,000</b>	<b>-773,000</b>	<b>-1,027,000</b>	<b>-1,800,000</b>	<b>0</b>
<b>Planning:</b>									
Neighbourhood CiL Schemes	927,774	0	927,774	927,774	0			0	0
New Planning IT system	0	467,718	467,718	467,718	0			0	0
<b>Total Planning</b>	<b>927,774</b>	<b>467,718</b>	<b>1,395,492</b>	<b>1,395,492</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Regeneration:</b>									
Accomodation Strategy	0	1,473,000	1,473,000	1,473,000	0			0	0
Demolition of Social club	0	0	0	0	0			0	0
Investment in 3 core sites	0	10,198,222	10,198,222	0	-10,198,222		-10,198,222	-10,198,222	0
Investment in HNC	0	2,070,000	2,070,000	0	-2,070,000		-2,070,000	-2,070,000	0
Other Regeneration	0	0	0	0	0			0	0
Plot S	0	0	0	0	0			0	0
Haslam House Redevelopment	0	26,175	26,175	26,175	0			0	0
Waxwell Lane Development	0	500,000	500,000	500,000	0			0	0
<b>Total Regeneration</b>	<b>0</b>	<b>14,267,397</b>	<b>14,267,397</b>	<b>1,999,175</b>	<b>-12,268,222</b>	<b>0</b>	<b>-12,268,222</b>	<b>-12,268,222</b>	<b>0</b>
<b>Housing General Fund:</b>									
Disabled Facilities Grants	2,809,304	0	2,809,304	2,808,438	-866	-866		0	-866
Empty Property Grant	0	120,000	120,000	120,000	0			0	0
Property Acquisition Programme	0	7,499,806	7,499,806	7,499,806	0			0	0
<b>Total Housing General Fund</b>	<b>2,809,304</b>	<b>7,619,806</b>	<b>10,429,110</b>	<b>10,428,244</b>	<b>-866</b>	<b>-866</b>	<b>0</b>	<b>0</b>	<b>-866</b>
<b>Total Place Directorate</b>	<b>18,620,289</b>	<b>42,856,428</b>	<b>61,476,717</b>	<b>39,637,749</b>	<b>-21,838,972</b>	<b>-8,032,375</b>	<b>-13,806,596</b>	<b>-14,579,596</b>	<b>-7,259,376</b>
<b>Total General Fund</b>	<b>46,314,680</b>	<b>55,492,396</b>	<b>101,807,077</b>	<b>63,818,264</b>	<b>-37,988,816</b>	<b>-24,094,720</b>	<b>-13,894,096</b>	<b>-30,729,441</b>	<b>-7,259,376</b>

**Capital Programme 2022/23**

APPENDIX 2

Project Title	Grant Funding/CiL/ S106 (A)	Harrow Borrowing (B)	TOTAL BUDGET (A+B)	Forecast Outturn	Forecast Variance	Outturn variance split by		Slippage	Over/ Underspend after Slippage
						Grant Funding/CiL/ S106	Harrow Borrowing		
<b>Housing Revenue Account:</b>									
Building Council Homes For Londoners (includes infill)	13,709,000	4,937,199	18,646,199	18,646,199	0			0	0
Grange Farm phase 1	8,832,132	4,880,222	13,712,354	13,712,354	0			0	0
Grange Farm phase 2	1,862,000	408,000	2,270,000	2,270,000	0			0	0
Grange Farm phase 3	312,000	0	312,000	312,000	0			0	0
Housing IT Scheme	179,000	295,739	474,739	474,739	0			0	0
Mayor's Rough Sleeping Accommodation Programme	150,000	231,902	381,902	381,902	0			0	0
Planned Investment Programme	10,273,000	6,375,307	16,648,307	10,354,282	-6,294,025	-6,294,025		-1,444,025	-4,850,000
<b>Total HRA</b>	<b>35,317,132</b>	<b>17,128,369</b>	<b>52,445,502</b>	<b>46,151,477</b>	<b>-6,294,025</b>	<b>-6,294,025</b>	<b>0</b>	<b>-1,444,025</b>	<b>-4,850,000</b>
<b>Total General Fund + HRA</b>	<b>81,631,813</b>	<b>72,620,766</b>	<b>154,252,578</b>	<b>109,969,740</b>	<b>-44,282,841</b>	<b>-30,388,745</b>	<b>-13,894,096</b>	<b>-32,173,466</b>	<b>-12,109,376</b>

## **Appendix 3 – Council Trading Company Update 2022/23, Quarter 1**

### **Introduction**

1. As at Quarter 1 2022/23, the Council's trading structure consists of five separate legal entities set out in table 1 below and presented as a flow chart at the end of this report along with detailed financial results.

**Table 1: Harrow Council Trading Structure**

<b>Name</b>	<b>Legal Structure</b>	<b>Date Started Trading</b>
Concilium Group Limited (Holding Company)	UK Limited Company	November 2015
Concilium Business Services Limited	UK Limited Company	November 2015
Sancroft Community Care Limited	UK Limited Company	January 2018
Concilium Assets LLP	Limited Liability Partnership	January 2019
Harrow Strategic Development Partnership LLP	Limited Liability Partnership	March 2021

2. These entities have been set up to provide a financial or other benefit to the Council whilst enabling it to undertake specific commercial activities.
3. The Council's interests in these entities are not material for the purposes of the financial statements. The Council's financial statements do not therefore include group accounts.

### **Background**

4. Concilium Group Ltd. is a wholly owned commercial subsidiary of the Council, set up with the dual purpose of consolidating the financials of its subsidiaries and to act as the minority partner in a Council controlled Limited Liability Partnership (Concilium Assets LLP).
5. Concillium Business Services Ltd is a wholly owned subsidiary of Concillium Group Ltd. Until February 2019 its principal source of revenue came from the property management of 100 homes, managed on behalf of Harrow Council. Its activities are now kept to a minimum.
6. Sancroft Community Care Ltd is a wholly owned subsidiary of Concilium Group Ltd. The company took over the operation of the residential care home for the elderly situated on Sancroft Road, Harrow on 8<sup>th</sup> February 2018. Of the care home's 62 beds, 45 are block contracted with the London Borough of Harrow for five years.
7. Concilium Assets LLP is a Limited Liability Partnership owned 95% by Harrow and 5% by Concilium Group Ltd, set up to enable direct private rental sector (PRS) property investment activities. 53 PRS units on Gayton Road were transferred to the LLP in July 2019 on a 10 year lease for rent to the private market.

8. Harrow Strategic Development Partnership LLP (HSDP LLP) is a Limited Liability Partnership owned 50% by Harrow and 50% by Wates Construction Limited, set up to facilitate the development of Council assets at Poets Corner, Peel Road and Byron Quarter phase 1 as per the Council's Regeneration Programme. The Council's investment in the LLP will primarily be the transfer of the land once individual schemes are ready to commence.

## **Financial Implications**

9. The accounting year end for all of these entities is 31<sup>st</sup> March in line with the Council's year end. This report references detail for financial years ended 2021 along with a summary for financial years ended 2022 and 2023.
10. Financial accounts have been prepared for the year ended 31<sup>st</sup> March 2021 for Sancroft Community Care Limited, Concilium Assets LLP, Concilium Group Limited and Concilium Business Services Limited. The audits of the accounts of Sancroft Community Care Limited, Concilium Assets LLP and Concilium Group Limited have been completed. The audit of the accounts of Concilium Business Services Limited is underway. For reporting purposes, Concilium Group Limited is classified as a dormant entity. The financial position for the companies for the year ending 31<sup>st</sup> March 2022 is summarised in Table 4. Financial accounts have been prepared for the year ended 31<sup>st</sup> March 2022 for sancroft Community Care Limited and Concilium Assets LLP and the audits underway.
11. The detailed annual forecast position to 31<sup>st</sup> March 2023 for the council's trading structure has been summarised in Table 5. These figures have not yet been subject to audit.
12. The annual forecast position for the council's trading structure has been summarised in Table 6. The table covers financial years 2020/21 to 2023/24 in line with the respective business plans.

## **Concilium Business Services Ltd**

13. Concilium Business Services Ltd underwent a strategic change of direction and the details were presented as part of the part two savings tracker to Cabinet in July 2019. As a result, the company is now only responsible for the management of 2 homes. The company retains 5% of the income collected from tenants and distributes the remaining 95% back to the Council.
14. The 5% retained income from tenants is insufficient to cover the company's running costs. Various options are now being considered for the company to be wound up. The future financial position in Table 6 assumes that Concilium Business Services Limited will be closed by the end of the 2022-23 financial year.

## **Sancroft Community Care Ltd**

15. The audited financial information for Sancroft Community Care Ltd for the year ending 31<sup>st</sup> March 2022 is summarised in Table 4 at the end of this report. A financial summary of Sancroft's performance against its business plan (budget) for 2022/23 is presented in Table 2 below.

**Table 2: Sancroft Forecast Annual Position as at 31<sup>st</sup> March 2023**

<i>Negative/(Positive)</i>	Full year Forecast	Annual Budget	Forecast Budget Variance
Total Income	(2,606,000)	(2,673,000)	67,000
Total Expenditure	2,434,000	2,522,000	(88,000)
<b>(Net Profit)/Loss</b>	<b>(172,000)</b>	<b>(151,000)</b>	<b>(21,000)</b>

16. There is uncertainty over the forecast caused by current high levels of inflation impacting the cost of energy and food.

### **Concilium Assets LLP**

17. Concilium Assets LLP has been trading since 1<sup>st</sup> January 2019 and has prepared audited accounts for the 15 months ended 31<sup>st</sup> March 2020 and the year ended 31<sup>st</sup> March 2021.

18. Performance against the LLP's business plan this year is reported below in Table 3. Results for the quarter are in line with the annual budget.

**Table 3: LLP Forecast Annual Position as at 31<sup>st</sup> March 2023**

<i>Negative/(Positive)</i>	Full year Forecast	Annual Budget (B-Plan)	Forecast Budget Variance
Total Income	(1,104,619)	(1,104,619)	0
Total Expenditure*	1,092,188	1,092,188	0
<b>(Net Profit)/Loss</b>	<b>(12,431)</b>	<b>(12,431)</b>	<b>0</b>

\* See paragraphs below

19. The Council charges the LLP 33% of its turnover (the lease rent) which is accounted for as an expense in the accounts of the LLP. This expense was not included in the original business plan however it has been reflected in the refreshed business plan approved by Cabinet on 23<sup>rd</sup> September 2021. The lease rent is a direct benefit to the Council and is included in the MTFS.

20. The LLP accounts for 2019/20 include a technical adjustment spreading lease rent payments to the Council over the full term of the lease rather than accounting for them on a cash basis. The value of this adjustment for 2019/20 is £199,687 resulting in a loss in the audited company accounts for 2019/20 of £74,755. The £199,687 adjustment will be offset by rental income received in future years.

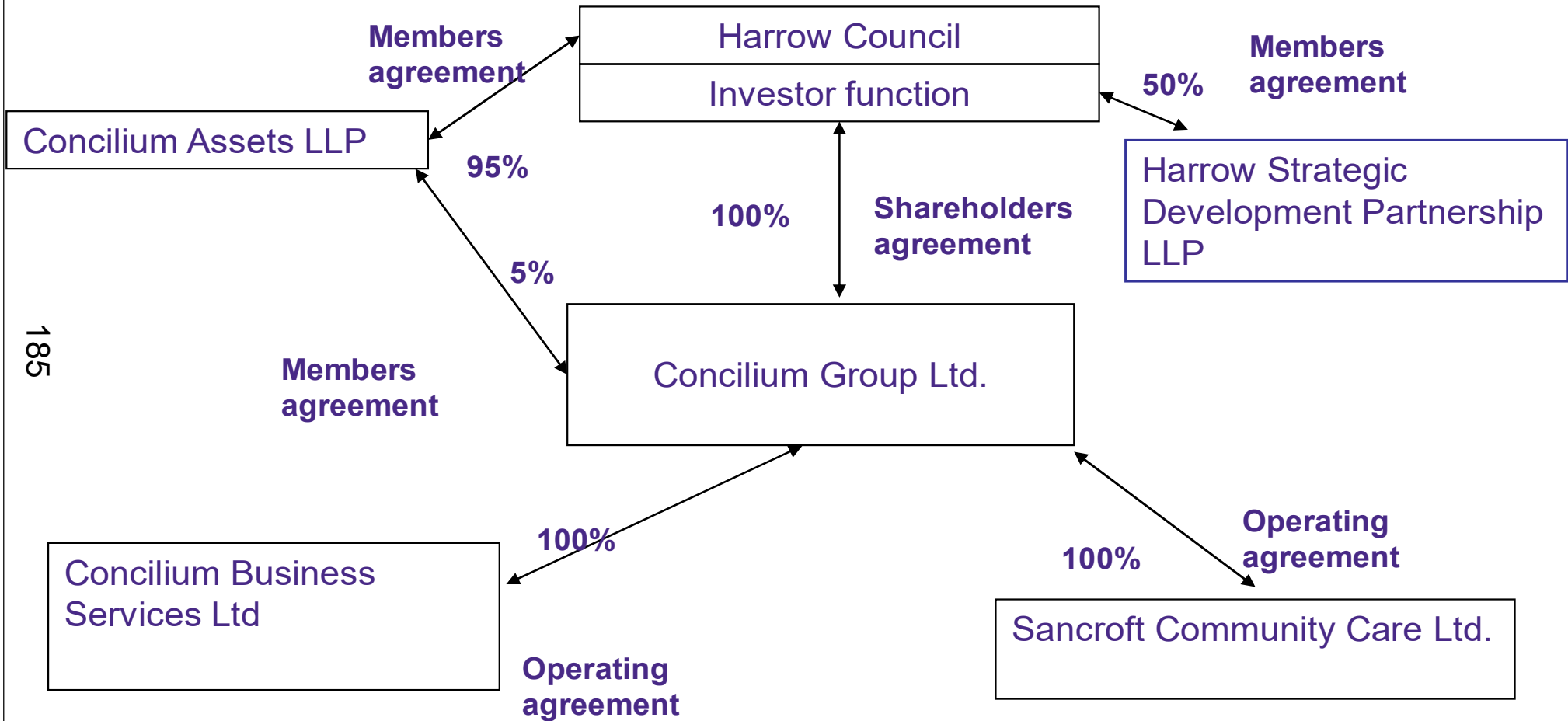
21. Any remaining profit is distributed back to the council as a dividend. The position for the LLP including these distributions is published in the business plan and included in the council's MTFS. The amount paid to the Council in respect of lease rent and dividend for 2021/22 was £406k. The amount expected to be paid for 2022/23 is £580k.

## **Funding Arrangements**

22. Concilium Assets LLP was granted a start-up loan of £175,000 which was fully drawn down in 2019. An additional short term loan facility to the LLP of up to £250k was approved by Cabinet in July 2019 of which only £100k was drawn down. These loans were repaid in full before March 2020, ahead of business plan projections.



# Harrow Council Commercial Structure



**Table 4: Trading Structure Full Year Position to 31<sup>st</sup> March 2022 - unaudited**

£ Negative/( £ Positive)	Concilium Business Services Ltd	Concilium Group Ltd	Sancroft Community Care Ltd	Concilium Assets LLP	Aggregate Position
Income	(35,000)	0	(2,627,000)	(1,108,695)	(3,770,695)
Direct and Administrative Expenditure	55,252	3,000	2,538,000	922,952	3,519,204
(Net Profit)/Loss	20,252	3,000	(89,000)	(185,743)	(251,491)
Retained Earnings c/f	5,000	10,924	(145,000)	(130,043)	(259,119)

**Table 5: Trading Structure Full Year Forecast to 31<sup>st</sup> March 2023 - unaudited**

£ Negative/( £ Positive)	Concilium Business Services Ltd	Concilium Group Ltd	Sancroft Community Care Ltd	Concilium Assets LLP	Aggregate Position
Income	(10,000)	(10,212)	(2,606,000)	(1,104,619)	(3,730,831)
Direct and Administrative Expenditure	15,000	4,000	2,434,000	1,092,188	3,545,188
(Net Profit)/Loss	5,000	(6,212)	(172,000)	(12,431)	(185,643)
Retained Earnings c/f	10,000	4,712	(317,000)	(142,474)	(444,762)

**Table 6: Trading Structure Full Year Forecast for MTFS**

£ Negative/( £ Positive)	Concilium Business Services Ltd	Concilium Group Ltd	Sancroft Community Care Ltd	Concilium Assets LLP	Aggregate Position
Retained Earnings b/f	(15,252)	7,924	(56,000)	55,700	(7,628)
(Net Profit)/Loss - 2021/22	20,252	3,000	(89,000)	(185,743)	(251,491)
(Net Profit)/Loss - 2022/23	5,000	(6,212)	(172,000)	(12,431)	(185,643)
(Net Profit)/Loss - 2023/24	-	(6,957)	-	(20,792)	(27,749)
Retained Earnings c/f	10,000	(2,245)	(317,000)	(163,266)	(472,511)



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**Report for: Cabinet**

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<b>Date of Meeting:</b>	13 October 2022
<b>Subject:</b>	Household Support Fund Third Iteration
<b>Key Decision:</b>	Yes - it affects the whole Borough and spend over £500k .
<b>Responsible Officer:</b>	Alex Dewsnap – Acting Corporate Director, Resources
<b>Portfolio Holder:</b>	Councillor Stephen Greek - Portfolio Holder for Performance, Communications & Customer Experience
<b>Exempt:</b>	No
<b>Decision subject to Call-in:</b>	Yes
<b>Wards affected:</b>	All
<b>Enclosures:</b>	Appendix 1: Household Support Fund Policy Document Appendix 2: Equality Impact Assessment

## Section 1 – Summary and Recommendations

The Government announced in late August 2022 that a third iteration extension to the Household Support Fund (HSF) will be made available to Local Authorities (LAs) in England to support those most in need to help with the rising cost of living. This funding will cover the period 01 October 2022 to 31 March 2023 inclusive.

Harrow Council has been allocated a grant of £1,476,707.18, which must be spent by 31 March 2023. Household Support Fund 3's main objective is to provide support to vulnerable households with significantly rising living costs, with a greater emphasis on offering support with energy bills, whilst food and water bills also remain priorities.

This paper proposes how Harrow Council intends to spend the indicative Household Support Fund by 31 March 2023.

### Recommendations:

Cabinet is requested to approve:

1. the allocation of the third extension of the Household Support Fund as set out in this report;
2. the purchase of select codes vouchers from Blackhawk to a value of £181k;
3. the transfer of approx. £753,817 to schools for them to provide free school meals (FSM) vouchers for approximately 6500 households with children during the school holidays.
4. any underspend to be repurposed in the following order of priority:
  - a. to provide up to £7000 to the Self Neglect and Hoarding team to support up to 100 extremely vulnerable households with mental health conditions, elderly and frail as vouchers are not suitable and 27 families with No Recourse to Public Funds;
  - b. to top up the application-based scheme; or
  - c. to rent arrears, if not required elsewhere.
5. the policy for the application-based scheme and the proposed administering process by the Revenues & Benefits team; and
6. to delegate to the Acting Corporate Director for Resources in consultation with the Cabinet Member for Performance, Communications and Customer Experience to make technical scheme amendments to ensure the scheme meets the criteria set by the Government and the Council and remains within the indicative grant level.

### **Reason (for recommendations):**

The recommendations in this report meet the essential criteria for the grant as set out by DWP. The Council has considered where best to focus the funding and the proposals provide a balance of support together with focus so that the funding is not spread too thinly.

The proposal for the eligible spend covers the following:

- Free school meals (FSM) vouchers, which have previously been found to provide effective support to vulnerable households with children.
- Vouchers for households in receipt of housing benefit who missed out on the Government cost of living payment and care leavers moving to independent accommodation.
- Help Harrow and the Community Hub – this joint venture with the Voluntary and Community Sector has shown to be effective in providing essential food assistance and other support quickly and effectively to any vulnerable household.
- An application-based scheme to be run by the Revenues & Benefits team, which targets households who would have been eligible for Government support but missed out because of the cut-off date.

## **Section 2 – Report**

### **Introductory paragraph**

Harrow Council has been allocated a grant of £1,476,707.18 to deliver Household Support Fund 3. The Council is required to provide a delivery plan to DWP by 28 October 2022 setting out how it intends to allocate the grant. The allocated grant must be spent by 31 March 2023. As the cost of living continues to be challenging, getting support to Harrow's most vulnerable residents as quickly as possible is of paramount importance.

The DWP have provided the guidance which sets the framework within which the fund must be delivered – Household Support Fund (1 October 2022 – 31 March 2023) requires the following:

- Authorities have the flexibility to identify which vulnerable households are in most need of support and apply their own discretion when identifying eligibility. Rather than focus on one specific vulnerable group, Authorities should use the wide range of data and sources of information at their disposal to identify and provide support to a broad cross section of vulnerable households to prevent escalation of problems. Authorities should ensure that they consider the needs of various households including families with children of all ages, pensioners, unpaid carers, care leavers, and people with disabilities.

- Authorities should particularly consider how they can support those vulnerable households who are ineligible for other government support with the cost of living, including the:
  - Energy Bills Support Scheme and the equivalence package confirmed on 29 July;
  - Council Tax Rebate and the associated £144m Discretionary Fund;
  - Cost of Living Payments for those on means tested benefits;
  - £150 Disability Cost of Living Payment;
  - One-off £300 Pensioner Cost of Living Payment (through the Winter Fuel Payment)

Authorities should have regard to the fact that receipt of any of the above support should not exclude a resident from receiving support through The Fund in principle and households in receipt of support from these schemes may still be in need. It remains at the discretion of Authorities to establish their local eligibility and identify those most in need in their area.

- Authorities should consider prioritising – households:
  - Who are eligible for but not claiming qualifying benefits;
  - Who become eligible for benefits after the relevant qualifying dates;
  - Are in receipt of Housing Benefit only;
  - Who are ordinarily eligible for benefits but who had a nil award in the qualifying period due to, for example, a fluctuation in income;
  - Who have fuel costs but who cannot access the £400 of energy support from the Energy Bill Support Scheme or the equivalence package confirmed on 29 July.

## **Options considered**

The recommendations seek to maximise the impact of this funding for households most in need in the Borough.

Different options of either spreading the funds more thinly to a greater number of households or giving a higher value award to less households were considered. The recommended options provide a balance of these approaches, limited by the available data, for example limited availability of email addresses. It also seeks to use proven methods of delivering focused funding to vulnerable families and residents such as Free School Meals.

Set out below is the recommended split of funding across different streams. The value of spending for each may alter depending on caseloads at the point data is extracted through the period the scheme is running.

The intention is to ensure all funding is spent by 31 March 2023 with the allocations as illustrated below.



Total Grant: £1,476,707.18

1. Free School Meals	2. Low income Households Proactive voucher awards	3. Application-based Scheme – households who missed out on Govt support	4. Help Harrow – Universal food offer and winter warm packs	5. Admin
£753,817	£181,000	£302,000	£140,000	£100,000
Vouchers to be issued to approx. 6500 children	£100 voucher issued to approx. 1600 - 1800 households	£100 awards to approx. 3000 households	Approx. 15,000 food parcels and 400 winter warm packs	Application based scheme admin, Access Harrow, programme management and voucher admin costs

*More details on each of these elements is set out below.*

## Free School Meals (FSM) Vouchers

We intend to continue to use this Government grant to provide free school meals (FSM) vouchers to vulnerable households with children during the school holidays from October 2022 through to Easter 2023. The value of the vouchers will be increased from £3 to £3.50/day to reflect the current rises in food prices and will include a top up of £10 for the Christmas period.

Free school meals (FSM) vouchers have been found to be incredibly effective in identifying those families in most need, helping to ensure that children continue to have access to a meal during the holidays. By providing families with vouchers we help to reduce the need to have to choose between heating and eating and free up other household income to allocate towards fuel bills. There is currently no other viable alternative to identify as many households in need of support. Schools already have voucher systems set up for those parents with children on free school meals, making the Council's schools funding a very efficient and effective way of giving financial support to families whose children qualify for free school meals.

## Low-income Households

In accordance with the DWP guidance to target an array of vulnerable groups and to exercise local discretion, using data and advice from professionals in Council services, the following groups have been identified as being most in need in Harrow because they have missed out on Government cost of living payments or are deemed to be particularly vulnerable. They are also groups we can proactively identify as a council and have contact information for so we can proactively target these groups with the issuing of a voucher or direct support:

- Approximately 1626 households on housing benefit only as this group is not eligible for the means-tested Cost of Living Payments unless of pension age or eligible for a Disability Cost of Living Payment.
- 100-120 care leavers moving to permanent accommodation who would not have been eligible for any government support due to the qualifying dates.
- An allocation up to £7k to enable Council teams working directly with an estimated 27 individuals who are known to the Council but who have No Recourse to Public Funds (15 households with children in the household & 12 current allocated cases to specialist Children in Need, First Response, and Children with Disability teams) and up to 100 extremely vulnerable households who are supported by the Self Neglect & Hoarding team, who have mental health conditions, are elderly or frail, to be able to offer direct support as vouchers are not an accessible option for to these groups.

### Blackhawk Voucher Scheme

The issuing of the voucher codes will be administered by the Blackhawk company, which has previously been used by the Council in HSF1.

The select codes were chosen in lieu of energy cards as they don't cover prepaid meters and therefore risk some households in need not being able to use the voucher.

The select codes aim to free up money that would otherwise have been used on food and other essential items like winter clothes, blankets and energy efficient cooking methods, for households to cover utility bills and other expenses. Select codes are also universally applicable in a variety of outlets including all major supermarkets and major retailers like Argos, the Range and Wilko, providing recipients with greater choice. They are relatively straightforward and quick to administer and have an 1.2% discount rate. They are covered by the Crown Commercial Framework so there is no requirement for new terms and conditions as additional clauses can be added to the existing account to reflect the new requirements.

The voucher codes will have a value of £100 and will be valid for 3 months and will be sent out by post by Blackhawk directly. The Council will follow this up with reminder letters after the first 4 weeks to maximise the redemption rate. The target redemption rate for the Blackhawk voucher scheme is 85%, based on previous schemes as part of the same Government grant.

Any underspend on unredeemed vouchers will be recycled into £7k for the self-neglect and hoarding team and NRPF, the application-based scheme or to rent arrears.

### Application-Based Scheme

The only stipulation in this round of the Household Support Fund is for the scheme to have an application based element. The proposed application scheme for Harrow will be aimed at households who would have been eligible for Government support but have missed out because of the cut-off date. Due

to the budget available, the amount awarded will be lower than the Government payments. The criteria have been set in accordance with the government guidance referenced above, the ability to be able to identify and validate eligibility in the most cost-efficient way and to enable a meaningful amount to be awarded.

Eligibility criteria:

- Started to receive a qualifying means-tested benefit between 26 April 2022 to 25 May 2022 and 30 September 2022 that would have resulted in entitlement to the low income and tax credit cost-of-living payment.
- Households who had a nil award during the qualifying period.
- Are liable for the fuel bills.

The amount available will be used to issue up to 3000 £100 awards as a flat rate amount via BACs. If there are any exceptions that cannot receive the money via BACs for any reason then we can use allpay cards.

The scheme will accept applications from 1<sup>st</sup> November 2022 to 31 January 2023. The application scheme will close as soon as there is a risk of funds running out and it will be administered and expenditure continuously monitored by the Revenues & Benefits team.

The Council will also develop a **Communications and Engagement Plan**, working with voluntary and community groups to raise awareness of the application based scheme, ensure those who are eligible apply and ensuring that relevant teams and organisations have the necessary information to signpost residents to available support.

Key planned activities include:

- Communications and outreach planning and coordination with the Council's Communications team.
- Send reminder letters to those issued with vouchers and not yet redeemed.
- Continuously monitor redemption rates to coordinate and target content outputs.
- Fund additional capacity to Access Harrow to deal with incoming customer queries.
- Ensure Access Harrow and front-line services (housing, children's front door, adult social care) are aware and have sufficient information about the application scheme and its criteria to signpost service users.
- Work with Voluntary and Community Sector organisations (Citizens Advice, Harrow Association of Disabled, the Information & Advice Network) to promote the application-based scheme.
- Combine Household Support Fund mailshots with other information and advice and signposting to other support available.

#### Community Hub & Help Harrow

It is proposed that Household Support Fund is used to fund the Community Hub for the period 1<sup>st</sup> October to 31<sup>st</sup> March 2023. This will enable the continuation

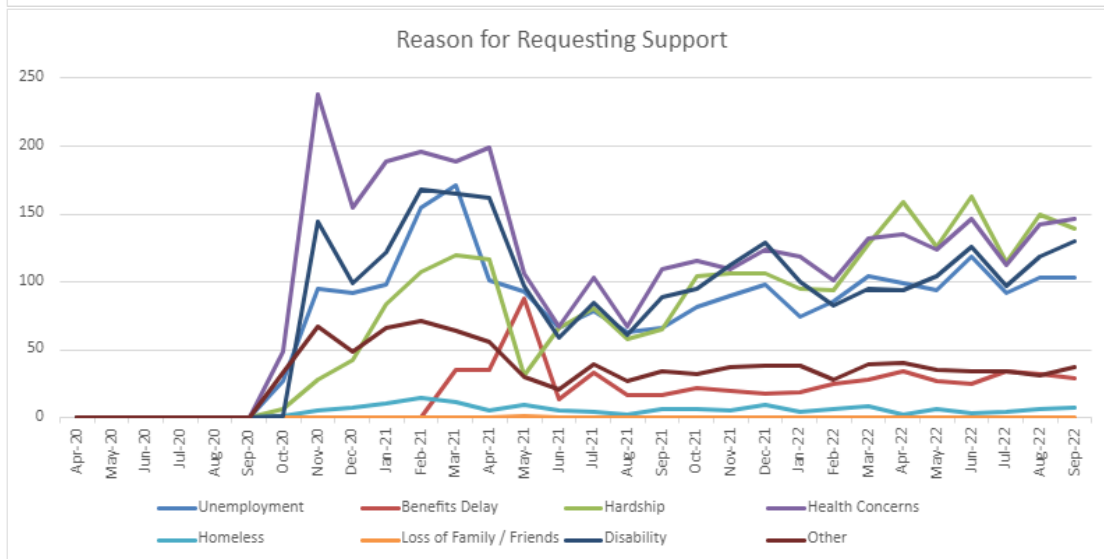
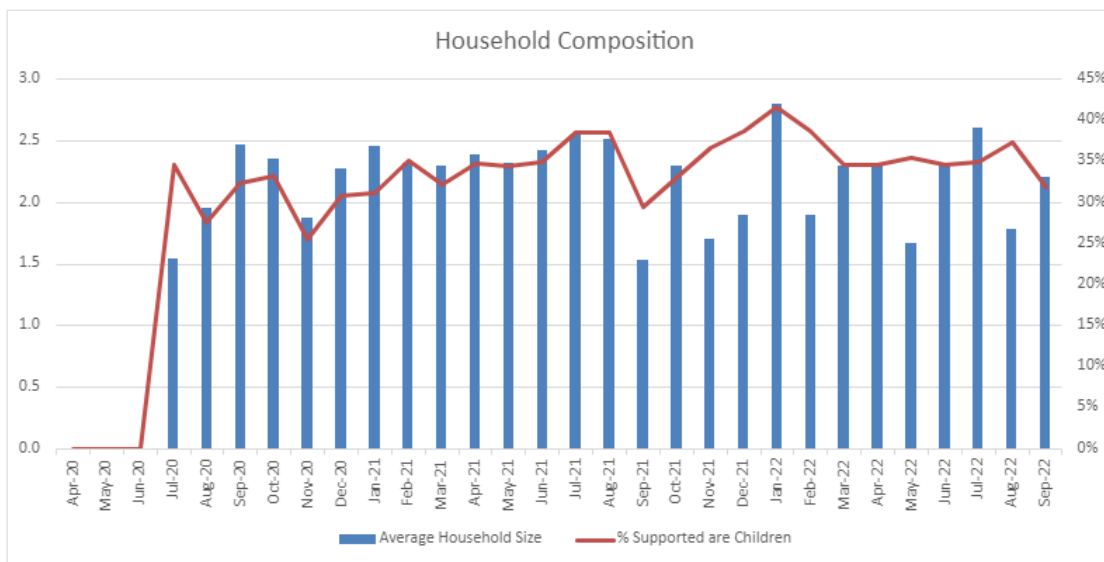
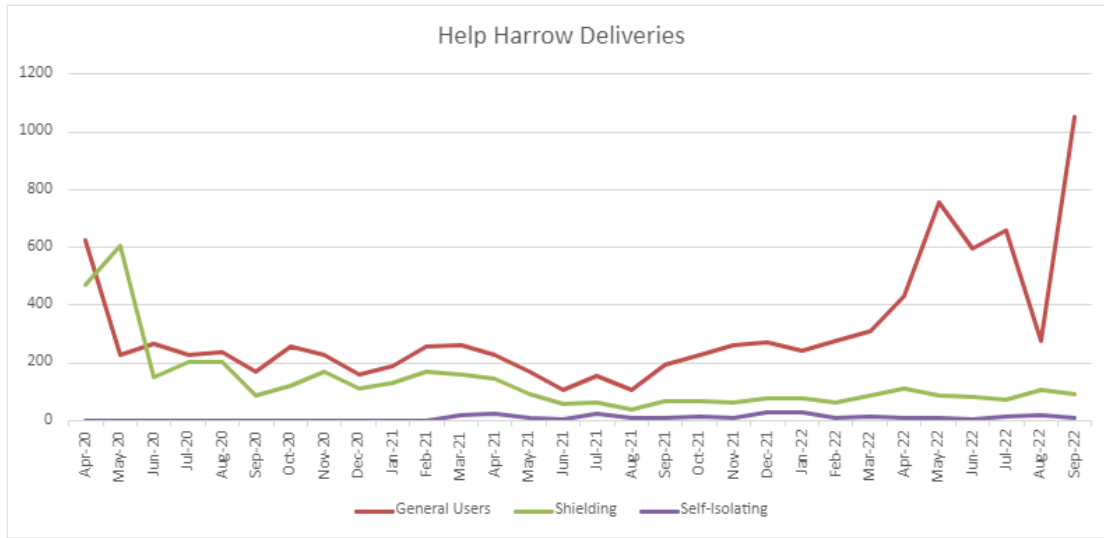
of crucial food provision to households in need, which continues to be one of the priorities in this strand of DWP guidance.

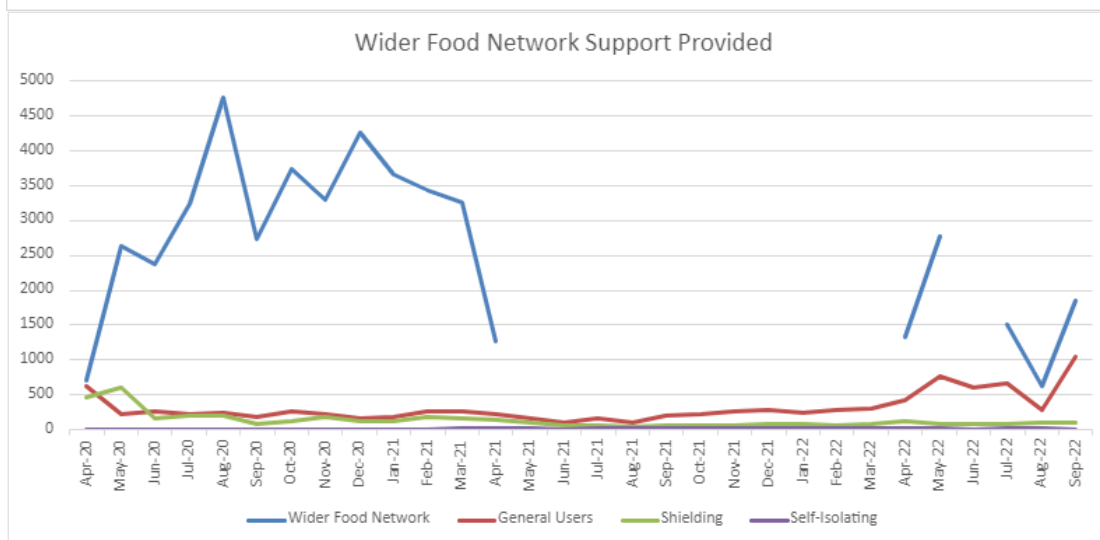
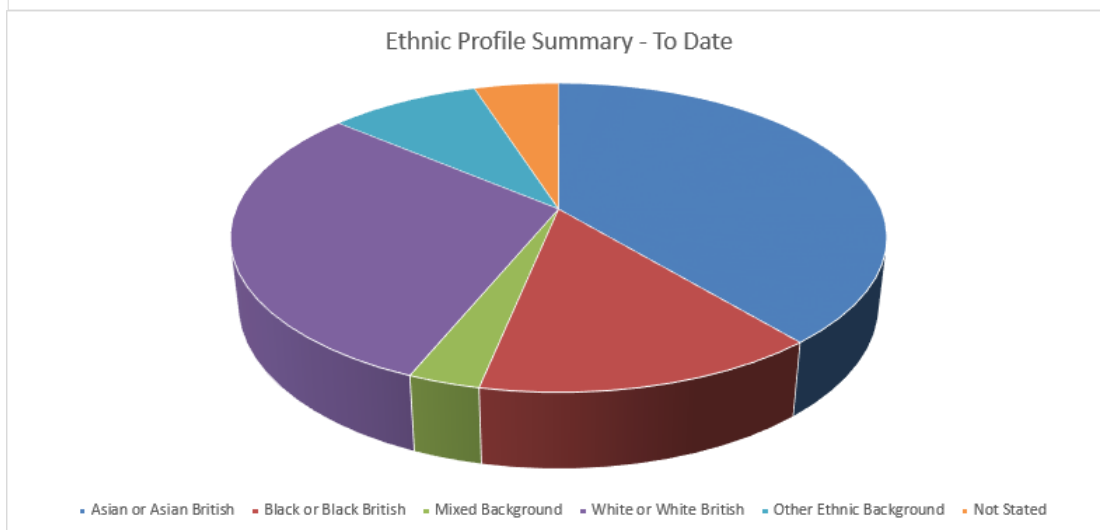
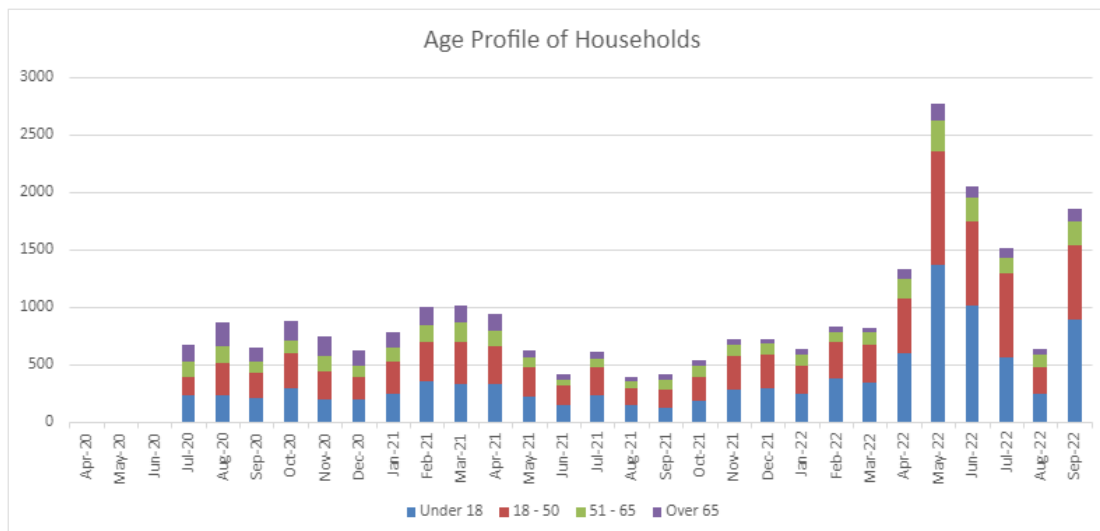
Many households face a decision between heating or eating, as the winter months approach the demand for food parcels will increase, as has been shown by previous years and the graphs below. By making access to food provision available it helps free up money to be used on other household expenses and utility bills.

The Help Harrow project has proven to be effective in providing food and other essential support to a wide range of vulnerable residents. The Community Hub via the Help Harrow online platform offers a universal food provision and other essential products including Winter Warmth packs, to any vulnerable household, regardless of benefits status. The fact the Community Hub is a universal offer where people can self-refer removes the stigma associated with other foodbanks where you have to be referred or register which is often cited as a barrier for why people who need help, do not come forward to ask for it. Every Friday the community kitchen runs a Surplus Food Market. Residents can self-refer via the Help Harrow platform and organisations can make referrals on behalf of people, including refugees and asylum seekers.

The Hub also plays a valuable role in the local community, it provides food stock and support to a wider food network in the borough including a weekly Romanian and Eastern European foodbank and provides training and work experience projects such as cooking classes, advice on energy efficient meals, apprenticeships. It also runs food drops out of schools and supports schools through the Urban Farm and Plant to Plate projects.

- The Community Hub is supported by a team of 80 active volunteers.
- The number of food deliveries made by the Hub have increased fivefold over the last 6 months, compared to the level of support being provided during Covid Lockdowns with a record 1000 deliveries made in September 2022
- A third of those receiving food support are households with children
- Since the start of the year the main reason given for needing support has switched from Health (Covid) to hardship, disability and unemployment.
- The largest group seeking support are Asian/British Asian, followed by White British and Black or Black British





Last winter the Community Hub handed out approximately 400 winter warmth packs made up of donated items including blankets, items of clothing etc. There are items that would be useful to include in the packs this winter that may not be able to be sourced through donations like thermals, wearable blankets, hand warmers, so up to £5000 from the Household Support Fund will be made available, if required, to top up the £5000 Public Health are contributing to the purchasing of these additional products.

## Administrative Costs

The DWP permit local authorities to use a reasonable amount of the Household Support Fund to pay for administration of the scheme.

The Council will use £100k of the grant on application scheme administration and support, mailshots and admin for the Blackhawk voucher scheme. Where it is possible, the Council will use existing capacity within the organisation to support any administrative activity, so the allocation of the grant to Administration costs can be minimised.

## **Ward Councillors' comments**

Not applicable.

## **Performance Issues**

Performance will be tracked through:

- Monthly monitoring reports provided by Blackhawk on vouchers' redemption.
- Free school meal voucher usage through schools; and
- Help Harrow monitoring information.

## **Environmental Implications**

There are none.

## **Data Protection Implications**

A data protection impact assessment has been completed and our systems are already data compliant, then there are not considered to be any key data protection risks.

## **Risk Management Implications**

Risks included on corporate or directorate risk register? **No**

Separate risk register in place? **No**

The relevant risks contained in the register are attached/summarised below.

The following key risks should be taken onto account when agreeing the recommendations in this report:

<b>Risk Description</b>	<b>Mitigations</b>	<b>RAG Status</b>
Risk of unmanageable demand for the application-based scheme	▪ Application-based scheme – impossible to predict demand with certainty -	Amber

<p>Insufficient funds available to support resulting in overspend and reputational risk in case of having to close scheme early</p>	<p>either not sufficient demand or too high demand.</p> <ul style="list-style-type: none"> <li>▪ The eligibility criteria is very tight and there will be regular review to monitor any potential overspend and comms activity to the public will be coordinated and expectations will be managed.</li> <li>▪ For any underspent funds to be repurposed to alternative grant elements.</li> </ul>	
<p>Funding overspend or underspend</p> <p>Risk of underspend on application scheme or any other elements – too few applications.</p>	<ul style="list-style-type: none"> <li>▪ Regular review of allocations against outcomes predicted will be carried out to ensure there is no overspend or underspend.</li> <li>▪ Blackhawk vouchers - relatively low element, expected redemption at least 85 %. Any unredeemed funds will be rebated and can be repurposed.</li> <li>▪ FSM vouchers – any left-over FSM funds will be retained to cover any FSM overspend due to an increase in the number of children receiving FSM over the course of the HSF scheme.</li> <li>▪ Other elements of scheme – funding is limited to the amount allocated so any increase in demand will not be met.</li> </ul>	Amber
<p>Risk that sustaining the activity in the programme is dependent on continuing to receive the Government grant which creates a funding cliff edge if and when the Government grant comes to an end.</p>	<p>The Council will work with partners to review the support the grant is currently funding and continue to make representations to Government regarding future funding.</p>	Amber
<p>Risk of Fraud &amp; Misconduct</p>	<ul style="list-style-type: none"> <li>▪ Proven methods of delivering focused funding to vulnerable families and</li> </ul>	Amber



	<p>residents such as Free School Meals.</p> <ul style="list-style-type: none"> <li>▪ Databases are held by the relevant teams such as the Revenues &amp; Benefits team and recipients can be identified and necessary checks are carried out.</li> </ul>	
Risk of funding not being committed by the March 2023 deadline	<ul style="list-style-type: none"> <li>▪ Most elements of the scheme are proactive issue of awards so do not need to be claimed by residents which reduces the risk of underspend.</li> <li>▪ Publicity will be undertaken to raise awareness, in particular with partners who are well placed to signpost pensioners to take up the vouchers.</li> <li>▪ Any unspent funds are currently being planned to be used to increase the rent arrears allocation to eligible pensioner and vulnerable households.</li> </ul>	Green
Full grant funding not received as a result of DWP determining that some spend was not eligible	<ul style="list-style-type: none"> <li>▪ Payment of the grant from DWP will be made in arrears after the interim MI return in Nov 2022 and the final MI return at the end of grant period in March 2023 after the DWP have verified the MI.</li> <li>▪ The second will be dependent on DWP being satisfied that the LA's MI submission evidence eligible spend within the scheme.</li> <li>▪ Harrow's approach takes full account of DWP guidance on spend to ensure its scheme is within the framework.</li> <li>▪ The delivery plan will be submitted to DWP in Oct 2022. Further MI will be submitted to DWP regarding actual spend in Nov 2022. Any feedback from DWP in response to either</li> </ul>	Green

	<p>of these submissions will be considered and implemented as appropriate to ensure the scheme remains compliant.</p> <ul style="list-style-type: none"> <li>▪ There is flexibility within the scheme to adapt it and local discretion can be used to make changes to the allocation of funding across the different elements.</li> </ul>	
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## Procurement Implications

The Council has previously entered into arrangements to support the Community Hub, which has had procurement sign off. The additional grant to be awarded to the Community Hub of £135k falls within the existing contract extension until March 2023.

The Council will purchase vouchers from Blackhawk with which the Council has an existing agreement and is part of the Crown Commercial Framework.

## Legal Implications

The DWP has issued £421million to Local Authorities (LAs) to support those most in need with the rising cost of living. The funding period covers 1 October 2022 until 31 March 2023 inclusive. The funding is being provided under section 31 of the Local Government Act 2003 and local authorities are responsible for setting criteria and administering the fund. There are also requirements in relation to information sharing and submitting monitoring returns on use of the funds. The policy contains provisions in relation to combatting fraud to ensure that monies can be recovered, and action taken if any applications are submitted on a fraudulent basis.

The DWP has issued guidance on use of the fund, which sets out eligibility criteria. The guidance explains that: *“the funding is intended to benefit households most in need of support with food, energy bills, related essentials, wider essentials and (exceptionally) housing costs as the economy recovers this winter. The funds should not be used for any economic undertaking. Whichever way you use the funding, including where you work in partnership with others, you should consider all Subsidy rules (previously state aid) issues. Check whether the ‘de minimis’ regulation exception applies. You should also follow government procurement procedures where relevant.”*

The Council is expected to use a range of data and sources of information to identify and provide support to a broad cross section of vulnerable households. The Council must have a clear rationale or documented policy/framework outlining its approach including defining eligibility and how the scheme is accessed. Receipt or eligibility for other support should be taken into account to avoid duplicating provision where possible.

The Council is permitted to provide a basic safety net to support individuals regardless of their immigration status if there is a genuine care need that does not arise solely from destitution. To evidence this, there should be an assessment of community care needs, serious health problems or a risk to a child's wellbeing. Individuals with no resource to public funds can be supported in accordance with specific legal powers connected to the aforementioned assessments.

The Council must have effective systems in place to combat fraud. If administration is via a third party, suitable due diligence checks must be carried out to ensure they are viable and able to deliver the scheme. There should be appropriate checks in place to verify the identity of those who are eligible. Any suspected financial irregularity must be reported to the DWP, explaining what steps are being taken to investigate the alleged fraud or other impropriety.

Reasonable administration costs can be recouped from the grant. Such administration costs will be published in the Gov.uk website alongside details of all spend.

## **Financial Implications**

Harrow Council has been allocated a grant of £1,476,707.18, which must be spent by 31 March 2023. This funding will cover the period 01 October 2022 to 31 March 2023 inclusive. £100k of the grant can be applied to administering the application based scheme. For Harrow this will include scheme administration and support, mailshot and admin for the Blackhawk voucher scheme. Where it is possible, the Council will use existing capacity within the organisation to support any administrative activity, so the allocation of the grant to Administration costs can be minimised.

## **Equalities implications / Public Sector Equality Duty**

Decision makers should have due regard to the public sector equality duty in making their decisions. The equalities duties are continuing duties they are not duties to secure a particular outcome. Consideration of the duties should precede the decision. It is important that Cabinet has regard to the statutory grounds. The statutory grounds of the public sector equality duty are found at section 149 of the Equality Act 2010 and are as follows:

A public authority must, in the exercise of its functions, have due regard to the need to:

- Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
- Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
- Having due regard to the need to advance equality of opportunity between persons who share a relevant protected characteristic and

persons who do not share it involves having due regard, in particular, to the need to:

- remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic;
  - take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it;
- Encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.
  - The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities.
  - Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:
    - Tackle prejudice, and
    - Promote understanding.

Compliance with the duties in this section may involve treating some persons more favourably than others; but that is not to be taken as permitting conduct that would otherwise be prohibited by or under this Act. The relevant protected characteristics are:

- Age
- Disability
- Gender reassignment
- Pregnancy and maternity
- Race
- Religion or belief
- Sex
- Sexual orientation
- Marriage and Civil partnership

An equality impact assessment (EQIA) has been undertaken for this proposal the EQIA concludes that:

- There will be a positive impact on working households with children.
- There will be a positive impact on residents in receipt of housing benefit.
- There will be a positive impact on vulnerable households.
- There will be a positive impact on Harrow residents who can take advantage of the ongoing food resource via the Community Hub.

Mitigations are set out in the Equality Impact Assessment.

An updated announcement of the extension of the Household Support Fund will be published on Harrow's website, which meets the general accessibility criteria.

### **Section 3 - Statutory Officer Clearance**

**Statutory Officer: Sharon Daniels**

Signed on behalf of the Chief Financial Officer

**Date: 03/10/22**

**Statutory Officer: Hugh Peart**

Signed by the Monitoring Officer

**Date: 03/10/22**

**Chief Officer: Alex Dewsnap**

Signed off by the Acting Corporate Director

**Date: 03/10/22**

**Head of Procurement: Nimesh Mehta**

Signed by the Head of Procurement

**Date: 29/09/22**

**Head of Internal Audit: Susan Dixon**

Signed by the Head of Internal Audit

**Date: 03/10/22**

### **Mandatory Checks**

**Ward Councillors notified:** NO, as it impacts on all Wards

**EqIA carried out:** YES

**EqIA cleared by:** Head of Equality, Diversity and Inclusion (EDI)

### **Section 4 - Contact Details and Background Papers**

**Contact:** Angelica Stoichkov, Policy Officer,  
[Angelica.Stoichkov@harrow.gov.uk](mailto:Angelica.Stoichkov@harrow.gov.uk).

**Background Papers:** None

**Call-in waived by the Chair of Overview and Scrutiny Committee - NO**

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## Household Support Fund 3 Policy

### Introduction

In late August 2022, the Department for Work and Pensions (DWP) announced that a third iteration of the Household Support Fund (HSF), (“the grant”) which would be made available to Councils in England to support those most in need to help with the rising cost of living.

The report to be presented to Cabinet in October 2022 provides the background, options and information on the proposed framework. This policy sets out the key criteria for Harrow’s Household Support Fund 3 programme.

Harrow Council has been allocated a grant of £1,476,707.18, which must be spent by 31 March 2023. This funding will cover the period 01 October 2022 to 31 March 2023 inclusive

### Eligibility Criteria

The Grant is limited to awards covering the funding period from 1 October 2022 to 31<sup>st</sup> March 2023. Funds must have been spent or committed before 31 March 2023 and cannot be used for future commitments and should include an application based process.

Recipients must be households currently living within the Borough of Harrow.

Table 1 sets out general eligible criteria and definitions

**Table 1: Housing Support Fund Criteria and Definitions**

Condition / Principle	Guidance	Criteria
<b>Households with Children</b>		This means a household with: <ol style="list-style-type: none"> <li>1) a person who will be under the age of 19 as at 31st March 2023, <u>or</u></li> <li>2) a person aged 19 or over in respect of whom a child-related benefit is paid or free school meals are provided during the period 03 October 2023 and 31 March 2023.</li> </ol>
<b>Free School Meals</b>	The fund should be used to help those who are struggling to afford food	Any child resident in Harrow that is registered as being eligible for Free School Meals
<b>Qualifying Benefit</b>	Applicants will be eligible if they started to receive a qualifying means-tested benefit between 26 April 2022 to 25 May 2022 and 30 September 2022 that would have resulted in entitlement to the low income and tax credit cost-of-living payment.	Qualifying benefits are: <ul style="list-style-type: none"> <li>• Universal Credit</li> <li>• income-based Jobseeker’s Allowance (JSA)</li> <li>• income-related Employment and Support Allowance (ESA)</li> <li>• Income Support</li> <li>• Pension Credit</li> <li>• Child Tax Credit</li> </ul>

		<ul style="list-style-type: none"> <li>• Working Tax Credit</li> <li>• Attendance Allowance</li> <li>• Constant Attendance Allowance</li> <li>• Disability Living Allowance for adults</li> <li>• Disability Living Allowance for children</li> <li>• Personal Independence Payment</li> <li>• Adult Disability Payment (in Scotland)</li> <li>• Child Disability Payment (in Scotland)</li> <li>• Armed Forces Independence Payment</li> <li>• War Pension Mobility Supplement</li> </ul>
<b>Essential Living Costs</b>	The HSF should primarily be used to support households in most need with eligible spend for essential living costs	<p>These costs should include:</p> <p>3) <b>Food.</b></p> <p>4) <b>Energy</b> for domestic heating, cooking or lighting, including oil or portable gas cylinders.</p> <p>5) <b>Water bills</b> for drinking, washing, cooking, and sanitary purposes and sewerage.</p> <p>6) <b>Essentials</b> linked to the above, in recognition that costs may arise which directly affect a household's ability to afford or access food, energy and water. e.g.:</p> <ul style="list-style-type: none"> <li>i. Sanitary products</li> <li>ii. Warm clothing</li> <li>iii. Soap</li> <li>iv. Blankets</li> <li>v. Boiler service/repair,</li> <li>vi. Purchase of energy efficient equipment including fridges, freezers, microwaves, etc.</li> <li>vii. Insulation, draft excluders</li> </ul>
<b>Associated Living Costs</b>	The HSF can also be used to support households with certain other essential costs	<p>7) <b>Wider essential costs</b> not linked to energy and water. These may include, but are not limited to:</p> <ul style="list-style-type: none"> <li>i. Support with other bills including broadband or phone bills,</li> <li>ii. Other clothing</li> <li>iii. Other furniture such as mattress</li> <li>iv. Essential transport-related costs such as repairing a car, buying a bicycle or paying for fuel.</li> <li>v. Council Tax arrears</li> </ul>
<b>Other</b>	The HSF can be used for other means of support not covered by the above	<p>8) <b>Housing costs</b>, in exceptional cases of genuine emergency where existing welfare and support i.e. the housing cost element of Universal Credit (UC), Housing Benefit (HB) or Discretionary Housing Payments (DHP) do not meet this exceptional</p>



		<p>need, the HSF can be used to support housing costs but not <b>mortgage payments</b>.</p> <p>9) <b>Support to individuals with No Recourse to Public Funds (NRPF)</b>, funding can be provided, regardless of immigration status, if there is a genuine care need that does not arise solely from destitution, for example if:</p> <ul style="list-style-type: none"> <li>i. there are community care needs</li> <li>ii. they have serious health problems</li> <li>iii. there is a risk to a child's wellbeing</li> </ul> <p>Furthermore, people with no recourse to public funds can access the scheme under s.138 of the Local Government Act as long as the Covid pandemic continues to be treated as an emergency/disaster.</p>
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### Non-eligible spend

Eligible spend does not include the following:

- Advice services such as debt advice
- Mortgage costs.

### Free School Meals

Table 2 provides the proposed funding levels for Free School Meals

**Table 2: Proposed Funding for Free School Meals**

Category	Estimated No of Children		Provisional Allocation of Funding (£)
<b>Families with Children in receipt of Free School Meals (FSM):</b>			
October 2022 Half-Term (5 days)	6263	£3.50 per day per child	109,602
Christmas Holidays (10 days)	6514	£3.50 per day per child plus additional £10 for Christmas	293,130
February Half Term (5 days)	6514	£3.50 per day per child	113,995
Easter Holidays (10 days)	6774	£3.50 per day per child	237,090
<b>Total</b>			<b>£ 753,817</b>

In addition, households in the borough both with and without children can apply for support funded by £140,000 for Help Harrow

## Application Based Scheme

DWP guidance for Household Support Fund 3 (HSF3) sets out an expectation that local authorities will use an application based scheme to deliver part of the funding. The principle of the scheme is in line with DWP guidance in that it intends to assist residents in receipt of means tested or disability benefits who are liable for energy fuel in their home and have missed out on other cost of living payments

Detailed eligibility requirements for the DWP Cost-of-Living Payments can be found at:

[Cost of Living Payment - GOV.UK \(www.gov.uk\)](https://www.gov.uk)

### Funding

An allocation of £302,000 of Harrow's HSF3 funding has been made to this scheme. Once this pot has been spent, no more applications will be considered even if they have been received before the end of the funding period.

### Qualifying criteria

To qualify for a payment under the HSF3 application based scheme, the applicant must meet the following criteria:

Must not have received a low-income/tax credit or disability cost of living award from DWP.

Example - someone who has received a low-income cost of living payment because they receive Universal Credit, can not receive an HSF3 payment because they have started to receive a disability benefit after the DWP qualifying date

Example 2 - a person who has received a disability cost of living payment but not a low-income payment, starts to receive Universal Credit after the DWP qualifying date, would not qualify for an HSF3 award.

Example 3 – a person who has not received a low income/tax credit or disability cost of living payment may qualify for a HSF3 award if they meet all of the other qualifying criteria

And,

Must be liable for energy fuel for the property in which they live. Energy fuel is defined by DWP as 'any form of fuel that is used for the purpose of domestic heating, cooking, or lighting, including oil or portable gas cylinders. It can also be used to support with water bills including for drinking, washing, cooking, as well as for sanitary purposes and sewerage.'

And, they meet one of the following criteria:

Started to receive a qualifying means-tested benefit between 26 April 2022 to 25 May 2022 and 30 September 2022 that would have resulted in entitlement to the low income and tax credit cost-of-living payment. Qualifying benefits are :

- Universal Credit

- income-based Jobseeker's Allowance (JSA)
- income-related Employment and Support Allowance (ESA)
- Income Support
- Pension Credit
- Child Tax Credit
- Working Tax Credit

Or

Started to receive a qualifying benefit between 26 May 2022 and 30 September 2022 inclusive that would have resulted in entitlement to the Disability cost-of-living payment. Qualifying benefits are:

- Attendance Allowance
- Constant Attendance Allowance
- Disability Living Allowance for adults
  - Disability Living Allowance for children
  - Personal Independence Payment
  - Adult Disability Payment (in Scotland)
  - Child Disability Payment (in Scotland)
  - Armed Forces Independence Payment
  - War Pension Mobility Supplement

Or

For the period 26 April 2022 to 30 September 2022, have not received any of the qualifying benefits set out in the above two criteria, are in receipt of Housing Benefit at some point in this period and have not received a targeted payment under HSF3

Or

Would ordinarily be entitled to a low income/tax credit cost of living qualifying benefit but were nil entitled during the qualifying period for a low income/tax credit cost of living payment. To qualify for an award under this HSF3 scheme, the applicant must have received a qualifying benefit in the payment period immediately before and immediately after the qualifying period of 26 April 2022 to 25 May 2022.

This scheme does not cover any payments in relation to other types of cost of living payment, including Pensioner cost of living payment, Council Tax Rebate or the Energy Bills Support

The Council reserves the right to amend the HSF3 qualifying periods if demand for the scheme makes it necessary to either shorten or extend the qualifying periods.

#### Awards

Only one award will be made per household. The term 'household' is as defined in section 3 of the Local Government Finance Act 1992

Where multiple applications are received for the same household, the award will be made to the applicant that the Council decides is entitled first, irrespective of which application was received first.

Awards will be made by BACS to the applicant's bank account.

The value of an award will be £100

Once funds have been exhausted no further awards will be made. Applications that have been received before funds were exhausted but not yet decided will be refused on the basis that there are no funds with which to make payment. While the Council will aim to decide applications based on the date they were received, this could mean that an application received earlier in the process could be refused because of lack of funds while an application received later in the process has already been awarded.

### Application process

The applicant will submit an online form. Where they are unable to submit a form electronically and cannot access assistance to do this, a telephone application will be accepted

Applicants will need to provide the following as a minimum:

- Name, address, date of birth of applicant and their partner
- Which benefit(s) they receive
- State which date entitlement started from
- Confirm whether they have already received a cost of living payment for low income/tax credits, disability or through the LA HSF3 scheme already
- Confirm they are liable for energy fuel for the property in which they live
- Bank details for payment to be made to

The scheme will accept applications from 1<sup>st</sup> November 2022 to 31 January 2023. The Council reserves the right to close the scheme early if it deems it necessary to do so, for example if funds are exhausted.

### Verification

The application will be verified through various channels including

- DWP customer information system (Searchlight)
- Provision of evidence such as bank statements and proof of liability for energy fuel
- Information held by the local authority such as Benefit and Council Tax records
- Automated bank validation at point of completing the online form to confirm name of bank and that it is a valid account number

The applicant will be expected to provide any information required to support their application

### Decisions

When a decision is made on a claim the applicant will be notified in writing.

If all information is not submitted as requested with the application form then the Council may decide to refuse the application. Where additional information is required that was not set out at the point of applying, the Council will contact the applicant to advise them of the information required. They will be given 10 working days to submit the information. If it is not submitted within the timescale, the application will be refused.

If an application from a different member of the same household is awarded during the period the first applicant is given to submit additional information, then the first applicant will be refused

Example – Applicant A submits an application form on 4 Oct 2022. Applicant B submits an application form on 10 Oct 2022. Upon reviewing Applicant A's form the Council identifies additional information is required, and on 9 Oct 2022 writes to Applicant A to advise them of this. On 13 Oct 2022 the Council reviews Applicant B's form, decides they qualify and issues an award. Applicant A will be refused an award even if they would have qualified had Applicant B not applied.

### Overpayments

Any amounts paid which are later found to have been awarded incorrectly will be recovered.

### Appeals

There will be no right to appeal the decision

### Quality Assurance

All payments will be approved by a Senior Assessment Officer

A 10% quality check of all successful applications will be carried out by a manager

### Policy review

The policy will be subject to periodic review by the Corporate Director of Resources or their authorised officer

### Combatting fraud

In order to ensure that applications for funding are not subject to abuse, all submitted applications will require a statutory declaration of truth, a statement regarding data processing and a recovery of funds statement. This declaration allows for the Council, through its corporate anti-fraud team, to carry out post payment checks in order to give greater assurance that the funds were claimed correctly. The declaration will carry a warning that allows the Council to consider taking criminal action against persons who have been found to have deliberately made false applications for the funding. It also allows for the recovery of funds which have been paid based on false or inaccurate information.

All awards will be made within existing compliance procedures and policies that apply to the Council's financial systems.

Table 3 provides the proposed funding levels for vulnerable households

**Table 3: Proposed Funding for vulnerable households**

<b>Category</b>	<b>Estimated No of Households</b>	<b>Proposed Funding per Household</b>	<b>Provisional Allocation of Funding (£)</b>
<b>Households on Housing Benefit only</b>	1626	100	162,600
<b>Care leavers moving to temporary accommodation</b>	110	100	11,000
<b>No Recourse to Public Funds</b>	27	55	1485
<b>Self Neglect &amp; Hoarding</b>	100	55	5500
<b>Application based scheme</b>	3000	100	302000

## **Funding for other sources of support**

### Help Harrow

Up to £140,000k of funding will be allocated to Help Harrow to support provision of food parcels and winter warmth packs to Harrow residents. Any household can self-refer by registering with the service to access support or turning up to the food market. Residents who have received assistance through other elements of the scheme are not restricted from receiving support from Help Harrow. The number of awards is not limited so the service can provide assistance over a longer period of time where required, and therefore not only assisting with urgent needs for food but also freeing up household funds to cover essentials other than food.

### Rent Arrears

Any underspend can be allocated to rent arrears. Eligible households will be identified through proactive action by the Council's Housing Department according to the following criteria:

- Support with rent arrears is only eligible where no other provision is available including Housing Benefit, Universal Credit or Discretionary Housing Payments.
- The award would prevent households from facing court action, eviction and secure their tenancy
- The household engages with the Council to prevent further debts arising
- Council tenants who are single people or those with disabilities
- Households in emergency & temporary accommodation and targeted at those who are vulnerable.

Awards would be distributed directly to resident's rent account / landlord

Once funds have been exhausted no further awards will be made.

### **Multiple Claims**

Households may receive awards from multiple elements of the Household Support Fund 3.

## Appendix 2

### Equality Impact Assessment (EqIA) October 2022



#### You will need to produce an Equality Impact Assessment (EqIA) if:

- You are developing a new policy, strategy, or service
- You are making changes that will affect front-line services
- You are reducing budgets, which may affect front-line services
- You are changing the way services are funded and this may impact the quality of the service and who can access it
- You are making a decision that could have a different impact on different groups of people
- You are making staff redundant or changing their roles

Guidance notes on how to complete an EqIA and sign off process are available on the Hub under Equality and Diversity. You must read the [guidance notes](#) and ensure you have followed all stages of the EqIA approval process (outlined in appendix 1). Section 2 of the template requires you to undertake an assessment of the impact of your proposals on groups with protected characteristics. Equalities and borough profile data, as well as other sources of statistical information can be found on the Harrow hub, within the section entitled: [Equality Impact Assessment](#) - sources of statistical information.

Equality Impact Assessment (EqIA)		
Type of Decision:	<input checked="" type="radio"/> Cabinet <input type="radio"/> Portfolio holder <input type="radio"/> Other (state)	
Title of Proposal	Household Support Fund 3	Date EqIA created: September 2022
Name and job title of completing/lead Officer	Alex Dewsnap, Director of Strategy and Partnerships	
Directorate/ Service responsible		
Organisational approval		
EqIA approved by Head of EDI	Name: Shumailla Dar	Signature <input checked="" type="checkbox"/> Tick this box to indicate that you have approved this EqIA  Date of approval:



## 1. Summary of proposal, impact on groups with protected characteristics and mitigating actions

(to be completed **after** you have completed sections 2 - 5)

### a) What is your proposal?

Harrow Council's Household Support Fund grant allocation for the period October 2022 – March 2023 is £1,476,707.18, which must be spent by 31 March 2023. The funding includes:

- The purchase of select codes for 1600-1800 households on housing benefit. The codes will be to the value of £100 and will be valid for 3 months and are redeemable in supermarkets chains and major retailers and will be distributed via post by Blackhawk.
- Approve the purchase of Free school meals (FSM) vouchers for approximately 6500 vulnerable households with children.
- An allocation of £7000 to the Self Neglect and Hoarding team to support up to 100 extremely vulnerable households with mental health conditions, elderly and frail and 27 households with No Recourse to Public Funds, as vouchers are not suitable.
- An application-based scheme to be administered by the Revenues & Benefits team.

### b) Summarise the impact of your proposal on groups with protected characteristics

Based on the data available we do not anticipate that the delivery of the extension Household Support Fund will have a negative impact on Harrow residents or result in any direct or indirect discrimination of any group that shares protected characteristics. If anything, we would expect that there would be a positive impact as the key driver is around reducing hardship and the evidence in Harrow is that some groups are more disadvantaged from an income inequality perspective than others, and would as a result of the Council's proposed allocation be positively impacted.

### c) Summarise any potential negative impact(s) identified and mitigating actions

- While the EQIA process has not identified any negative impacts on groups with protected characteristics, the following issues should be taken into consideration:
- Population and borough profile data for Harrow referenced in this EQIA is based on 2011 Census data, which is out of date. Therefore, the population profile of the borough may have changed significantly since then. This makes it difficult to identify disproportionality and inequality faced by certain groups in Harrow. Although we will monitor the implementation of the scheme on a monthly basis, the fact that it is to be completed by the end of September 2022 makes further and more substantial changes more difficult.
- It is also recommended that equality monitoring is robust and incorporated as part of the performance monitoring process for the scheme to enable any changes to be made before September 2022.

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2. Assessing impact					
You are required to undertake a detailed analysis of the impact of your proposals on groups with protected characteristics. You should refer to <a href="#">borough profile data</a> , <a href="#">equalities data</a> , service user information, consultation responses and any other relevant data/evidence to help you assess and explain what impact (if any) your proposal(s) will have on <b>each</b> group. Where there are gaps in data, you should state this in the boxes below and what action (if any), you will take to address this in the future.		What does the evidence tell you about the impact your proposal may have on groups with protected characteristics? Click the relevant box to indicate whether your proposal will have a positive impact, negative (minor, major), or no impact			
Protected characteristic	For <b>each</b> protected characteristic, explain in detail what the evidence is suggesting and the impact of your proposal (if any). Click the appropriate box on the right to indicate the outcome of your analysis.	Positive impact	Negative impact		No impact
			Minor	Major	
Age	<p>Harrow has a resident population of 251,160<sup>1</sup>. It has an above average working age population aged 16-64 of just under 63% (158,000) and a growing younger population aged 0-15, which is higher than the London average, suggesting that the borough is a popular destination for families<sup>2</sup>.</p> <ul style="list-style-type: none"> <li>As with most areas in the country, the borough has an ageing population. It is expected that the number of residents aged 65 plus will increase by 38% and those aged 85 plus could increase by 60% by 2030<sup>3</sup>.</li> <li>Data available shows that the pandemic has adversely impacted young people aged 18-24, with 1 in 10 young people out of work<sup>4</sup>.</li> <li>Harrow has one of the lowest proportions of young people Not in Education, Employment and Training (NEETS). However, due to the Covid-19 pandemic, there has been a significant increase in numbers, from 0.8% to 1.8%<sup>5</sup>.</li> </ul>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

<sup>1</sup> Nomis 2019

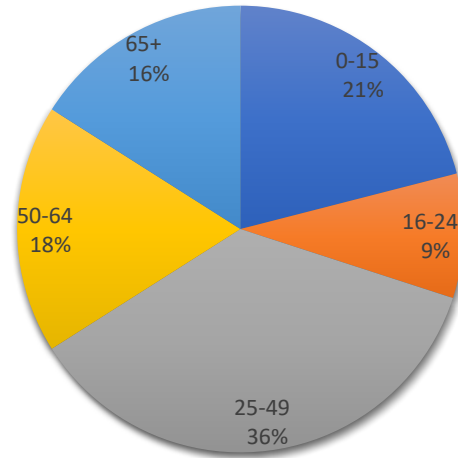
<sup>2</sup> ONS -2018 mid-year estimates

<sup>3</sup> Poppi and Pansi projections to 2030

<sup>4</sup> DWP Job claimant data April 2021

<sup>5</sup> NEETS data at December 2020.

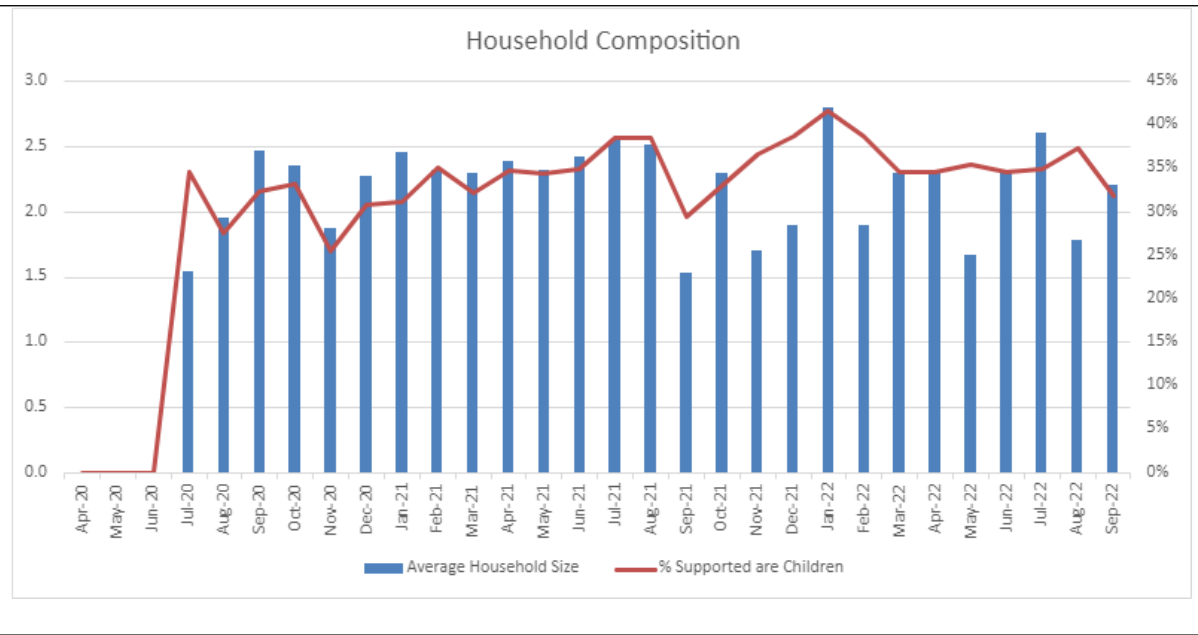
**Population % by age band**

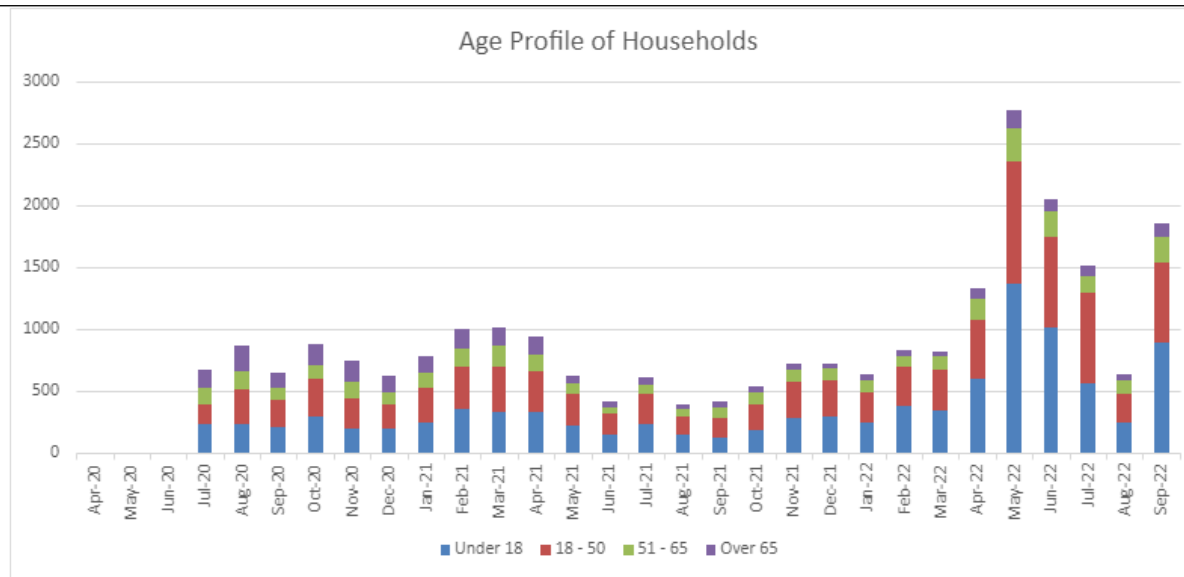


It should be noted that the number of pupils eligible for Free School Meals has increased from 3,695 in 2019 to 6263 in May 2022. Therefore the targeting of the Scheme on Free School Meals has a positive impact on those children eligible for Free School Meals.

The targeting of households on Housing benefit will have a positive impact for people of working age and the application based scheme will have a positive impact on working age and those of pensionable age due to the qualifying benefits. Our identified cohort of care leavers moving to permanent accommodation will have a positive impact on the 16-24 age category.

We also know from data from the Community Hub, that they are supporting all age groups but disproportionately more in the younger age groups than the pensioner age groups compared to our borough population. A third of those coming to the hub for food support are families with children



For those households with rent arrears due to the pandemic, the Councils Housing Benefit data shows the breakdown against age as follows:

	Council tenants	Temporary accommodation tenants	Total
21 – 24	5 (2%)	1 (1%)	6 (2%)
25 – 34	16 (8%)	8 (10%)	24 (8%)
35 – 44	47 (23%)	26 (34%)	73 (26%)
45 – 54	59 (29%)	22 (29%)	81 (29%)
55 – 64	49 (24%)	7 (9%)	56 (20%)
65+	21 (10%)	1 (1%)	22 (8%)
Data not available	7 (3%)	12 (16%)	19 (7%)
Total	204	77	281

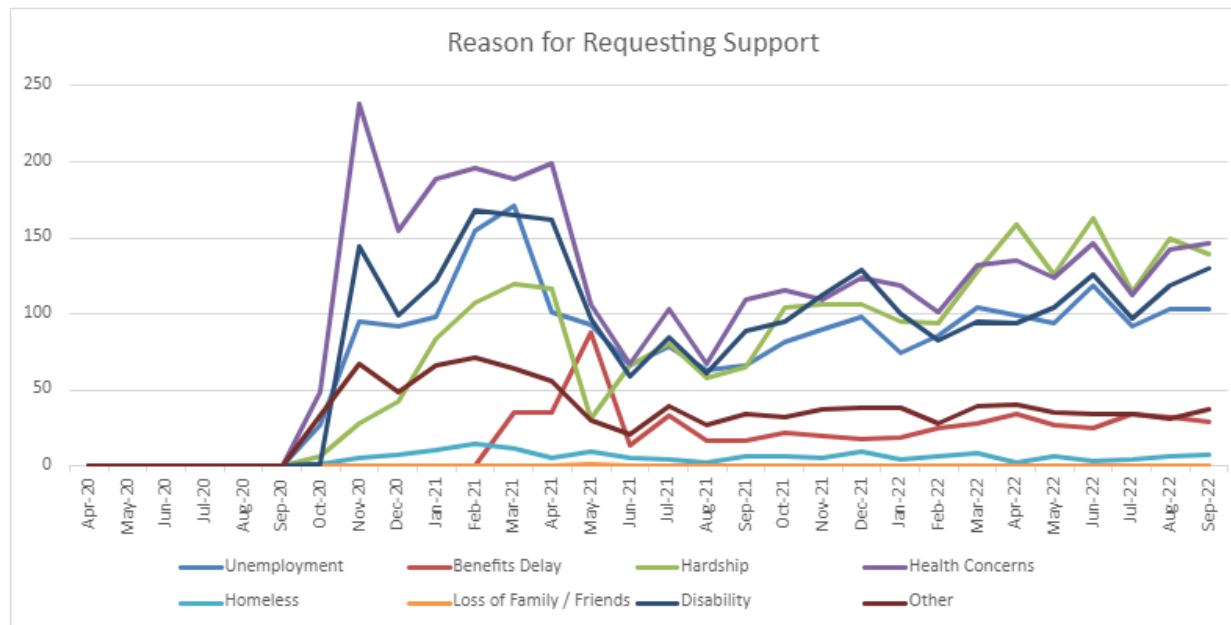
### **Impact**

	<p>The Free school meals (FSM) element of the scheme will naturally support those families with children which although the data doesn't breakdown to assess exactly where parental age will be, it is more than likely that the majority of parents would be in the 30-60 age bracket (given as a proxy for this over 75% of those people on CTS are within this age bracket). The growth in eligibility of Free School Meals from 10-15% from 2019-2021 has a positive impact on age for children. On this basis, taken altogether, the various elements of the scheme would have a positive impact on age.</p>												
<p><b>Disability</b></p>	<ul style="list-style-type: none"> <li>ONS data for 2016-2018 shows that 19,208, (12.2%) of Harrow's working age population have a disability.</li> <li>There is a strong correlation between disability, in particular the extent of the disability, and economic inactivity and therefore experiencing potential financial hardship.</li> </ul> <p>The Housing Benefits Team do not capture whether or not a Housing Benefit claimant in Emergency Accommodation would classify themselves as having a disability, only what disability benefits they receive. This is also only recorded if the services know that the benefit is received and, in most instances, only if it affects the level of entitlement. For instance, there are 6 claims where at least one member of the household in receipt of a Personal Independent Payment, and in 2 of these a member of the household is also in receipt of Employment Support Allowance.</p> <p>With regards Free School Meals, across all Harrow schools, the percentage of pupils with an Education and Healthcare Plan who are eligible for FSM increased from 19.6% (223 pupils) in 2019 to 26.9% (345 pupils) in 2021. In parallel, the percentage of pupils on SEN Support Plan who are eligible for FSM increased from 17.2% (633 pupils) in 2019 to 24.1% (867 pupils) in 2021. Pupils with No SEN who are eligible for FSM increased too, from 8.8% (2,839 pupils) in 2019 to 13.6% (4,516 pupils) in 2021.</p>									<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Number and percentage of Pupils eligible for Free School Meals in Harrow Primary, Secondary, Special, Nursery and PRU schools by SEN Provision (Enrolments: Current and Dual-Main)</b>													
<b>SEN Provision</b>	<b>2019</b>			<b>2020</b>			<b>2021</b>						
	Number of pupils eligible for FSM	Percentage of pupils eligible for FSM	All pupils	Number of pupils eligible for FSM	Percentage of pupils eligible for FSM	All pupils	Number of pupils eligible for FSM	Percentage of pupils eligible for FSM	All pupils				

Education and Health Care Plan (EHCP)	223	19.6%	1136	266	22.1%	1202	345	26.9%	1281
SEN Support	633	17.2%	3685	718	19.8%	3627	867	24.1%	3593
No SEN	2839	8.8%	32440	3347	10.1%	33096	4516	13.6%	33312
<b>Total</b>	<b>3695</b>	<b>9.9%</b>	<b>37261</b>	<b>4331</b>	<b>11.4%</b>	<b>37925</b>	<b>5728</b>	<b>15.0%</b>	<b>38186</b>

Source: Spring School Census 2019, 2020 and 2021

Disability benefits are listed as qualifying benefits for the application based scheme. The Targeting of households known to the Self-Harm and Hoarding team will also support vulnerable adults with mental health conditions. Disability is also a increasing reason for people requesting food support from the community hub.



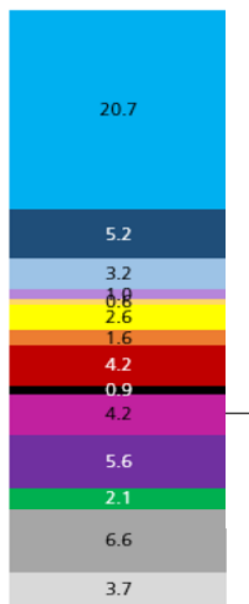


	<p><b>Impact</b></p> <p>The Council does not collect data on disability. However, the inclusion of disability related benefits as qualifying benefits for the application based scheme and support for the community hub, means we will be able to report as part of the monitoring information how many households with a disability, which would include non-physical disabilities such as mental health have been supported. However, from the data the Council has on children eligible for Free School Meals, it can be concluded that these aspects of the scheme would have a positive impact on those people and families who are disabled and in receipt of disability benefits or FSM.</p>				
<p><b>Gender reassignment</b></p>	<ul style="list-style-type: none"> <li>• There is limited national data collected for this characteristic. We will need to consider the inequalities and discrimination experienced for this protected group when data becomes available.</li> <li>• The charity GIRES estimated in their Home Office funded study in 2009 the number of transgender people in the UK to be between 300,000 and 500,000. More recently Stonewall advised that it is estimated that around 1% of the population might identify as trans, including people who identify as non-binary. This would represent about 600,000 trans and non-binary people in Britain and about 2,500 people in Harrow.</li> </ul> <p><b>Impact</b></p> <p>At this stage there is no way of concluding whether the Household Support Fund 2 would have either a positive or negative impact on this group.</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p><b>Marriage and Civil Partnership</b></p>	<ul style="list-style-type: none"> <li>• At the time of the 2011 Census 54% of Harrow's residents were married, which was the highest level in London. 21% of households were married, or in same-sex civil partnerships, with dependent children, the highest level in London. At October 2020 there have been 144 Same Gender Civil Partnerships in Harrow, 25 of which has been converted to a Marriage. There have been 8 Opposite Gender Civil Partnerships. There have been 57 Same Sex marriages.</li> </ul> <p><b>Impact</b></p> <p>The extension Household Support Fund implementation will aim to support residents regardless of their partnership status.</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

<p><b>Pregnancy and Maternity</b></p>	<ul style="list-style-type: none"> <li>• ONS births figures show Harrow as having 3,526 live births in 2019. 14 live births per 1000 population is higher than the England &amp; Wales average of 10.8</li> <li>• The borough has the worst infant mortality rate in London, at a rate of 5.1 deaths per 1000 live births, which is a strong indicator of poverty and inequality in the borough.</li> </ul> <p><b>Impact</b></p> <p>Although there isn't any data the Council holds for CTS or Free School Meals on whether recipients (or their parents) are either pregnant or on maternity leave the extension Household Support Fund implementation will aim to support residents regardless of their status.</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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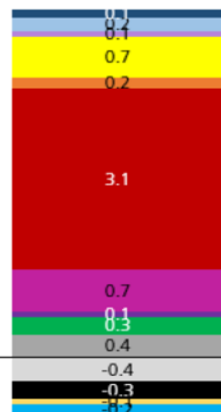
Race/  
Ethnicity

% breakdown of non-WB populations, 2019



Harrow (62.9% non-WB)

% breakdown of change in non-WB populations



- Hindu Indian
- Sri Lankan
- Other South Asian
- Iranian
- Greek/ Greek Cypriot
- Other East European
- Polish
- Romanian
- Jewish
- Other Muslim
- Pakistani
- Black African/ Caribbean
- West European and Hispanic
- Other

- Harrow is one of the most culturally diverse local authorities in the UK, with over 60% of residents from Black, Asian, and Multi-Ethnic backgrounds and an estimated 20% Eastern European community, which is fast growing<sup>6</sup>. Black African (notably the Somali Community) groups have been fast growing over the last 6 years or so, as has the Afghan community.
- Unemployment rates are significantly higher in certain areas of the borough, particularly in the Wealdstone and Marlborough wards (central Harrow) and Roxbourne (south Harrow), focused in an around the Rayners Lane estate and among residents classified as Black and Other ethnic groups. These areas are also ranked high on the indices of deprivation for the UK.
- The majority of 16–18-year-olds that are classed as NEET are from Black, Asian and Minority Ethnic backgrounds and located in wards with high levels of deprivation. However, the data

<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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<sup>6</sup> Harrow Economic assessment 2019-2020:population

also shows that the single largest ethnic group of pupils aged 16-18 classed as NEET is White British.

- At ward level Marlborough and Wealdstone have the highest number of households in need of re-housing. These respectively have a Black, Asian and Minority Ethnic population of 77% and 75%.
- The highest rates of overcrowding is in Greenhill ward (97.5 per 1,000 households) and a Black, Asian and Minority Ethnic population of 74% (2011 census).
- Data shows us that some Black, Asian and Minority Ethnic residents are more likely to experience barriers to employment due to lack of English language, functional and digital skills and therefore more likely to be in receipt of financial support through such things as Universal Credit, Council Tax support and (if there are children in the household) Free School Meals.

With regards Free School Meals, in 2021, the highest proportion of pupils who are eligible for FSM are of Traveller of Irish Heritage Background (89.6% - 60 pupils). This percentage has increase from 2019 (67.6% - 46 pupils), however the population numbers of this ethnic group are significantly low. The second highest group are of White and Black Caribbean ethnic origin (34.6% - 187 pupils), having increased from 24% (131 pupils) in 2019. The third highest group are of Black Caribbean ethnic origin (32.8% - 314 pupils). This percentage has increased from 23.4% (235 pupils) in 2019. The table below gives the full breakdown of pupils on FSM compared to the overall pupil population in Harrow for 2019-2021.

Number and percentage of Pupils eligible for Free School Meals in Harrow Primary, Secondary, Special, Nursery and PRU schools by Ethnicity (Enrolments: Current and Dual-Main)									
Ethnicity	2019			2020			2021		
	Number of pupils eligible for FSM	Percentage of pupils eligible for FSM	All pupils	Number of pupils eligible for FSM	Percentage of pupils eligible for FSM	All pupils	Number of pupils eligible for FSM	Percentage of pupils eligible for FSM	All pupils
Traveller of Irish Heritage	46	67.6%	68	65	73.9%	88	60	89.6%	67
White and Black Caribbean	131	24.0%	546	156	28.2%	553	187	34.6%	541
Black Caribbean	235	23.4%	1003	267	27.0%	990	314	32.8%	957
Black – African	483	21.0%	2305	526	23.2%	2272	638	29.7%	2148
Any Other Ethnic Group	348	18.7%	1857	442	22.5%	1966	592	29.7%	1994
White and Black African	68	21.3%	319	80	23.3%	343	99	28.2%	351
Any Other Black Background	80	20.0%	400	92	22.8%	403	110	27.5%	400

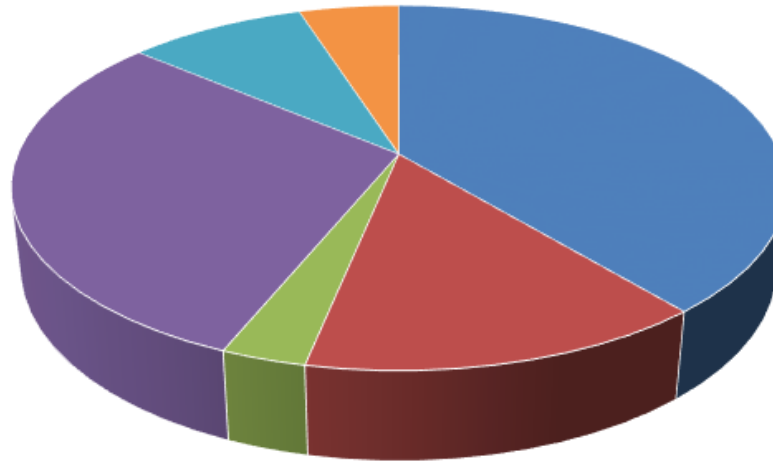
Gypsy / Roma	6	17.6%	34	8	16.3%	49	11	26.2%	42
Refused	44	11.9%	369	69	16.5%	418	102	21.0%	485
Any Other Mixed Background	203	15.6%	1303	231	18.0%	1280	266	20.0%	1327
Bangladeshi	38	12.4%	307	46	14.5%	318	61	18.8%	325
Any Other Asian Background	756	10.7%	7077	911	12.8%	7135	1297	18.3%	7093
White – British	448	12.4%	3623	481	13.9%	3460	565	17.1%	3296
Information Not Yet Obtained	12	12.9%	93	16	15.4%	104	20	16.4%	122
Pakistani	225	11.8%	1902	228	12.3%	1861	289	15.7%	1844
White and Asian	88	9.2%	953	122	12.1%	1007	152	14.5%	1046
White – Irish	27	7.7%	350	25	8.0%	311	27	9.6%	280
Any Other White Background	255	4.2%	6105	326	5.2%	6250	594	9.4%	6340
Chinese	6	3.3%	180	10	5.1%	197	12	5.9%	203
Indian	196	2.3%	8467	230	2.6%	8920	332	3.6%	9325
<b>Total</b>	<b>3695</b>	<b>9.9%</b>	<b>37261</b>	<b>4331</b>	<b>11.4%</b>	<b>37925</b>	<b>5728</b>	<b>15.0%</b>	<b>38186</b>

Source: Spring School Census 2019, 2020 and 2021

For those households with rent arrears due to the pandemic, the Councils Housing Benefit data shows the breakdown against ethnicity as follows:

	Council tenants	Temporary accommodation tenants	Total
Asian / Asian British	25 (12%)	13 (17%)	38 (14%)
Black / African / Caribbean / Black British	66 (32%)	16 (20%)	82 (29%)
Mixed / multiple ethnic groups	13 (6%)	2 (3%)	15 (5%)
White	50 (25%)	13 (17%)	63 (22%)
Other ethnic group	5 (2%)	2 (3%)	7 (3%)
Prefer not to say	45 (22%)	31 (40%)	76 (27%)
<b>Total</b>	<b>204</b>	<b>77</b>	<b>281</b>

Ethnic Profile Summary - To Date



■ Asian or Asian British
 ■ Black or Black British
 ■ Mixed Background
 ■ White or White British
 ■ Other Ethnic Background
 ■ Not Stated

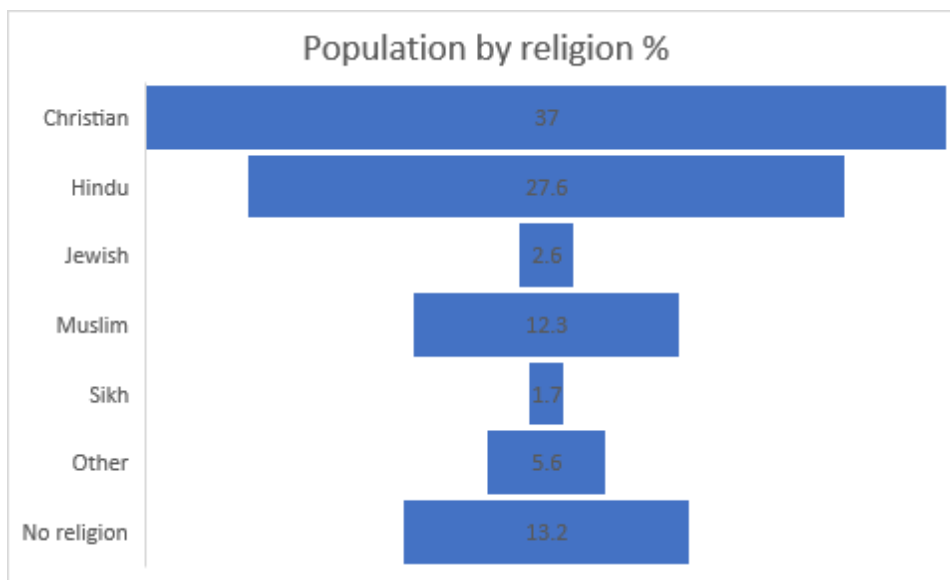
For those residents accessing food support from the Community Hub, the largest share are from an Asian or Asian British background. The number accessing support who are black or Black British looks disproportionately higher than the general Harrow Population.

### **Impact**

Although there isn't any data the Council holds for housing benefit on the ethnicity of recipients (or their parents), the proxy indicator of Black, Asian and Minority Ethnic residents being more likely to experience barriers to work (last bullet above), would suggest that all the elements of the Household Support Scheme will have a positive impact on those with a Black, Asian and Minority Ethnic heritage, by virtue of the relationship between barriers to employment, hardship and a higher likelihood of therefore being in receipt of financial assistance. Black heritage, Bangladeshi and Pakistani pupils are also disproportionately represented on the cohort of children in receipt of Free School Meals and users of the Community Hub when compared to the broader population, so again the targeting of the Scheme will have a positive impact on race/ethnicity. Similarly, looking at rent arrears data black heritage households are also disproportionately represented in this cohort, so would benefit from the scheme.

**Religion or belief**

- Religious diversity is strong in Harrow. At the 2011 Census Harrow was the most religiously diverse borough in the country. Harrow had the highest number (and proportion) of Hindu followers in the country (25.3%), the highest number of Jains (2.2%) and the second highest number of Zoroastrians. Harrow 's Jewish community was the sixth largest nationally. 37.3% of residents were Christians (the 5th lowest proportion in the country) and 12.5% were Muslims. Harrow had the 2nd lowest ranking for 'no religion'.



- As the population's ethnic composition changes, rates of participation in various religions are also likely to change<sup>7</sup>.
- There is limited data on employment/unemployment rates for Harrow by religion.
- Data for London suggests that educational attainment and employment among the capital's Muslim community is lower than those from other faith groups located in the borough<sup>8</sup>.

				<input checked="" type="checkbox"/>

<sup>7</sup> Harrow Economic Assessment: 2019-2020:population

<sup>8</sup> Annual Population Survey 2018.

	<p><b>Impact</b></p> <p>The Scheme will aim to support all residents regardless of their religion or belief, and where possible monitoring information will be gained to understand the impact on this characteristic.</p>				
<p><b>Sex</b></p>	<ul style="list-style-type: none"> <li>The Government's population estimates as of mid-2019 show that the total population of Harrow is now 251,200, made up of 125,800 men and 125,400 women. Overall, the number of males and females living in Harrow is very similar.</li> <li>Economic activity among Harrow's male population is higher than the London average at 86%, compared with 83%<sup>9</sup>. However, economic activity among females in the borough is lower than the London average at 72%.</li> <li>Harrow is a low wage borough, with both men and women that are employed in the borough earning less than the London average of £760<sup>10</sup> earning less compared to men. Women earn less than men in the borough. Average gross weekly earnings among women working in Harrow is £500, nearly 38% lower than the London average of £688<sup>11</sup>.</li> <li>While the pandemic may have negatively impacted both sexes, the shift to home working may have had a positive impact in enabling women to return to work, as they are able to share childcare responsibilities.</li> </ul> <p>With regards Free School Meals, across all Harrow schools, the percentage of Female pupils who are eligible for FSM increased from 10% (1,858 pupils) in 2019 to 14.8% (2,836 pupils) in 2021. In parallel, the percentage of Male pupils who are eligible for FSM increased from 9.8% (1,837 pupils) in 2019 to 15.2% (2,892 pupils) in 2021. In 2021, the proportion of male pupils who are eligible for FSM is marginally higher than the proportion of female pupils. This is in contrast to the previous years (2019 and 2020) where the proportion of female pupils eligible for FSM was higher than the proportion of male pupils. However, the difference does not suggest there is any disproportionate impact with regards gender for pupils in receipt of Free School Meals.</p> <p>For those households with rent arrears due to the pandemic, the Councils Housing Benefit data shows the breakdown against female and male headed households as follows:</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

<sup>9</sup> NOMIS: Labour supply ( at December 2020)

<sup>10</sup> NOMIS: earnings by place of work 2020

<sup>11</sup> NOMIS: earnings by place of work: 2020



	Council tenants	Temporary accommodation tenants	Total				
Female headed household	136 (67%)	55 (71%)	191 (68%)				
Male headed household	61 (30%)	19 (25%)	80 (28%)				
Data not available	7 (3%)	3 (4%)	10 (4%)				
Total	204	77	281				
<p><b>Impact</b></p> <p>On the basis that economic activity is lower in women than in men, earnings are less in women than men and more households in council housing or temporary accommodation are headed by women there is a higher likelihood that the scheme will have a more positive impact on women than men. However the Household Support Scheme is targeted at all age groups in greatest financial hardship, which is a positive impact.</p>							
<p><b>Sexual Orientation</b></p> <ul style="list-style-type: none"> <li>The Office for National Statistics estimated in 2014, 2.6% of Londoners identify as lesbian, gay, or bisexual, the highest of any UK region<sup>12</sup>. There is no official data on sexual orientation for Harrow in relation to employment.</li> <li>LGBT people are also likely to be underrepresented among business owners within Harrow.</li> </ul> <p><b>Impact</b></p> <p>Although there isn't any data the Council holds for housing benefit or Free School Meals on the sexual orientation of recipients (or their parents) the fact that there is a higher likelihood that families with children will be heterosexual couples, the Household Support Fund 2 is more likely to have a positive impact on those whose sexual orientation is heterosexual. However, the implementation of the scheme will aim to support residents regardless of their sexual orientation.</p>							
				<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

<sup>12</sup> Trust for London: London's Poverty profile 2016.

## 2.1 Cumulative impact – considering what else is happening within the Council and Harrow as a whole, could your proposals have a cumulative impact on groups with protected characteristics?

Yes

No

If you clicked the Yes box, which groups with protected characteristics could be affected and what is the potential impact? Include details in the space below

- There will be a positive impact on working households with children.
- There will be a positive impact on residents in receipt of housing benefit.
- There will be a positive impact on vulnerable households.
- There will be a positive impact on Harrow residents who can take advantage of the ongoing food resource via the Community Hub.

## 2.2 Any other impact - considering what else is happening nationally/locally (national/local/regional policies, socio-economic factors etc.), could your proposals have an impact on individuals/service users, or other groups?

Yes

No

If you clicked the Yes box, Include details in the space below

- The Household Support Fund 3 is principally to support those families in hardship, so all groups who receive funding will be from a group impacted by hardship.
- It should be noted that the number of pupils eligible for Free School Meals has increased from 3,695 in 2019 to 6263 in 2022 (which in percentage terms is a move from 10% of the pupil population in Harrow in 2019 to 15% in 2021).

## 3. Actions to mitigate/remove negative impact

**Only complete this section if your assessment (in section 2) suggests that your proposals may have a negative impact on groups with protected characteristics. If you have not identified any negative impacts, please complete sections 4 and 5.**

In the table below, please state what these potential negative impact (s) are, mitigating actions and steps taken to ensure that these measures will address and remove any negative impacts identified and by when. Please also state how you will monitor the impact of your proposal once implemented.

State what the negative impact(s) are for <b>each</b> group, identified in section 2. In addition, you should also consider, and state potential risks associated with your proposal.	Measures to mitigate negative impact (provide details, including details of and additional consultation undertaken/to be carried out in the future). If you are unable to identify measures to mitigate impact, please state so and provide a brief explanation.	What action (s) will you take to assess whether these measures have addressed and removed any negative impacts identified in your analysis? Please provide details. If you have previously stated that you are unable to identify measures to mitigate impact please state below.	Deadline date	Lead Officer
Limited data is available on the demographic and ethnic profile of those who will be beneficiaries of the various elements of the scheme	<ul style="list-style-type: none"> <li>Monitoring data will be developed as the scheme is rolled out and reported on a monthly basis</li> </ul>	<ul style="list-style-type: none"> <li>The Monthly data will be reported to the project working group and if necessary further demographic data will be sought to support the overall understanding of the impact of the scheme.</li> </ul>	Mar 2023	Angelica Stoichkov

#### 4. Public Sector Equality Duty

How does your proposal meet the Public Sector Equality Duty (PSED) to:

1. Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act 2010
2. Advance equality of opportunity between people from different groups
3. Foster good relations between people from different groups

#### Include details in the space below

1. The Scheme will help to advance the equality of opportunity for groups who share relevant protected characteristics and those who do not by addressing inequalities around access to financial support for many groups in financial hardship.
2. The Scheme will help foster good relations between communities through the creation of financial support for those most in need.

#### 5. Outcome of the Equality Impact Assessment (EqIA) click the box that applies

Outcome 1

**No change required: the EqIA has not identified any potential for unlawful conduct or disproportionate impact and all opportunities to advance equality of opportunity are being addressed**

 Outcome 2

**Adjustments to remove/mitigate negative impacts identified by the assessment, or to better advance equality, as stated in section 3&4**

 Outcome 3

**This EqIA has identified discrimination and/ or missed opportunities to advance equality and/or foster good relations. However, it is still reasonable to continue with the activity. Outline the reasons for this and the information used to reach this decision in the space below.**

Include details here

See mitigations section as this refers to those on pensionable age.



**Report for: Cabinet**

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<b>Date of Meeting:</b>	13 <sup>th</sup> October 2022
<b>Subject:</b>	Inter Authority Agreement for Legal Services
<b>Key Decision:</b>	No
<b>Responsible Officer:</b>	Hugh Peart - Director of Legal and Governance Services
<b>Portfolio Holder:</b>	Councillor Stephen Greek - Portfolio Holder for Performance, Communications & Customer Experience
<b>Exempt:</b>	No
<b>Decision subject to Call-in:</b>	Yes

## **Summary and Recommendations**

### **Recommendations:**

Cabinet is requested to:

1. Welcome Barnet Council's continuing commitment to the shared legal practice, noting their wish to continue the arrangement for a further 5 years;
2. Advise Slough Borough Council of Harrow's ongoing willingness to provide their legal services; and
3. Authorise the Director of Legal and Governance Services, following consultation with the Portfolio Holder for Performance, Communications & Customer Experience to agree an extension to the Inter Authority Agreement with the London Borough of Barnet until 2027 and with Slough Borough Council for a period of up to five years.

### **Reason (for recommendations):**

1. The London Borough of Barnet was with Harrow the founder member of HB Public Law in 2012. The initial agreement was for 5 years and has been extended until 2022 and the proposal is to further extend until 2027.
2. Barnet is pleased with the service provided and agreed to seek an extension at its Policy and Resources Committee on 30th September 2021.
3. Harrow entered into a shared services agreement with Slough on 31st May 2018 and this agreement is due to expire on 1st June 2023. The indications are that Slough are happy with the service, and so authority is sought to extend the arrangement.

### **Introduction**

This report updates Cabinet on the progress of HB Public Law ('HBPL') and seeks authority to extend the arrangements whereby it provides legal services to the London Borough of Barnet and if required to Slough Borough Council.

## **Implications of the Recommendations**

The extension of the current agreement with Barnet will support HBPL's sustainability and future plans which means that Harrow will continue to receive a robust legal service and the economies of scale that sharing services brings.

## **Background**

HBPL was formed in 2012 when Barnet agreed that Harrow would discharge its legal function and transferred its lawyers under the TUPE regulations.

With now nearly 170 lawyers, Harrow has grown HBPL into one of the largest local government legal practices in the country, with a reputation for innovation and quality. HBPL now provides legal services to the London Boroughs of Harrow, Barnet and Hounslow, the West London Waste Authority and Slough Borough Council, as well as to over 100 schools and academies.

The history of the Practice is as follows:

- 2012 Harrow & Barnet create HB Public Law
- 2012 Secure Law Society 'Lexcel' accreditation
- 2015 Hounslow join
- 2016 Aylesbury Vale DC join
- 2017 Bucks CC join (includes BCC running Harrow's HR)
- 2018 Slough joins with contract until 2023
- 2019 Bucks & Aylesbury Vale leave as new unitary council formed
- 2021 Hounslow agree extension until 2026
- 2021 Barnet resolve to extend the agreement until 2027

HBPL are currently covering the Monitoring Officer posts for Harrow, Barnet, Slough and the West London Waste Authority and have previously undertaken this role for Hounslow. The practice also works for Barnet Homes, Harrow, Barnet, Hounslow and Slough Schools and does ad hoc work for other councils.

## **Rationale for Sharing**

Creating a larger legal practice to support more than one authority has delivered the following benefits:

- A greater range and depth of legal expertise is available;
- More flexibility in response to Council demands;
- Reduced cost;
- Improved career opportunities for staff;
- Improved ability to recruit and retain the best staff;
- Greater resilience.
- Reduced management costs
- Shared overheads – eg case management system, legal resources
- Cost avoidance - less use of external lawyers, manage peaks & troughs

- Explicit quality assurance culture

## **Extension**

The heads of terms of this proposed extension include:

- Barnet will continue to delegate its legal function to Harrow
- Harrow will continue to employ the staff
- Work is charged at an hourly rate and Barnet is invoiced monthly
- Harrow provides management and monitoring information to Barnet
- Barnet continues its redundancy indemnity should a reduction in demand by them lead to a need to make staff redundant
- Dispute resolution procedures which ultimately include the respective chief executives
- Staff working on Barnet work are treated as Barnet staff and are covered by Barnet's insurance policy
- At any time, following 24 months of the Commencement Date either party may terminate the Agreement by giving the other not less than one year's written notice
- Exit costs are shared
- Arrangement is not commercial
- A mechanism for increasing the hourly rate

## **Staffing**

The benefits of a larger legal practice include the opportunity for staff to progress their career without moving to another employer, and the capacity to train legal staff and invest in succession planning. Key achievements under the practice's workforce strategy include:

- (a) Career grading at legal assistant/paralegal and lawyer/senior lawyer level. This allows staff to progress their careers without waiting for vacancies or moving into management roles
- (b) In-house bespoke management training
- (c) Apprenticeship programme – in legal, practice management and finance roles.
- (d) Supporting 2 trainees under the Government's kickstart programme.
- (e) Train your own – staff have qualified as chartered legal executives and solicitors via the CILEX training and trainee solicitor programmes. The practice employs up to 5 trainee solicitors per year and many have moved into lawyer roles within HBPL upon qualification.
- (f) Bespoke in-house training programme, including essentials of local government training and tailored external training programme delivered by the London Boroughs Legal Alliance.
- (g) Wellbeing programme.

## **Performance**

HBPL is Lexcel accredited, which is the Law Society quality assurance standard for legal practices. The last assessment was in January 2022. The key findings were:



“Despite all the challenges of the pandemic, HB Public Law continues to maintain a robust commitment to all the policies and procedures of the Lexcel Standard. There has been a clear emphasis on ensuring the health and wellbeing of its staff, well beyond basic levels (see report for details) supported by excellent communication for staff working remotely and on-going supervision.

HBPL was able to have a fairly easy transition to working remotely, as it has worked digitally for a long time and has always supported flexible working. It has therefore been able to accommodate hybrid working where possible, as and when the situation allowed.

It has also continued its wellbeing programme which is now remote and this has been very well received by staff who have been able to access a range of remote programmes. Everyone continues to be set clear targets which ensures both staff and managers are able to track their performance.”

The report noted:

- HBPL’s business plan for 2021 to 2026 is comprehensive covering values and vision, a detailed SWOT analysis and sections on marketing, finances and options for the future. There are clear aims, with KPIs with associated resources for each team.
- The business continuity plan remains robust with detailed descriptions of testing and outcomes.
- HBPL’s financial management remains robust and ensure it meets Lexcel criteria.
- HBPL places a strong emphasis on data protection and maintained policies and procedures to support this, including a detailed register of information assets.
- Last year the practice moved to a new case management system and people are adapting to this and have ongoing training and support.
- The register of information assets remains very detailed with a list of assets, format and location.
- Induction of staff remains comprehensive with excellent examples of this occurring in teams and with the support of buddies.
- Despite the challenges of remote working, staff felt well supported with regular communication and supervision.
- The department is looking at the principles of flexible working and future working patterns going forward.
- The health and well-being programme has been a long feature of HBPL’s commitment to its staff and has continued remotely and is really welcomed by staff.

- On going learning and development remains very much in evidence and clearly encouraged, with a range of webinars and LBLA weekly newsletters of what is available. There were excellent examples of training being shared in teams.
- The file review process remains both regular and robust with a good overall analysis.
- The annual review of risk remains detailed through quality meetings and is very comprehensive and reviews and records all key areas of risk.
- The risk register also continues to be detailed and sets out risk levels, reported issues, status of individual risk areas and when they are closed out.
- Communications remains good within monthly team meetings, in person if possible or through teams. There is regular 1-1 monthly supervision and the addition of WhatsApp groups.
- Legal practice meetings take place through MS Teams and legal practice updates continue.
- Quality questionnaires continue to be sent to clients at the end of a matter and compliments/comments are logged. Clients continue to be very complimentary about the work of HBPL and there is a robust analysis summary to demonstrate this.
- File management continues to be robust and there is a new case management system to support this.

Suggestions for best practice are as follows:

- HBPL should consider a matrix approach in its business plan as to what resources are required and potential risks linked to stated objectives.
- HBPL should consider developing a “formal” remote working policy focusing on areas such as data protection, health and safety and supervision.
- Continue to ensure that new staff and trainees/paralegals feel they can contact their manager if they need to do so. It is also important that line managers encourage them to do so.
- Given the majority of staff are working remotely, ensure supervisors continue to monitor staff workloads.

## **Data Protection Implications**

The Inter Authority agreement covers all data protection issues and Harrow retain Barnet data on a secure case management system.

## **Risk Management Implications**

Risks included on corporate or directorate risk register? No

Separate risk register in place? No

The following key risks should be taken into account when agreeing the recommendations in this report:

Risk Description	Mitigations	RAG Status
Budget Pressure for Harrow Council & threat to HBPL's financial viability if Agreement not extended	<p>Agreement to the extension will remove these risks</p> <p>Barnet Council's Policy and Resources Committee agreed to extend the agreement on 30th September 2021</p> <p>TUPE regulations</p> <p>Harrow and Barnet have agreed to Harrow building up &amp; managing a reserve to offset any costs incurred by HBPL in circumstances including a reduction in the demand for the service by Barnet</p>	
Damage to Harrow's reputation should HBPL's activities attract negative attention	<p>Senior lawyers meet client boroughs and key client teams every month to review work, address issues etc</p> <p>The practice is inspected regularly by the Law Society lexcel inspector</p> <p>Staff are supervised and have regular supervision meetings</p> <p>Work is checked by supervisors who review files</p>	

## Procurement Implications

As this is a delegation of function there are no procurement implications.

## Legal Implications

The Council has the power to provide legal services to the London Borough of Barnet by virtue of Section 111 of the Local Government Act 1972, and Barnet may arrange for the discharge of their functions by another authority. There is also a legal basis for the sale and purchase of legal services between local authorities using Section 1 of the Local Authority (Goods and Services) Act 1970. HB Public Law will need to comply with all Solicitors' Regulatory Authority

Regulations when acting for Barnet or any other local authority. Under Section 3 of the Local Government Act 1999, Local Authorities are under a general duty to secure best value services. The duty is to “make arrangements to secure continuous improvement in the way in which functions are exercised, having regard to a combination of economy, efficiency and effectiveness”.

### **Financial Implications**

Failure to agree the extension of the Barnet and Slough agreements would mean a loss of income to the authority and whilst there would also be cost savings as staff would be TUPE'd to those boroughs, the overall impact on Harrow would create a budgetary pressure. There may also be pension strain liabilities.

Operationally, it would lead to Harrow being required to fund the practice that remained or reduce the legal provision to Harrow services. This could possibly create additional financial, operational, and reputational risk for the authority.

The internal budget for the shared legal practice for the 2022/23 financial year is £1.69M. As at Period 4 (July), the practice is projecting a small underspend of £0.016M.

The future costs for the practice will be driven by the impact of salary and inflationary rises. This cost will be passed onto clients through increases in the rates the practice charges.

Most of the funding of the legal practice comes from client income, rather than internal income, and is approximately £7.4M per annum.

The recommendations proposed by the report will have no impact on the authority's Medium Term Budget Strategy. It is HBPL's aim for the practice to be financially self-sufficient and securing the extension of the IAA with Barnet Council will allow for the continuation of a financially stable service.

The recommendations proposed by the report contains no requirements for savings to be made elsewhere within the Legal budget and will have no impact on the current staff establishment within Legal and Governance.

The terms within the proposed new IAA provide that all salary award increases will be reflected in changes to the hourly charge out rates. The proposed new terms will set HBPL's ability to automatically apply an increase of up to 5%. Increases above 5% (that can be proven) will require the approval of the client council.

The current IAA has financially benefitted both Harrow and its client partners. HBPL has for several years produced surpluses that have supported both Harrow and its partners through contributing to Harrow's overall financial position and creating earmarked reserves.

### **Section 3 - Statutory Officer Clearance**

**Statutory Officer: Sharon Daniels**

Signed on behalf of the Chief Financial Officer

**Date: 03/10/22**

**Statutory Officer: Hugh Peart**

Signed by the Monitoring Officer

**Date: 03/10/22**

**Head of Procurement: Nimesh Mehta**

Signed by the Head of Procurement

**Date: 03/10/22**

**Head of Internal Audit: Susan Dixon**

Signed by the Head of Internal Audit

**Date: 03/10/22**

**EqlA carried out: NO**

**Contact:** Jessica Farmer, Head of Legal Practice,

[Jessica.Farmer@harrow.gov.uk](mailto:Jessica.Farmer@harrow.gov.uk)

**Call-in waived by the Chair of Overview and Scrutiny  
Committee - NO**

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of the Local Government Act 1972.

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