

SCRUTINY REVIEW 2019/20

**Report of the Overview and
Scrutiny Committee**

Ambition 2020 and its early impact





Councillor Jane Jones, Chair of the Overview and Scrutiny Committee

When considering the areas that could form the subject of an in-depth scrutiny review at the start of the 2019/20 municipal year, Ambition 2020, the Council's transformation programme seemed a good contender. The programme was initiated in 2016, not only to achieve financial savings, but fundamentally change the way services were delivered by 2020, in order to achieve better outcomes for our residents.

Members of the Committee were not oblivious to the challenge of scrutinising such large-scale change and its impact, and so to make the review manageable, we agreed to break the themes for the scrutiny down to four areas, which can be summarised as - governance of the Council's companies, the impact on customer services, the impact on the demand for statutory services, and whether the new approaches have fostered a sustainable place where people want to live.

There were many positive findings of this review, and Members feel confident that much of the vision behind Ambition 2020 has indeed transformed services and our residents' experiences for the better: the establishment of the Council's new companies has introduced a strong commercial edge to how the Council operates overall, delivering new homes to high standards, and service transformation had introduced innovative ways to provide modern customer services, and creative solutions to provide holistic services designed to build resilience in our communities, with our partners.

However, the Council's core value of 'No one left behind' means taking a closer look at how Ambition 2020 has impacted the communities who have the highest level of need. In that regard, our review, which does not claim to have all the answers, has enabled us to shine a light on the areas which we need to revisit and monitor to ensure the Council is continually striving to improve lives. Demand management, for example, is one of the biggest challenges we face as a local authority but more needs to be done to understand the flow of that demand, so we have asked officers to analyse and report back on this. The other key areas in which we made recommendations are affordable housing and sustainability. For example, we found that more clear information around the exact role of Reside in helping the most vulnerable is needed, as well as a bigger push to help the Council achieve its ambition of becoming the 'the green capital of the capital'.

I hope this review acts as a driving force and tool in shaping the next phase of the Council's transformation journey to take forward the vision the Council has for the future of our residents. I look forward to seeing the progress of the recommendations made in this report six months after the report has been shared with stakeholders.

Jane Jones

Councillor Jane Jones
Chair of Overview and Scrutiny Committee

Members of the Overview and Scrutiny Committee 2019/20

The Overview and Scrutiny Members who carried out this review were:



Councillor J Jones
(Chair)



Councillor A Achilleos
(Deputy Chair)



Councillor D Akwaboah



Councillor T Bankole



Councillor L Butt



Councillor R Gill



Councillor I Robinson



Councillor P Robinson



Councillor B Turner



Councillor P Waker

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List of Recommendations arising from this Review

For ease of reference, all the recommendations are provided below. The Committee as part of good scrutiny practice, will receive a monitoring report on the progress of all the recommendations approximately six months' after the report is complete and shared with stakeholders.

The Overview and Scrutiny Committee recommends that:

KLoE 1:

1. Smaller, local companies be encouraged to bid for more work with the Council and its companies;
2. Business plans for the Council's companies be made publicly available (excluding any sensitive commercial information) to allow residents to understand how the companies are aiming to meet their objectives;
3. Officers provide assurance to the Committee that there are systems, principles and strategies in place to ensure that the Council gets best value from the companies commissioned to deliver services;

KLoE 2:

4. Following the return of Elevate, contact centre staff receive additional training in dealing with all vulnerable groups (including young people in care and care leavers);

KLoE 3:

5. Working with support of the Insight Hub, commissioners from Inclusive Growth and Care & Support draw on available data to strengthen their understanding of how demand for services is affected by the movement of people in, out and around the Borough, including in response to new development;
6. The Cabinet Member for Social Care & Health Integration rigorously challenges local authorities who place families in the Borough but do not comply with the requirement to inform the Council that they had done so;
7. The Committee's 2020/21 Work Programme include an item which facilitates further consideration of the end-to-end process for Children's Care & Support (from early help to placement) so that the complexities of managing this demand can be subject to scrutiny and understood, and progress reviewed;

KLoE 4:

Recommendations relating to Housing:

8. Early in the development of a housing scheme, relevant ward Members be provided with information on the proposed number of bedroom mix of the units, the type of rent, the approximate cost in monetary terms of those rents, and whether there might be any additional service charges, with information displaying how this relates to local need;
9. The Council explores the issue of shared ownership and whether people could get 'stuck' in this arrangement, including whether it would be possible

for the Council to ask developers to buy back shares to help residents wishing to move on;

10. As there is a variety of figures in relation to housing need in the Borough, this information be more widely publicised and clarified;
11. Officers develop more detailed communications for residents about the range of affordable housing options such as the Reside offer and shared ownership (including the difference between products, and the eligibility criteria);
12. Officers work to ensure that the supply of affordable homes, as far as viability allows, contains larger family homes of three and four bedrooms in order to ensure larger families can stay in the Borough, rather than moving to less expensive parts of the country;
13. Regular data is collected on the impact of the change in Reside's affordability threshold, and this data be presented to the Committee at an appropriate point in the 2020/21 municipal year;
14. With the Government's Help to Buy scheme potentially coming to an end, further options to support residents in putting down deposits be explored by the Council;
15. Officers consider the feasibility of providing positive landlord references for Council and Reside tenants who are seeking to move or secure a mortgage;

Recommendations relating to environment and sustainability:

16. There is a focus on external communications going forward around parks and leisure so that residents can have sufficient knowledge of community activities being undertaken;
17. Officers look into how the Council can incentivise residents to use renewable energy technologies, such as electric cars and solar panels, to make sure these are attractive and feasible;
18. The Council utilises the opportunity presented by our environment to make parks and open spaces deliver wider priorities such as reducing isolation for our older people and supporting young people to get outside and learn new skills;
19. Officers ensure that the recommendations of the Biodiversity Action Plan 2017 are acted upon as part of the Council's new Local Plan;
20. Officers look into the possibility of offering more educational partnerships between the parks service and schools, possibly offering parks education as a Barking & Dagenham School Improvement Partnership (BDSIP) service;
21. Officers utilise section 106 funding to support the deep retrofitting programme;
22. Officers investigate how we can hold developers to account in relation to impacts on air quality;
23. Officers report to Cabinet on a quarterly basis on progress against key environmental plans and objectives as set out in the Council's new corporate plan; and
24. The Leader of the Council consider whether clearer ownership within the Cabinet of climate and sustainability issues would help to deliver on the Council's ambitions in these areas.

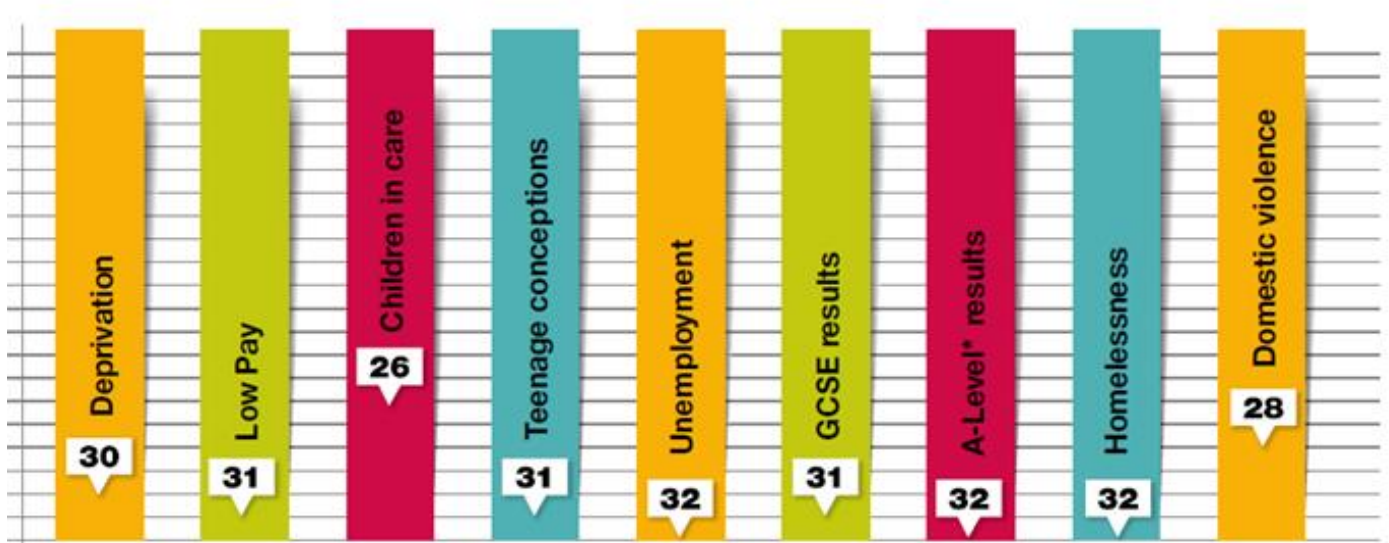
1. Background to the Review

Why did the Overview and Scrutiny Committee choose to undertake an in-depth review on Ambition 2020 and its early impact?

- 1.1 The Council's scrutiny committees decide what topic to undertake an in-depth review on based on the 'PAPER' criteria. The section below explains why according to these criteria 'Ambition 2020 and its early impact' was a good topic to review:

PUBLIC INTEREST	The Ambition 2020 (A2020) programme aimed to transform Council services to deliver them within available resources whilst striving to better meet the community's needs. A review of this transformation programme would support Members and the public to understand how well the Council achieved this, especially when considering our previous performance against the other 31 London boroughs, as evidenced in the Social Progress Index in Figure 1 below.	<input checked="" type="checkbox"/>
ABILITY TO CHANGE	The Overview and Scrutiny Committee recognised that the Council was soon to complete delivery of A2020, its first phase of long-term transformation which aimed to provide the right machinery to lay the foundations for wider change. A second phase is about to start, whereby the Council will utilise this machinery to deliver a more radical vision. It is therefore a good time for the Overview and Scrutiny Committee to review the progress of the programme and influence some of its intended outcomes whilst holding Council leaders to account for their delivery.	<input checked="" type="checkbox"/>
PERFORMANCE	The Overview and Scrutiny Committee wished to investigate to what extent the A2020 programme has improved Key Performance Indicators across a range of areas such as customer services and housing.	<input checked="" type="checkbox"/>
EXTENT OF THE ISSUE	It is clear that many of the issues in Figure 1 remain challenges and that there is still a great need to continually review services to improve the lives of our residents, workers and business owners across a range of social and economic issues.	<input checked="" type="checkbox"/>
REPLICATION	Whilst the priorities of A2020 have been under monitor and review internally, the Overview and Scrutiny Committee felt it was necessary to provide an overview of the programme's successes or otherwise, to enable the public to access and understand the outcomes of the programme.	<input checked="" type="checkbox"/>

Figure 1: Social Progress Index:



This chart shows how the Borough was ranked across a number of indicators against the other 31 London boroughs prior to the Ambition 2020 programme being implemented.

2. Scoping and Methodology

2.1 Scoping

This section outlines the scope of the review which includes the areas the Overview and Scrutiny Committee wished to explore and the different methods the Overview and Scrutiny Committee used to collate evidence for potential recommendations.

Having received a scoping report at its meeting on 9 October 2019, the Overview and Scrutiny Committee agreed the following key lines of enquiry:

Key Line of Enquiry 1: How well established is the governance of the Council's new wholly-owned companies, to ensure they play their role in delivering the Borough's ambition and expected financial returns?

'The New Kind of Council' approach includes the establishment of:

- BeFirst - a regeneration company;
- Reside - a housing lettings management company;
- Barking & Dagenham Trading Services - a trading company for facilities, catering and some other service; and
- Barking & Dagenham School Improvement Partnership - a joint venture company for school improvement.

The setup of each is different, with the Council's stake being differently established for each. A shareholder panel is established through which the Council sets broad strategic direction, and then the company trades as an independent entity with its own management Board and Chair.

Key Line of Enquiry 2: How much impact has the new approach had on the improvement in customer service standards, and what are the plans to continue this improvement with the return of Elevate services to the Council?

The creation of 'My Place' was part of a range of developments to improve the response to core customer requests around waste, recycling and street cleansing. To an extent, these changes have been covered in the Committee's previous in-depth scrutiny, 'Improving Household Waste, Recycling and Street Cleansing'. However, there were also a raft of changes designed to improve the online self-service offer and improve the consistency of customer access routes. Additionally, the work to develop Community Solutions was partly about a more streamlined offer of universal services.

Key Line of Enquiry 3: How well are the Council's new arrangements managing demand for the Council's statutory services across homelessness, adults' and children's social care?

Demand for housing, adults and children's care services drive by far the most significant share of costs for the Council. Bringing together the 'front door' for these services, together with services working on debt, welfare advice,

domestic abuse and other areas, was intended to help manage the demand by supporting people more holistically and effectively at that point. The creation of this 'Community Solutions' service, working in partnership with stronger networks of third sector support, was intended to manage demand for more expensive statutory services.

Key Line of Enquiry 4: How well is the Council's new approach fostering a sustainable place where people want to live?

Inclusive Growth is a key element of the Council's strategic framework, founded on the strapline "no-one left behind". A balanced approach to growth is needed so that the Borough and its public services are sustainable into the future. This means, for example, that our growth ambitions in residential property must be balanced with community infrastructure and business space. Be First, as the Council's regeneration company, lead the regeneration work for the Council. For this KLoE, the Committee decided to focus on the housing and the environmental sustainability elements of the Inclusive Growth programme.

2.1 Overview of Methodology

The review gathered evidence during the Committee's meetings. Details of stakeholders and their contributions to this review are outlined below:

- **6 November 2019**
Overview presentation: Ambition 2020, the story to date and proposed next steps
Chris Naylor, Chief Executive
- **17 December 2019**
KLoE 1: Performance of the Council's new companies
Claire Symonds, Chief Operating Officer, and Hilary Morris, Commercial Director
- **8 January 2020**
KLoE 2: Customer Experience- what have we been doing?
Claire Symonds, Chief Operating Officer
- **16 January 2020**
KLoE: Housing Task & Finish Group
Michael Westbrook, Head of Housing and Asset Strategy, and Jennie Coombs, Head of Affordable Housing
- **30 January 2020**
KLoE 4: Sustainability Task and Finish Group
Andy Knight, Head of Leisure, Parks and Heritage; Andrew Johnson, Commissioning Lead Parks; Neil Pearce, Commissioning Lead for Energy and Sustainability; Mark Tyson, Director of Policy and Participation

- **5 February 2020**
KLoE 3: Demand Management
Mark Fowler, Director of Community Solutions
- **4 March 2020**
KLoE 4: A sustainable place to live
Graeme Cooke, Director of Inclusive Growth

3. Introduction

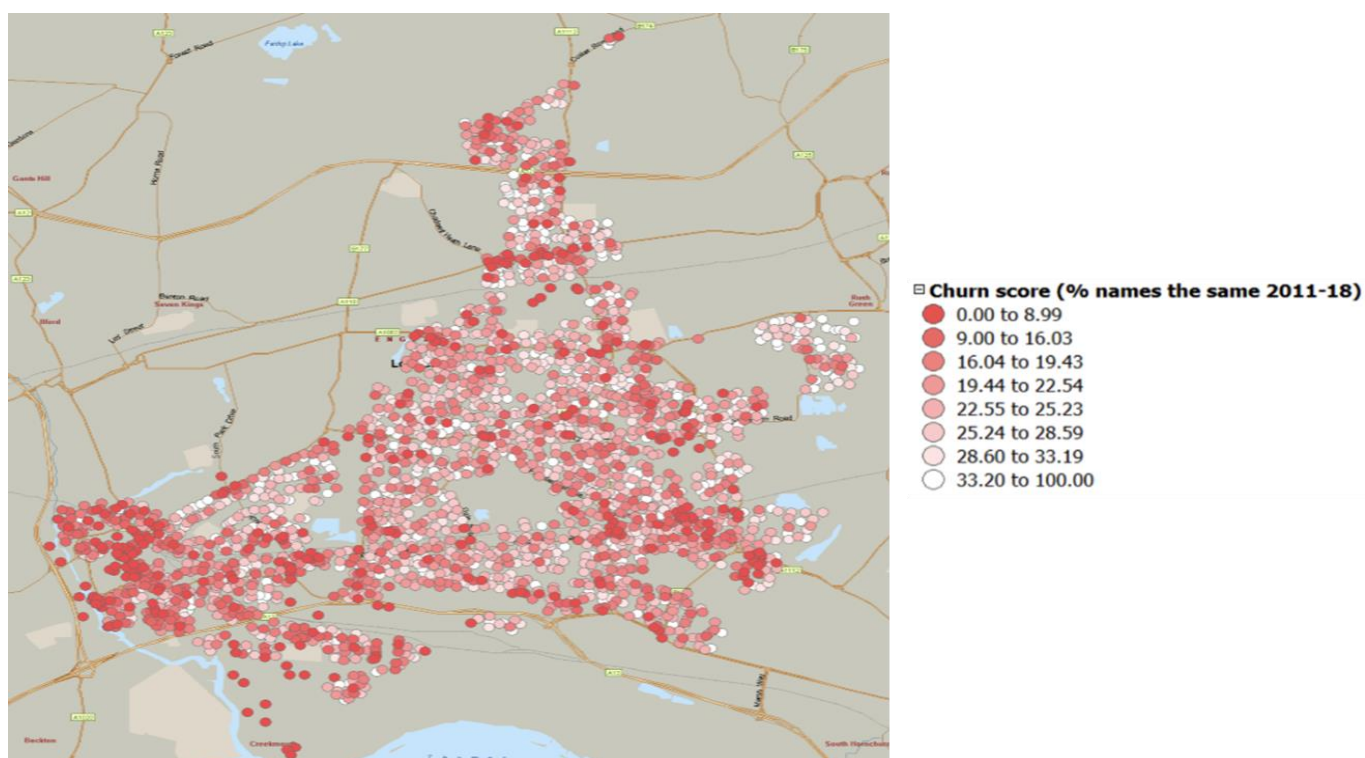
3.1 Background to Ambition 2020

Several factors contributed to the development and launch of the Ambition 2020 programme in 2016, with the Council both experiencing and anticipating increased demand for services due to changing demographics amidst funding reductions imposed by central government. Following a period characterised by both financial and population change in a time of reducing resources, the aim of A2020 was to deliver £47.9m savings/income on an annual basis by 2021¹.

3.2 Initial Finances and Workforce Consultation

Whilst a “salami-slicing” strategy had previously been employed in an attempt to balance the Council’s budget and enable services to function, this technique could no longer continue by 2015-16. The Council realised that it needed to revisit its service delivery methods in order to generate savings, particularly in light of the fact that by 2020 it would have roughly half the money it had in real terms in 2010 from central government income. Workforce consultation also concluded that the Council’s traditional incremental methods of budgeting and reductions would be unsustainable in future, with internal staff encouraging the organisation to be bold, remove silos and redefine what the local authority was for and what it could do.

3.3 Demographic Change



Churn score (% names the same 2011-18) refers to residents' names

¹ Modgov.lbbd.gov.uk. (2016). [online] Available at: <https://modgov.lbbd.gov.uk/Internet/documents/g9177/Public%20reports%20pack%20Tuesday%202015-Nov-2016%2019.00%20Cabinet.pdf?T=10>

The graph above highlights where demographic churn has been most prevalent within the Borough, with the south and the west of the locality experiencing the highest rate of population churn.

Demographic change has also altered need across the Borough. Since the turn of the millennium, Barking and Dagenham has become one of the fastest-changing communities in Britain. The population has risen rapidly, growing from 164,000 residents in 2001 to 220,000 in 2019, a growth of over one third. Population growth has also occurred in conjunction with a rapidly diversifying community: whilst just under 91% of residents identified as White British in 2001, this figure has declined to under 40% today in 2019.

The period has also been defined by a high turnover of residents: between 2012 and 2014, approximately 50,000 new residents came to the Borough, and roughly the same number left, meaning that the ‘turnover’ was almost a quarter of the total population. The age demographics have also shifted significantly: whilst 22% of the population in Barking and Dagenham were under 18 in 2011, this has now risen to 32% in 2019. The rapid demographic shifts in the Borough were a strong contributing factor to the need to begin a programme of transformation which delved into how the Council could meet the needs of its modern community.

3.4 Peers and Regulators

Following the election of Councillor Darren Rodwell as leader of the London Borough of Barking and Dagenham in 2014, an LGA Peer Review was commissioned into the inner workings of the local authority to provide challenge, encourage improvement and share learning. The Review advocated for the modernisation of the Council’s services and for a bolder method of working, noting that ‘the traditionally paternalistic approach from the council will need to change’² and setting the foundations for change. Further commissioned reviews into the functioning of the Authority showed that there was much room for improvement, reinforced by the findings of the Housing Quality Network, and Ofsted who commented that our Children’s Social Care services ‘required improvement’³.



LGA said our services need to be modernised and that we should be **BOLD**



Housing Quality Network said our performance was terrible



Ofsted said we required improvement

² Modgov.lbbd.gov.uk. (2014). [online] Available at: <https://modgov.lbbd.gov.uk/internet/documents/s83869/Corporate%20Peer%20Challenge%20Report%20-%20App.%201%20Final%20Report.pdf>

³ Modgov.lbbd.gov.uk. (2014). [online] Available at: <https://modgov.lbbd.gov.uk/internet/documents/s85121/Childrens%20Social%20Care%20Review%20Report.pdf>

3.5 The Growth Commission



The Growth Commission was composed of a team of independent experts commissioned by the Council to review Barking and Dagenham’s ambition to become London’s growth opportunity, consider how to maximise the Borough’s contribution to the London economy and generate borough-wide growth that would benefit all in the locality. A review was undertaken between October and December 2015, seeking the views of local residents, community groups, partnership organisations and stakeholders as to how to increase the pace and scale of growth in the Borough.

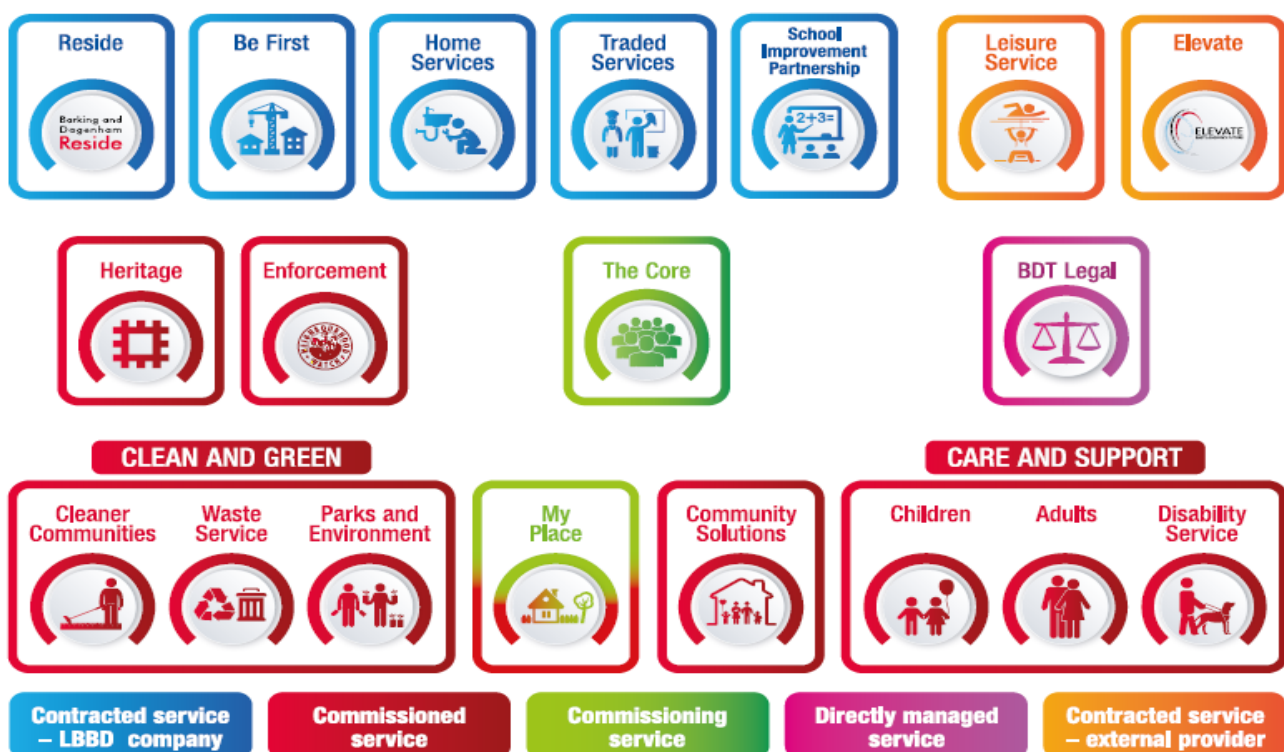
The Growth Commission published their report comprising of 109 recommendations⁴ on 24 February 2016, covering aspects such as housing, business, transport and infrastructure, culture and heritage, urban design, educational attainment and skills and employment. Key recommendations also included the need to attract anchor institutions to the Borough (such as CU London, which along with their main function, play a significant role in our area by tapping into the potential of and making a strategic contribution to the local economy), as well as the necessity of undertaking increased participation and engagement with residents whilst paying attention to their key living conditions. Nevertheless, the Growth Commission also emphasised the concern raised by many that ‘No One [be] Left Behind’ as a result of the regeneration projects occurring within the Borough.

⁴ Lbbd.gov.uk. (2016). [online] Available at: <https://www.lbbd.gov.uk/sites/default/files/attachments/No-one-left-behind-in-pursuit-of-growth-for-the-benefit-of-everyone.pdf>, pp. 57-65

Whilst the Ambition 2020 programme was already in development during the production of the Growth Commission report, the project did respond to the findings of the latter, aiming to unlock better outcomes whilst generating annual savings of £50 million by the end of 2020⁵.

3.6 Ambition 2020

The Council undertook Ambition 2020, a transformative programme of change which included designing 30 transformation programmes and fundamentally altering the structure of the organisation to better meet the needs of our residents. The project saw the launch of a number of wholly owned, arms-length companies such as Be First, BDTP and Reside, as well as the creation of new internal service blocks such as Community Solutions and My Place. 715 previously internal LBBB employees transferred into Council-owned companies via TUPE arrangements.



The council's structure

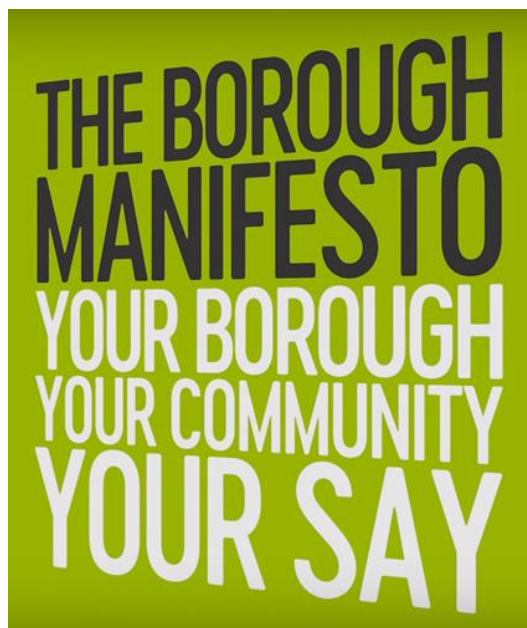
Whilst the Council aspired to employ the Ambition 2020 programme as a means to improve the socio-economic progress of the Borough and fulfil the 'No One Left Behind' values underpinning its Corporate Plan, it understood that these objectives could not be achieved instantaneously and that an incremental process would need to occur over a 5, 10 or 20-year time frame. Ultimately, the project intended to manage the financial situation as it then stood in 2016 whilst fostering the development of an organisation capable

⁵ Lbbd.gov.uk. (2016). [online] Available at: <https://www.lbbd.gov.uk/sites/default/files/attachments/We-all-have-a-part-to-play.pdf>, p.10

of achieving the ambitions of its politically-elected members and laying the foundations for future progress.

Following the approval of the Ambition 2020 business case by the Council's Cabinet, £25 million was granted to fund the overall implementation of the programme, including both capital and staffing costs. A two-year delivery period ensued, during which the Council delivered fundamental organisational change. It should also be noted that the Council underspent against its previously allotted £25 million budget, using this to fund further transformative work such as the New Ways of Working project, for improving its customer access channels and to finance its IT and accommodation.

3.7 Borough Manifesto



The Borough Manifesto formed a part of the response to the recommendations included within the Growth Commission report. This jointly-owned document produced by both the local community and the Council developed a shared vision for the Borough, establishing a new sense of common purpose across the Partnership to tackle entrenched challenges facing its communities. The Manifesto was developed in conjunction with 3,000 local community members and partners in 2016 proposing positive objectives regarding place and future aspirations for the Borough in 20 years. These mutually agreed targets are measured on an annual basis via the Council's Social Progress Index and are reported on annually at the 'State of the Borough' Conference.

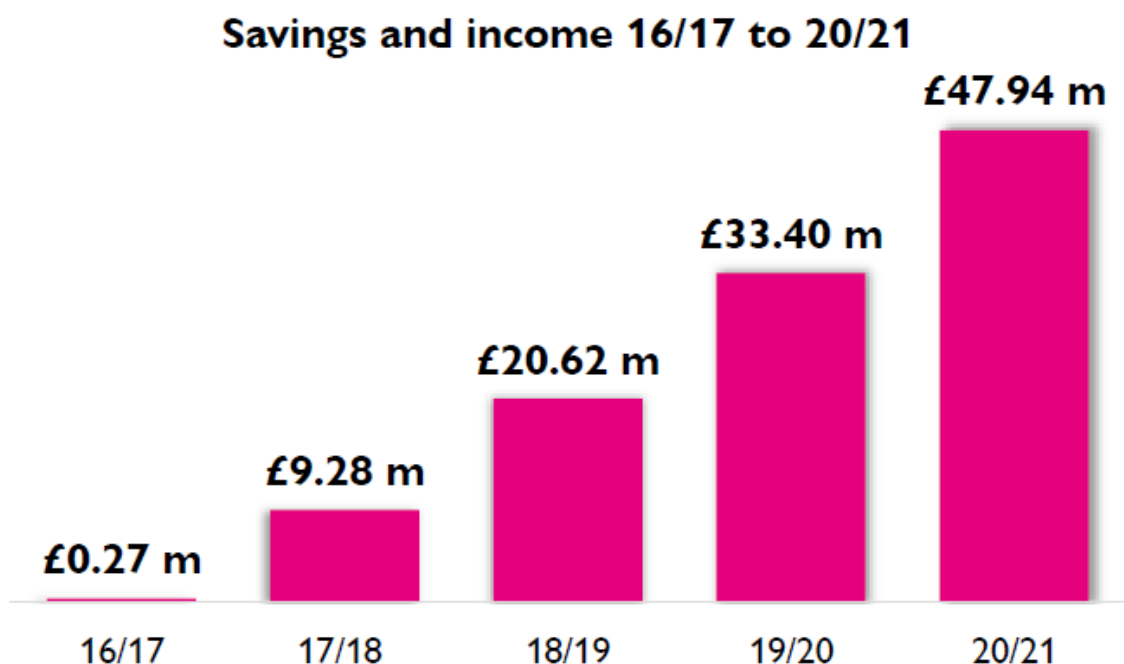
The graph below shows the kind of issues facing the Borough, how it was ranked against the other 31 London boroughs in 2017 and 2019 and the targets set by the Borough Manifesto as to where it should aim to be ranked by 2037:



3.8 Cultural Transformation across the Workforce

Whilst the Ambition 2020 programme was a structural means to enabling future change, work and programmes continue to identify how best to exploit this new type of organisation and operating model to its full effect, exploring cultural values, business processes and demand management strategies, in order to unlock the Borough's potential and positively benefit the local community.

3.9 Overview of Financial Savings



The savings shown in the above figure are the original Ambition 2020 planned savings. Across the lifespan of Ambition 2020, the total planned cumulative savings/income is £111.5m. Implementation underspend was reinvested across the programme to finance the New Ways of Working project, IT, accommodation and for improving customer access channels. Nevertheless, whilst closing the initial budget gap, it must be noted that the Council still has a standing £9 million budget gap until 2024. However, significantly altering the organisational structure of the Council and generating savings has granted the Council the capability to realise certain ambitions and attract investment for initiatives, such as the Future Youth Zone and the Film Studios, whilst other local authorities have been forced to cut similar funding. (These projects involved capital investments which came *in part* from the Council).

The Council's data insight, policy and communications work has also evolved significantly whilst the core efficiency of the Council has improved: the use of agency staff has almost halved in the last three years whilst sickness absence is down to 6.2 days. Staff engagement and satisfaction have much improved since 2014; of those who responded, 81% of employees stated that they were 'proud to work for the Council' and 86% felt committed to the Council's priorities. The New Ways of Working programme made possible through Ambition 2020 has also reduced buildings from 29 locations to two main offices, enabling the Council to save over £28 million in the process. The return of Elevate services from February 2020 will enable the organisation to deliver savings whilst significantly improving support services and functions. With the Council having been created by the London Government Act 1963 and various structural, financial and procedural changes having been implemented since this period, the Ambition 2020 programme is the Council's

response to how the organisation would function if it were to be redesigned afresh for the challenges of the 21st century.

In response to comments from Members that it would be useful to make clear the amount of savings that had been delivered by reductions in spending, and which had come about by increases in revenue, officers explained that the original savings were broken into four themes and the Growth and Commercial theme was heavily centred on increasing income. They provided the following breakdown:

BASE BUDGET

Service Transformation	0.14	4.72	6.17	2.52	2.68
Service Improvement	0.13	0.98	0.65	2.59	0.77
Growth & Commercial		1.48	3.73	7.33	6.5
Cross Cutting		1.83	0.79	0.34	4.59
	0.27	9.01	11.34	12.78	14.54

CASH SAVINGS

Service Transformation	0.14	4.86	11.03	13.55	16.23
Service Improvement	0.13	1.11	1.76	4.35	5.12
Growth & Commercial	0	1.48	5.21	12.54	19.04
Cross Cutting	0	1.83	2.62	2.96	7.55
	0.27	9.28	20.62	33.4	47.94

4. Findings and Feedback from Sessions

Key Line of Enquiry 1: How well established is the governance of the Council's new wholly-owned companies, to ensure they play their role in delivering the Borough's ambition and expected financial returns?

4.1 Overview and Scrutiny Committee: 17 December 2019

The reorganisation of the Council resulted in the development of business cases for the creation of a number of commercial entities. These business cases evaluated the costs and benefits, both financial and non-financial and compared these with existing and alternative options in order to propose the best future operating model.

The resulting creation was several commercial enterprises which were designed to operate autonomously, but with specific objectives, including financial and non-financial benefits to the Council and its residents.

4.2 The Council's New Companies



Be First was created from the Council's Regeneration, Planning and later Building Control Services to deliver the real-estate development of social housing and regeneration schemes more quickly than the capacity of the Council. Be First delivers planning services to residents and developers on behalf of the Council as well as development management services to the Council as well as external clients.



Barking and Dagenham Trading Partnership (BDTP) took on management of the workforce of the Council's repairs and maintenance service, Direct Labour Organisation (DLO) as well creating a structure that incorporated cleaning and catering services and repairs and maintenance. BDTP deliver elements of all of their services to the Council as well as to schools and other external clients under a range of different commercial terms and arrangements. BDTP have an objective to return a financial dividend to the Council as well as improve employment opportunities for its workforce and residents which it aims to deliver by improving the services it provides and as a result growing the business.



Barking and Dagenham Schools' Improvement Partnership is a not for profit partnership between the Council and the majority of Barking and Dagenham schools who chose to be members. Its aim is to provide services to schools to improve outcomes for pupils. It absorbed school traded services and continues to deliver these directly to schools and also provides some statutory elements of school improvement services which it delivers via a commission from the Council.



Reside was originally established to buy, build, let and manage affordable/ shared ownership housing; however, it is now re-focused on providing excellent housing management services for residents and building market intelligence to inform our new build programme; and







Barking and Dagenham Energy Company was created to deliver, in the long-term, low carbon energy projects and specifically, a strategic district heat network throughout the Borough.

In undertaking the review, the Committee requested a progress report on the companies created as part of the Ambition 2020 programme as delivering against their original business case objectives. On 17 December 2019, the Cabinet Member for Finance, Performance and Core Services and the Chief Operating Officer attended a meeting of the Committee to hold a session on the performance of the Council's new companies.

4.3 New Companies: Financial Returns

The latest forecasts of financial returns from the Councils' wholly or partially owned companies were presented to the Committee. They were better than the targets set in their current business plans and in future years, the position was even healthier.

	2019/20 Q1 forecast	2019/20 Business Plan target
	£5.49m profit	↑ £127k (£5.36m)
	£75k Surplus	all surplus is re-invested into school improvement
	£719k income to MTFS	↑ £91k (£628k)
	£2.1m total benefit	↑ £310k (£2.07m)

4.4 Governance of the New Companies

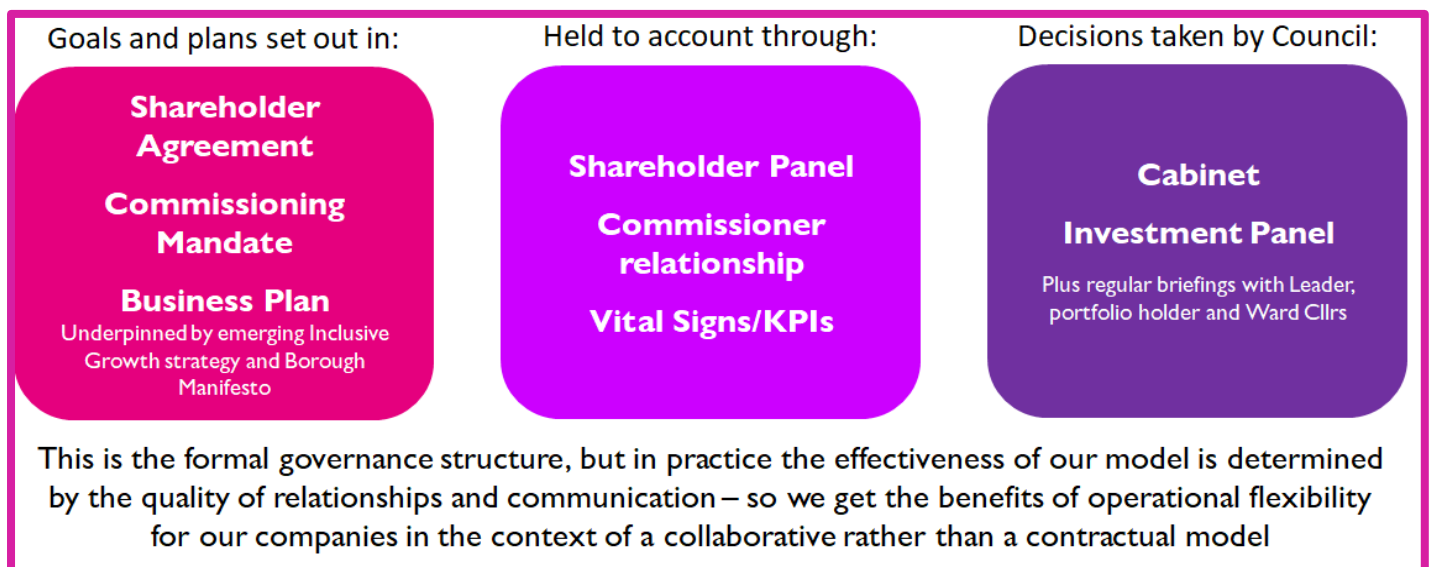
The Committee learnt that in order to ensure appropriate governance of the companies and regular oversight of performance the Council created a Shareholder Panel. This panel monitors performance by way of quarterly (or more regularly if required) performance reports and challenge sessions and has oversight of the business plans prior to recommending these for approval to Cabinet. The business planning process enables the Council as the shareholder to set the strategic direction of the companies within the context of the operating environment, confirms the ambitions as well as the strategic objectives of the companies during the plan period.

Except for matters which the Council withheld its approval for, and which are set out as the matters reserved for Council approval within each shareholder agreement, each company is run by a managing director or chief executive, who exercise all the powers of the company and are tasked with delivering the its objectives.

Company performance is then directly overseen by a company board which is made up of executive and non-executive directors. Non-executive directors are excluded from day to day management obligations but play a key role in providing independent oversight and constructive challenge to the executive directors (i.e. the senior management of the company). Their role is to provide assurance over the integrity of the information and the ability of the company to deliver the shareholder objectives, as well as provide assurance that the controls and systems of risk management are robust and defensible.

In addition to the strategic oversight, Council officers provide operational contract management oversight of the specific commissioned services which are set out within the contracts the Council has with each company. These include contracts for the provision of cleaning services to corporate buildings, the provision of specific school improvement activities as well as contracts to deliver planning and regeneration services to specific standards to the Council and residents. The operational performance of these is overseen by the clients of these services such as My Place, Education and Inclusive Growth. As such, there are multiple layers of challenge to the performance framework, each with a specific remit.

The diagram below showed Members how the Council sets the goals and strategy, then holds the companies to account for delivery:



4.5 Internal Review of Shareholder Panel

During the session, Members learnt that in January and February 2019 the Council's external auditors undertook an internal review of the Council's Shareholder Panel with the objective of evaluating the control design and test the operating effectiveness of key controls in place relating to governance. Specifically, the review considered the following areas:

- Expectations of the Council's companies;
- Governance structure;
- Oversight and decision making; and
- Risk management.

The Committee noted that this report found that a good start had been made in developing the governance process and areas of good practice identified included:

- Legal agreements were in place between the Council and the companies through a series of shareholders' agreements;

- A formal business plan was required to be presented to the Council annually for review and approval, setting out the one year (except for Be First which has chosen to set out the next five years) strategy, plan, targets, investments and forecast financials;
- Regular oversight was being achieved through reporting results and progress against the business plan to a quarterly Shareholder Panel consisting of members and senior leaders in the Council and supported by analytical capability;
- Chairs, boards and non-executive directors were in place and these were not Council appointees; and
- There was clear separation of the Council's roles as shareholder and as commissioning customer.

4.6 Key Messages from the Meeting

- The new companies were successfully performing against their business plans;
- The business plans were being monitored on an annual basis, although they were not publicly available due to them containing commercially sensitive information;
- Each company provides the Council with updates on their business risks;
- The income figures and the Council's expectations of the companies were detailed in the dividends report, which was included within the Council's budget reports;
- The companies were responsible for their own procurement; with regard to Be First, the company was set up to accelerate growth, not just to generate income for the Council. Be First was opening commercial avenues that the Council could not have accessed previously;
- Occasionally, there is a feeling that companies have a monopoly on Council business. There should therefore be greater clarity about how these companies are benchmarked against other options, so that the Council knows that there is efficiency in the system;
- There should be greater public visibility of plans and strategies of Council companies without compromising commercially sensitive information as this will help people evaluate whether the companies are providing good value for money.

THE OVERVIEW & SCRUTINY COMMITTEE RECOMMENDS THAT:

1. Smaller, local companies be encouraged to bid for more work with the Council and its companies; and
2. Business plans for the Council's companies be made publicly available (excluding any sensitive commercial information) to allow residents to understand how the companies are aiming to meet their objectives; and
3. Officers provide assurance to the Committee that there are systems, principles and strategies in place to ensure that the Council gets best value from the companies commissioned to deliver services.

Key Line of Enquiry 2: How much impact has the Council's new approach had on the improvement in customer service standards, and what are the plans to continue this improvement with the return of Elevate services to the Council?

4.7 Overview and Scrutiny Committee: 8 January 2020

Following a period of poor customer service-related performance amidst an increasing demand for technologically minded services, the Ambition 2020 programme necessitated a shift in the Council's approach to customer service provision. The aspiration for customer access was detailed in the April 2016 report 'Council's Response to the Growth Commission and Ambition 2020', with the document noting that:

'Access for customers for council services will be through a single digital platform that will enable seamless on-line, phone and face-to-face contact. At present, the ways in which people contact the Council are fragmented, and inefficient, and often frustrating for customers. There are multiple contact channels, and the service is inconsistent and does not always lead to a swift resolution.'

A substantial consultation exercise was undertaken in response to this report, which was relayed through the July 2016 report to Cabinet - 'Ambition 2020 Transformation Programme- Response to Consultation'. This document outlined a number of key resident concerns, such as the Council's previous record in service delivery, together with its previous quality of customer service which lead them to doubt future capability. The responses regarding the proposals for people-focused services consistently raised concerns about the potential impact on vulnerable or elderly residents should services be reduced, or if access to services were through routes with which service users were uncomfortable or unfamiliar – for example, digital only access.

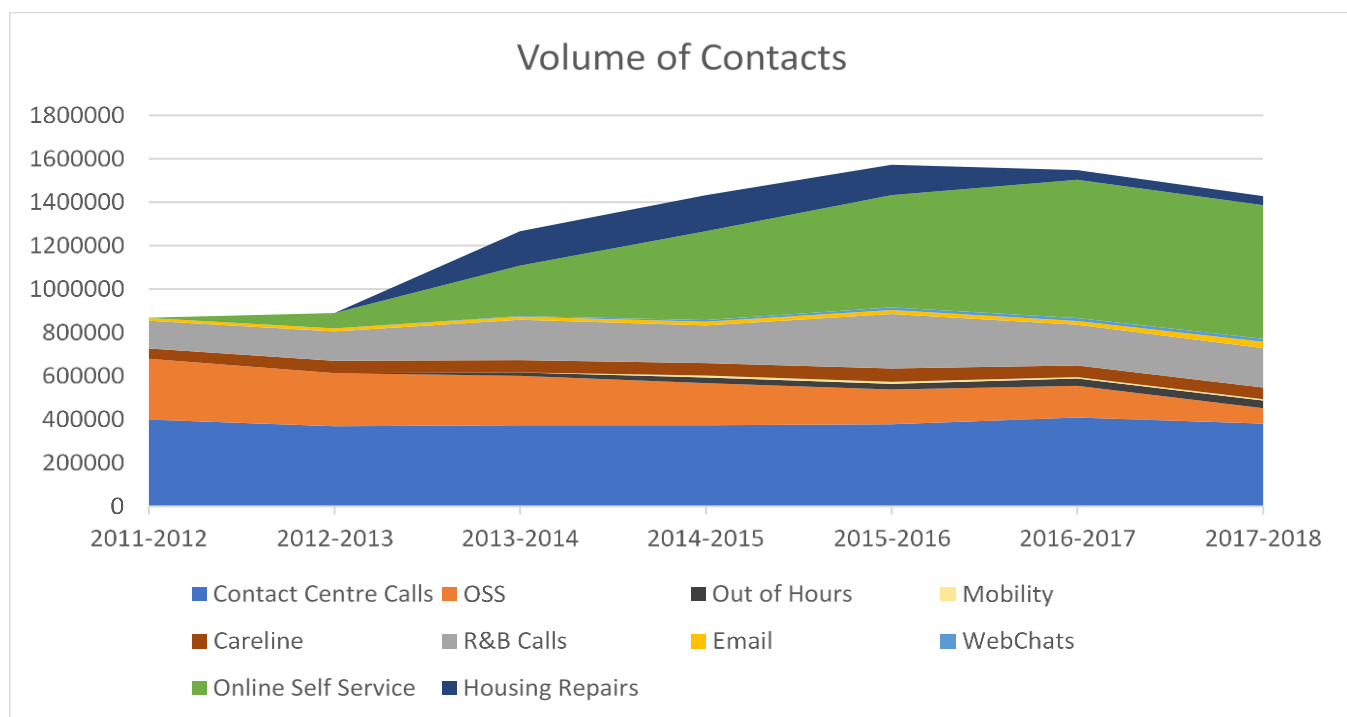
In April 2017, a new Customer Access Strategy was approved to enhance the overall customer experience, measure customer satisfaction and enable service users to access the right level of support that they required. The longer-term vision was for fast, easy access to council services, efficient and cost-effective service delivery and high levels of customer satisfaction. The main focus of the strategy centred on developing and implementing new technology, service standards and organisational transformation to achieve the Council's vision to provide easily accessible customer services, tailored to customers' needs.

In undertaking this scrutiny review into Ambition 2020, the Committee requested a progress report into the overall impact of the Strategy, as well as the extent to which new initiatives had facilitated the improvement of customer service standards and overall satisfaction levels. On 8 January 2020, the Chief Operating Officer attended a meeting of the Committee to address the impact of the Council's new approach on the improvement of customer service standards.

4.8 Service Improvements

The Committee learnt that a number of targeted improvements had been implemented by the Council following the publication of the Customer Access Strategy in April 2017. Under the previous B&D Direct system, the Customer Relationship Management (CRM) system only monitored 17% of customer activity, with customers waiting on average 20 minutes to be seen face to face and 20% of phone calls being abandoned. At the time of the Elevate contract transfer, only 20% of Contact Centre calls were answered. The Committee heard that this number has now increased to 87%, with a cost saving of £1.1m and overall contact volumes (across all channels) up by approximately two thirds.

The graph below details a significant shift in the way that customers interact with the Council, with less face-to-face contact and increased digital self-serve. Technological advances have translated into increased online use, which has required the Council to modernise its customer engagement methods to provide a more seamless and efficient service.

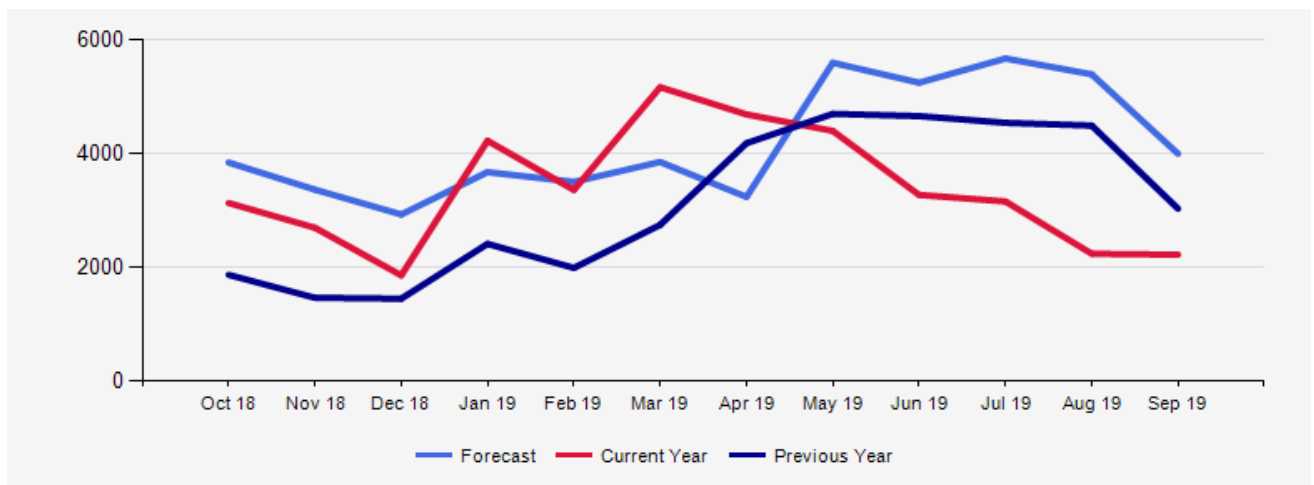


The Council has adopted a new range of digital improvements, including the redesign of our website to provide higher standards of accessibility, additional online forms to enable self-serve and a remodel of the telephony system to prioritise typical user need. Substantial channel shift has occurred, resulting in call volumes reducing by 11,000 per month (previously 63,000 down to 52,000), an increased percentage of total calls answered (75% to 92%) and the completion of more e-forms (previously 500 per month in comparison to 8,200 per month in September 2019).

Website accessibility has also improved considerably, and the Council now has a score of 92.4% against a current benchmark for government websites of 72.9%, meaning that the organisation's website is now more accessible to

those with disabilities or impairments. The Committee also learnt that the Council's website is undergoing a continual period of review and examination, with continuous testing on multiple browsers and device types such as Chrome, Internet Explorer, Safari, Android and iPhone (which account for 99% of our users) enabling the faster detection and eradication of issues.

The website is now better equipped to deal with waste-related enquiries; known missed street information is now displayed on the website to prevent users from reporting this (out of 2070 visits to our website in one month, only 75 users went back to the fill out the form) and users now have the option to use all waste forms outside of My Account, as well as use their reference numbers to track the progress of their report without the need for their account details. As shown in the graph below, this has resulted in a significant reduction of waste-related calls, with the total number of contacts in September 2019 being approximately 3,400 or 7% less than in September 2018.



The Committee also learnt that the Parking service has benefitted from the new Council approach towards improved customer service standards. With the introduction of new CPZ's across the Borough over the last year, the need for more permits to be issued has increased considerably despite the previously high levels of complaints in relation to the difficulty of the application process. The Council updated its website content to ensure greater user accessibility, as well as enabling the automatic approval of permits to allow users to start parking immediately (with the retrospective validation of proof documents) and incorrect or false proof resulting in further proof requests or the cancellation of the permits.

Renewal permit reminder emails are now sent one month before a permit expires and both a new one-step permit renewal process and an automated cancellation process with automated credit are now in place. Virtual permits are now also the standard, meaning that paper permits are now no longer issued or required to be displayed in the customer's car. As a result, call volumes are now down from around 1400 calls a month in 2017/18 to around 850 a month in 2018/19. Furthermore, parking appeals are now being

responded to within five working days (inside the statutory SLA) as opposed to 30 days in the first half of 2019.

The introduction of the GOV.UK Notify text service has also enabled the Council to better inform service users of Council Tax and Green Garden Waste updates, with the 25,000 free texts (and 1.58 pence plus VAT for each text thereafter) proving 2.5p per text cheaper than the Council's previous supplier. The service allows the Council to see whether a message was successfully received and provide information to customers before they need to ask, enhancing the overall customer experience. Since July 2019, the Council has also been using its email service to send Business Rates reminders to its customers, providing both a cheaper alternative to letters and a more accessible and modernised service to service users.

Online transactions (webforms)

- 200 Early Help referrals completed (went live in August)
- 3000 Serious concern about a child reports (MARFs) (went live in February)
- 2,200 Housing register applications (went live in March)
- 1400 applications for Job Shop (went live July 2018)

The Council's website has also benefitted from an increased variety of e-forms and a simplified plain English format, resulting in a dramatic rise in the number of service users accessing its webpages. Both residents and professionals are now able to complete a number of online referral forms for enquiries into topics such as early help and housing, and the Council has also prioritised self-service in its libraries, empowering service users to be able to do more for themselves whilst freeing up staff to assist with more complex enquiries and saving the Council over £3,000.



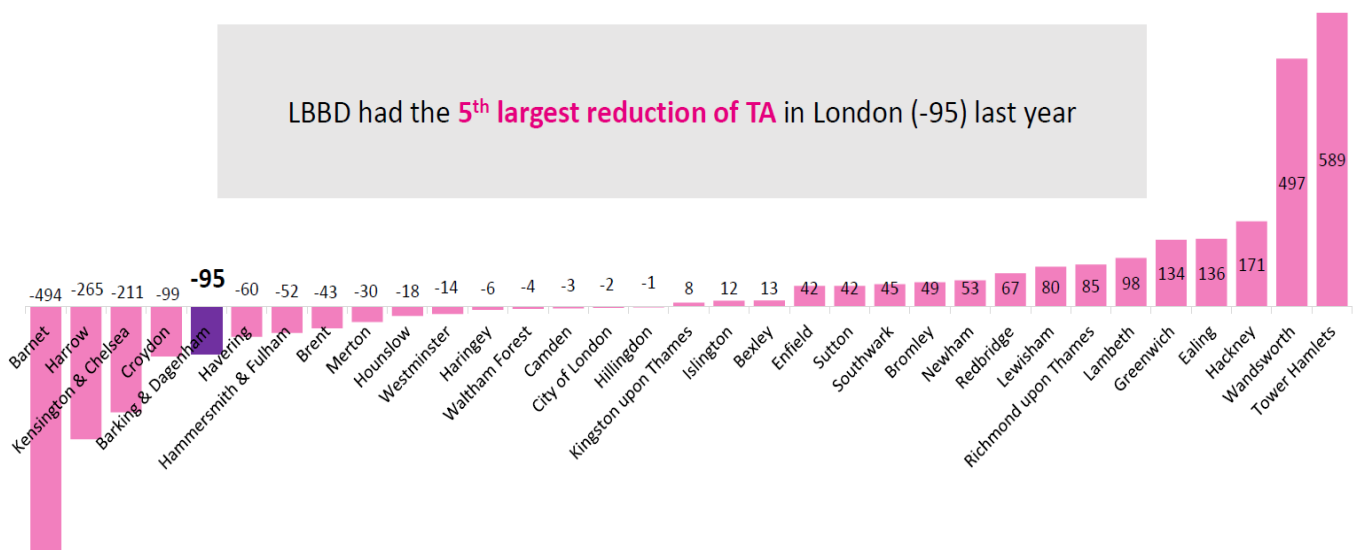
From October 2018 to November 2019, 247 new residents also joined the Council's newly established Community Food Club, running twice a week at the William Bellamy Children's Centre and enabling families to pay £3.50 to receive food parcels worth £20. In total, residents visited the Centre 1,193

times during this time period, with a sum of £19,684.50 being passed on to residents. The informal and friendly nature of the service has also enabled service users to befriend others who live in their area, as well as talk about any issues such as finances, food and housing that they may be facing and find additional support. The service is partially volunteer-led, enabling local people to upskill and give back to their communities.

97% Increase in households approaching council at risk of becoming homeless
2500+ Residents supported via our Homes and Money Hub to tackle debt, access jobs
209% Increase in households accessing the prevention fund
50% Increase in discharges from temporary accommodation
1,644 Reduced the number of households in TA by 281 from 1,925 in October 2017

There has also been a considerable increase in the number of people approaching the Council who are at risk of becoming homeless. The success of the Council’s first Homes and Money Hub at the Barking Learning Centre resulted in a second Hub launch at Dagenham Library. Both Hubs are relationally-led, supporting people with finance issues who are at risk of losing their homes. Barking and Dagenham has also seen the fifth largest reduction of Temporary Accommodation (TA) in London (-95) last year.

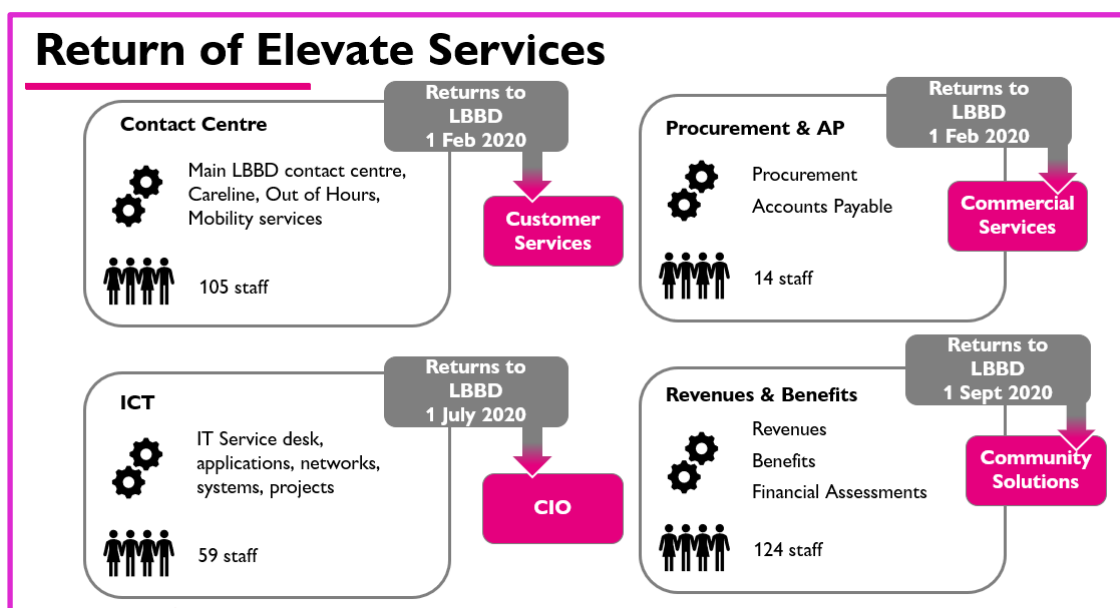
London: Increases/decreases in Temporary Accommodation



Members questioned whether the reductions of people in temporary accommodation could be attributed entirely to the Money Hubs. Officers’ response to this observation is in 4.12 of the report.

The Council’s new approach to service delivery has heavily focused on both reducing harm and saving money; whilst the Council previously had a high dependency on contract social workers, these are now 100% employed by the Council and the number of our families supported with No Recourse to Public Funds has now reduced from 48 families in 2017/18 to 34 in 2018/19.

4.9 The Return of Elevate



Following extensive market testing and internal and external engagement, the Council ultimately decided to return Elevate services back-in-house. The service contract ends on 9 December 2020, with each service undergoing a phased return to the Council throughout 2020. It is envisaged that this redesigned structure will both improve customer service delivery whilst generating significant savings for the Council.

Key Messages from the Meeting

- Amendments to customer service delivery had resulted in increased customer satisfaction levels and improved accessibility;
- The Council continues to work on providing increased accessibility for all, such as through the continual review of its webpages and service information;
- The Council now works on a more preventative basis, working with people before they submit statutory housing applications and providing wrap around holistic options to assist people in looking for work and accommodation;
- The Council has a duty to stay in touch with young people in care and young care leavers- regardless of whether they have moved to university or to elsewhere in the country- with each having a young person's assistant assigned to them; and
- The Council will continue to work on transforming Council services to deliver them within available resources whilst striving to better meet the community's needs.

THE OVERVIEW & SCRUTINY COMMITTEE RECOMMENDS THAT:

- 1. Following the return of Elevate, contact centre staff receive additional training in dealing with all vulnerable groups (including young people in care and care leavers).**

Key Line of Enquiry 3: How well are the Council's new arrangements managing demand for the Council's statutory services across homelessness, adults' and children's social care

4.10 Overview and Scrutiny Committee: 5 February 2020

This session involved discussions with the Director of Community Solutions, one of the new service structures set up to help tackle some of the most complex issues facing the Borough as part of the Ambition 2020 transformation programme.

4.11 What is Community Solutions?

Community Solutions was designed to be at the heart of Barking and Dagenham Council's service delivery transformation. This service brought together 16 services across care and support, housing and homelessness, community safety and early years to create a single front door for people-related services. Community Solutions works with local people to identify and tackle the root causes of their problems, so they are able to work out long-term solutions. The vision of the service is to build resilience and independence and help to prevent people tipping into crisis due to earlier and holistic interventions.

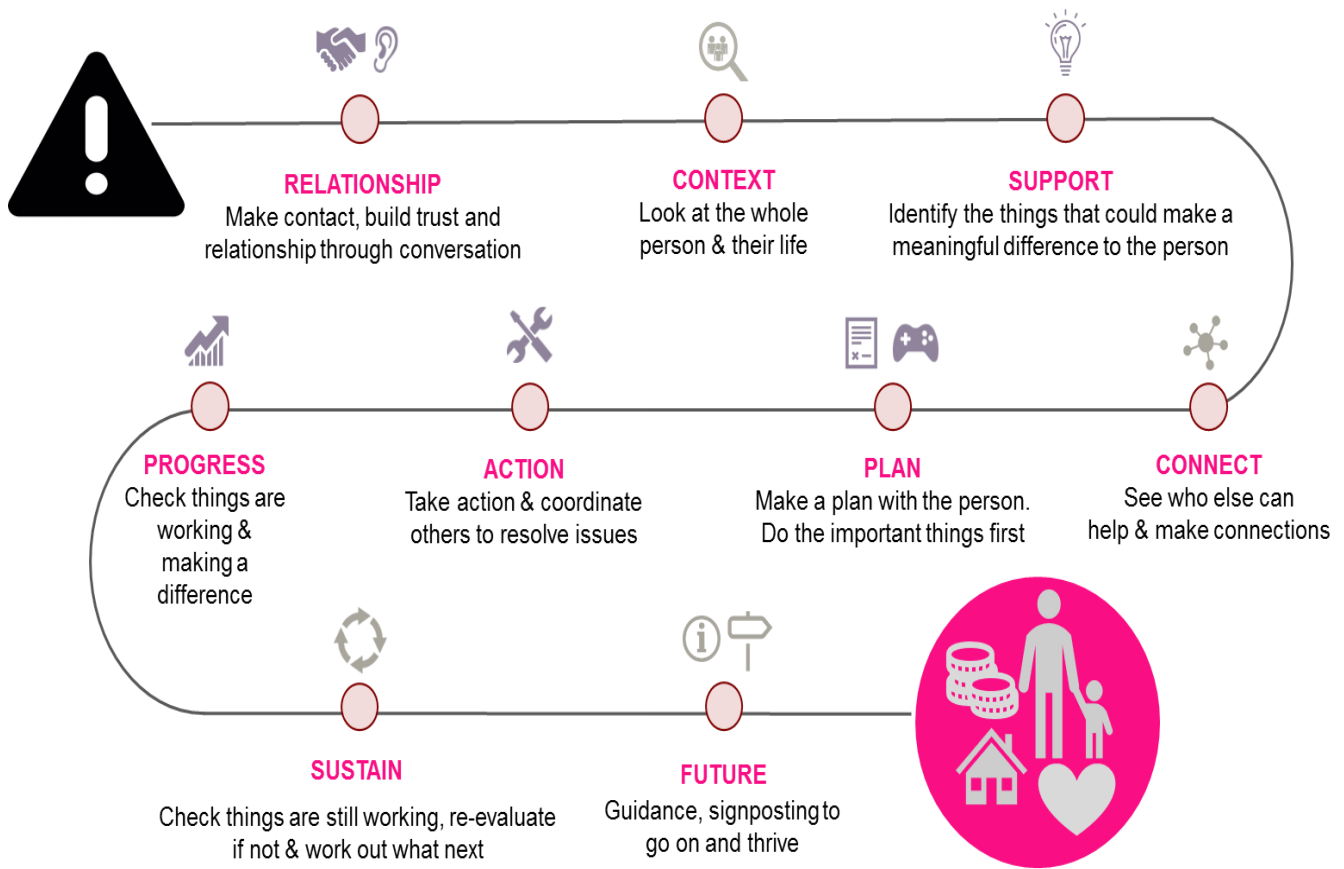
4.12 What Approaches does Community Solutions take to Help Residents?

Community solutions takes a 3-fold approach to support residents...



It **builds capacity in the community** by encouraging and supporting volunteers, responding better to community needs and improving customer pathways which better meet residents' needs.

Long-term upstream prevention relates to working with residents differently to avoid expensive pathways from arising. The chart below visualises this approach:



And finally, **working across the whole system** is about how the Council, its partners and other agencies (who can influence demand for services) can work in a more integrated way to reduce demand. This is a challenging area as many factors beyond the control of the Council impact on demand, including economic migration and welfare reform.

4.13 What are some of the Key Achievements of Community Solutions?

1. **3,085** residents this year so far – compared to 2,300 last year
2. **400** families helped get on top of their debts
3. **300** families helped to reduce their rent and council tax arrears
4. **270** families supported to resolve housing related issues



97% Increase in households approaching council at risk of becoming homeless

3000+ Residents supported via our Homes and Money Hub to tackle debt, access jobs

50% Increase in discharges from temporary accommodation

209% Increase in households accessing the prevention fund

1631 Reduced the number of households in temporary accommodation 294 from 1,925 in October 2017

Members questioned whether the reductions of people in temporary accommodation could be entirely attributed to the Money Hubs; for example, they felt that these figures could be influenced by residents moving out of the Borough.

Officers acknowledged that this was an accurate observation and that the reduction in temporary accommodation figures was due to a combination of factors. There had been a change in approach to homelessness since the introduction of Community Solutions which focused heavily on preventing homelessness therefore reducing the need for temporary accommodation to be used, or only used for emergency or short term placements. In 2019/20 the Council prevented 406 households from becoming homeless and a further 175 households had their homelessness 'relieved' after a short stay in our emergency accommodation.

Aside from this, through a grant from the Ministry of Housing, Communities and Local Government, the Council was able to use a dedicated resource to work with families in long term temporary accommodation properties to look at move on options. These options included:

- Reviewing their applications on the Housing Register meaning that some families were awarded additional preferences;
- Accessing Reside tenancies;
- Working with their landlord to convert their temporary accommodation into long term private tenancies;
- Giving them access to the Council's Rent and Deposit scheme to move into a longer-term private tenancy; and
- Using the 'Homefinder' scheme for those families who wished to relocate to other areas.

Many households had chosen to take up these opportunities so that they were able to move forward in their lives without the uncertainty that can exist with living in temporary accommodation.

Officers further explained that the introduction of the Homes and Money Hub had also assisted in the Borough's approach to homelessness, by tackling money issues that were often the root cause and assisting people to maximise their incomes to prevent homelessness. The Hubs had also taken a lead role in dealing with single households and others that were sometimes disadvantaged by the legislation and this had undoubtedly led to the continuing low numbers of rough sleepers with the Borough.

Whilst Members welcomed the reduction in temporary accommodation figures, they questioned what the impact of this would be – were properties previously used as temporary accommodation now being used to accommodate families from other boroughs, and if so, what was the profile of these families and how was this impacting on the demand for the Council's services?

Officers explained that these concerns had been taken into consideration within the Temporary Accommodation Strategy and confirmed that the reduction within the temporary accommodation property portfolio had occurred, in the main, in locations outside of the Borough. Over 70% of the current temporary accommodation portfolio is in the Borough and the percentage of in-borough temporary accommodation has risen each year since 2017. The Borough still has 878 Temporary Accommodation Private Sector Licensed Properties, and where possible when they become empty the Council reuses the property to prevent this exact issue from occurring. However, there are many landlords within the Borough who do not wish to be part of the tender to supply properties to Barking and Dagenham regardless of the location of those properties. There are some boroughs within London who will pay well above the agreed rates for properties here to use them as 'nightly paid' accommodation. Officers assured the Committee that they were doing everything to ensure that this matter was continually raised and a London level.

4.14 Social Prescribing – Support and Community Building

- This initiative was launched December 2019
- The process allows healthcare professionals to refer their patients to local, non-clinical services to meet their wider wellbeing needs (e.g. a patient who has anxiety due to debt worries)
- It builds on the successful proof of concept pilot with 4 GPs
- There is an extended partnership with Health Unlocked (digital platform)
- Community and voluntary partners are linked in.



4.15 Key Messages from the Meeting

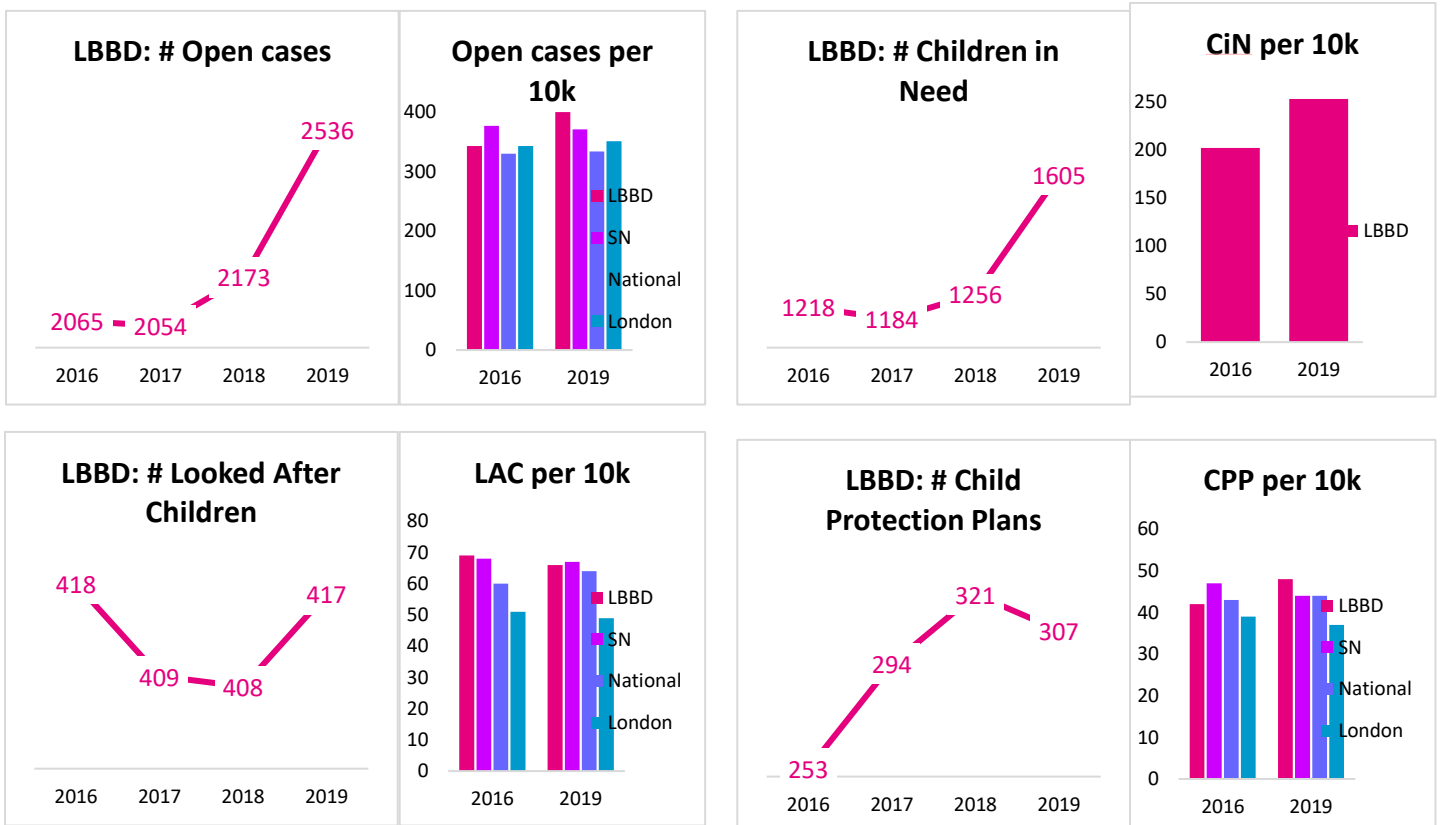
- Whilst Community Solutions is delivering excellent outcomes for the residents by working with partners to find creative ways to provide holistic solutions, demand for statutory services has continued to increase. Statutory service demand is the biggest challenge facing the Council financially, as well as representing significant distress and difficulty for many of our residents, especially those who are the most vulnerable.
- Demand for statutory services is the most complex issue dealt with in the restructure of the Council, as well as the issue that would take the longest for concrete results to become apparent. There is a significant legacy of need in the community that would be uncovered over time, and that working preventively needed to be seen as a long-term project.
- The Committee was due to receive a report on proposals to change where the Multi-Agency Safeguarding Hub (MASH)/Early Help was placed and welcomed this reflective approach, evidencing how service structures are not rigid but subject to consideration from time to time, to best make them work for our communities.

Members also discussed the possible causes of rising demand, particularly for children's care and support services:

- The Council needs to better understand the pattern of families moving in and out and, around the Borough to establish how this is affecting demand for services;
- Local authorities will often place families in Barking and Dagenham without complying with the requirement to inform the Council that they have done so. Whilst the evidence is inconclusive about the scale of the

issue, Members discussed the possibility of the Cabinet Member for Social Care and Health Integration more rigorously challenging those local authorities who may not be complying with the requirement;

- Welfare reform over recent years has hit deprived areas such as the Borough very hard and the local housing allowance rate freeze (which had ended only recently) has exacerbated this situation further;
- Residents who had moved to areas out of the Borough because they could not afford to live here, would face difficulties adjusting, as would their children, because they would lose local connections, which was of great concern;
- What proportion of the Council’s budget overspends could be attributed to the number of complex families moving into the Borough and what was the plan to control demand? If the current pattern of overspend continues, the Council will find itself in a very difficult financial situation moving forward;
- The root cause for many of the issues faced by residents who come into contact with Community Solutions is the lack of affordable housing in the Borough. Whilst it is acknowledged that Community Solutions is doing excellent work on building resilience in communities, unless the housing situation is addressed, many of the Borough’s challenges will continue to grow; and
- Given the data in the tables below, the Committee needs further information on the increase in the number of ‘children in need’ and how that will impact the Council’s ability to meet needs going forward.



THE OVERVIEW & SCRUTINY COMMITTEE RECOMMENDS THAT:

1. Working with support of the Insight Hub, commissioners from Inclusive Growth and Care & Support draw on available data to strengthen their understanding of how demand for services is affected by the movement of people in, out and around the Borough, including in response to new development;
2. The Cabinet Member for Social Care & Health Integration rigorously challenges local authorities who place families in the Borough but do not comply with the requirement to inform the Council that they had done so; and
3. The Committee's 2020/21 Work Programme include an item which facilitates further consideration of the end-to-end process for Children's Care & Support (from early help to placement) so that the complexities of managing this demand can be subject to scrutiny and understood, and progress reviewed.

Key Line of Enquiry 4: How well is the Council's new approach fostering a sustainable place where people want to live?

4.16 Overview

The Council's Inclusive Growth Strategy is centred around fostering a distinctive and sustainable approach to growth. This approach aims to improve prosperity, wellbeing, and participation for all residents and tackle the root causes and consequences of poverty. What makes this distinctive in Barking and Dagenham is the position of the local authority as the most significant actor in shaping the local economy. It did this by leading and attracting investment, actively intervening in and shaping local markets, building new institutions and strategic alliances, and empowering residents through participation.

Members heard that these principles are applied to four significant areas of inclusive growth: building homes for local people and other working Londoners; delivering jobs in a thriving and inclusive local economy; creating a sense of place with aspirational and resilient neighbourhoods; and transitioning our Borough to a low-carbon future through the ambition to become the 'green capital of the capital'.

In conducting this KLoE, the Committee had a dual focus on housing and environmental sustainability. Specifically:

1. The extent to which the new housing and infrastructure supply being delivered through Be First is providing a balanced range of high-quality and affordable housing, together with the right infrastructure and opportunities for business growth; and
2. How the Council's strategy is promoting the environmental sustainability of the Borough as it grows, to ensure it is a place where people want to live.

Given the importance of housing and environmental sustainability to Barking and Dagenham residents and the depth of issues involved, the Committee agreed to form separate Task and Finish groups to review each issue.

4.17 Task and Finish Group 1- KLoE 4: Housing: 16 January 2020

At this first task and finish group, Members heard from the Head of Housing and Asset Strategy at LBB and the Head of Affordable Housing at Be First, who took Members through the following key questions and themes.

The questions that formed KLoE 4 were:

1. What are the outcomes of the recent developments in terms of inclusive growth and supporting people to remain in the Borough? And what is the housing supply pipeline currently planned through Be First?
2. Is the housing balance right between 1 and 2-bed, and larger properties, and is there sufficient capacity that supports people to grow their family life in the Borough as circumstances change? We know that there are

vacancies in some schools; does this suggest people are moving away from the Borough as their families grow?

3. Are we providing truly affordable housing options, that promote community cohesion in the long term?

4.18 Housing Need

The Committee was first taken through housing need in the Borough, contextualising the new build programme and wider inclusive growth housing ambitions. Members noted that need is measured in different ways, by a multitude of national and regional methodologies. Taken together, these provide a broad picture of overall need in the Borough.

Objectively assessed need	1,790 new dwellings per year based on demographics, employment trends and market signals
Government housing methodology	2,089 new dwellings per year based on England-wide NPPF supply target
GLA London Plan Target	1,944 new dwellings a year based on land availability and capacity, rather than just housing need

National and regional measurements of need for Barking & Dagenham

Taken together, the Borough needs 1.8k to 2k new homes per year, or 36k to 40k new homes over the next 20 years.

Our housing need can also be seen by reviewing our current waiting list and allocation figures. The Council allocated 850 properties in 2018-19. With nearly 5,000 households on the waiting list, this is nowhere near enough to meet demand – the only way this can be rectified is by building homes. Allocation of housing for 2018/19 is shown in the table below:

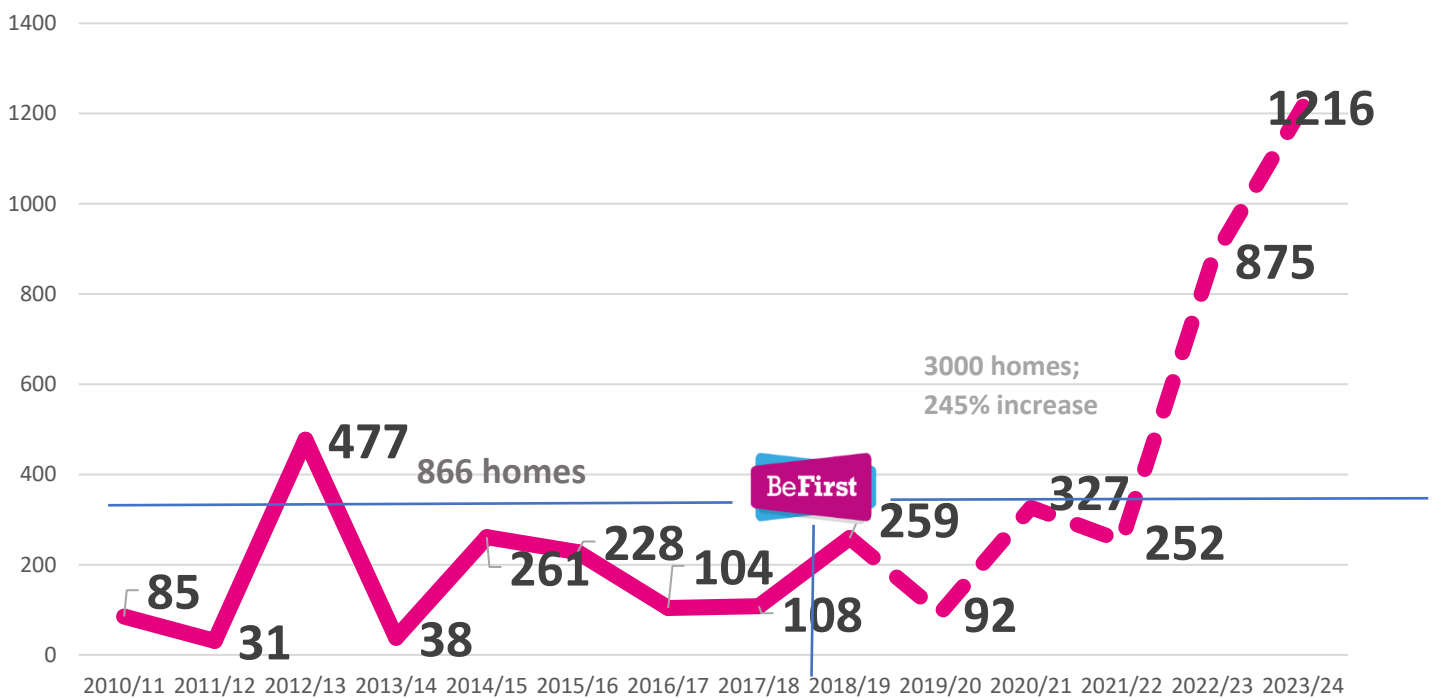
Accommodation solution	Voids allocated in 2018 - 19
General needs housing	565
Sheltered housing	83
Adapted housing	147

Housing association	55
Total	850

Demand comes from four main sources: Regeneration Decants (whereby residents are temporarily or permanently housed elsewhere due to redevelopment plans on their homes), Referral Groups (households in priority need referred to Community Solutions from another service, for example, cases of vulnerable people), homelessness cases and the general Housing Register.

4.19 Housing Pipeline

The Housing pipeline of the Council's development company, Be First, is designed to meet this need and deliver homes for local people and other working Londoners. Since 2010, the number of new homes completed by the Council has been low but with the establishment of Be First, this is increasing as demonstrated below:



As this chart displays, the Council is significantly increasing the delivery of new homes. In the five years between 2013/15 and 2017/18, 866 new homes were completed. Over the next five years, Be First are scheduled to deliver 3000 new homes which means the Council is increasing its completion rate by 245%.

The Council's Inclusive Growth strategy recognises that if we are to leave no one behind, it is vital that our new build programme is suited to meet local need. Of these, nearly 3,000 new homes, almost three-quarters will be affordable, meaning they will be at sub-market rents, or sold at significantly less than market prices through shared ownership. This is well above the GLA requirement for 50 per cent affordable homes on public land (and the 35% required on privately owned land). Committee Members were taken through the table below, which displays the number of units in the pipeline for different tenures. (Note: these specific numbers can be subject to change as development progresses).

Tenure Type	Total	Overall Percentage
Market Sale and Market Rent	759	26%
Intermediate rent (65-80%)	833	28%
Council equivalent: London Affordable Rent and Target Rent	650	22%
Shared Ownership	515	17%
Temporary Accommodation	189	6%
Total	2946	

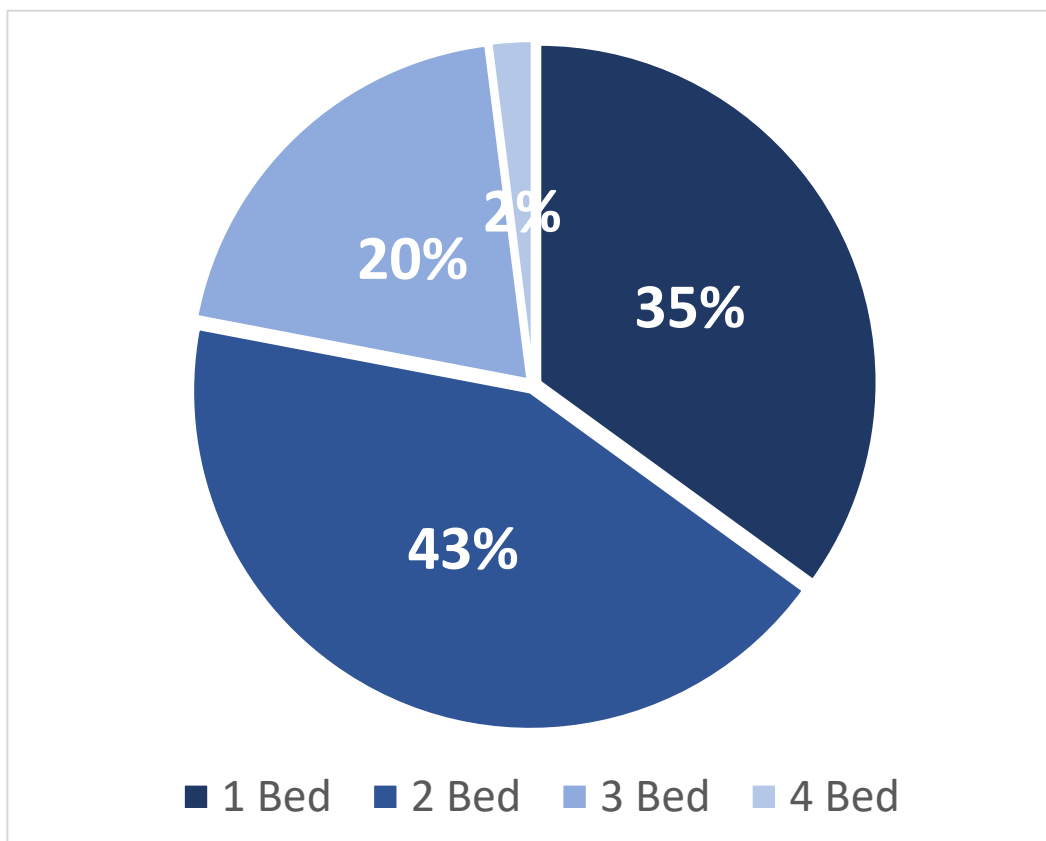
Tenure mix for Be First pipeline to 2024.

The Council's tenure mix has been designed to meet local need, as far as viability allows. Approximately three quarters of the homes are affordable tenures because of the wider borough context as described above.

In the task and finish Group for this KLOE, Members stressed that alongside affordability, it is crucial that the housing pipeline has the right balance between larger and smaller homes. They noted that the majority of housing need is for family sized homes and discussed with officers the importance of larger family homes of three or more bedrooms, vital in allowing larger families to remain in their community. Members heard that to deliver this, the overall number of bedrooms mix is based on the projected need in the Borough.

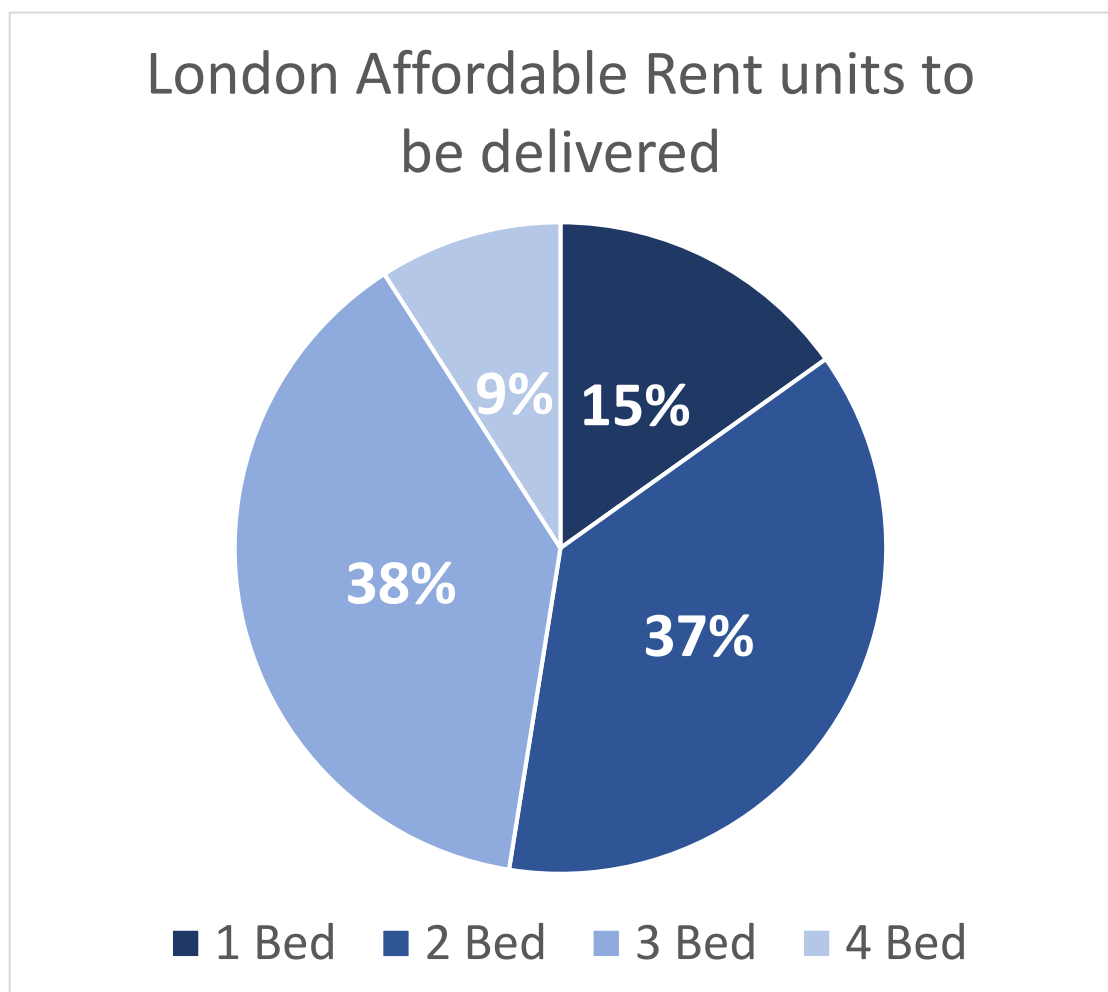
The table below shows the number of bedrooms needed across all tenures, with the chart beneath it displaying the unit mix for new builds.

Bedrooms	% needed
One bedroom	39%
Two bedrooms required	27%
Three bedrooms required	25%
Four or more bedrooms required	10%



The table below shows the number of bedrooms needed for households on the housing register as of January 2020, with the following chart showing that the percentage of London Affordable rent units in new builds has been designed to reflect this.

Bedrooms Required	%
1	19%
2	34%
3	36%
4	10%
5	1%



Members were then taken through a more detailed affordability breakdown of the different tenures, with the table below displaying the average per week price of each tenure, and examples of the typical professions of prospective tenants or homeowners.

<p>Council Comparative Rent / London Affordable Rent</p>	<p>Intermediate Rent (65%-80% of market rent)</p>	<p>Private Rent</p>
<ul style="list-style-type: none"> • Around 650 Homes • Designed for Local Households on the Council's housing register • £155 a week for a 1-bed • £158 a week for a 2-bed • £173 a week for a 3-bed • Can be fully covered by housing benefit • Households from the Council's housing register can afford this 	<ul style="list-style-type: none"> • Around 700 homes at affordable rents • Designed for local working households on lower incomes • From £170 a week for a 1-bed • From £200 a week for a 2-bed • From £240 a week for a 3-bed • Needs an income of £22k a year for a one bed; £28k for a two bed • Rent can partly be covered through housing benefit • An office assistant and retail worker together can afford a 2-bed 	<ul style="list-style-type: none"> • Around 260 Homes • Designed for local households who can afford full market rents, but can benefit from more secure tenures • From £219 a week for a 1-bed • From £277 a week for a 2-bed • From £323 a week for a 3-bed • Around £30k a year for a one-bed; £36k for a 2-bed • A bus driver and classroom assistant together can afford a 2-bed

4.20 Homes for Residents who want to Buy

Shared Ownership	Private Sales
<ul style="list-style-type: none"> • Around 600 Homes • Designed for Local Households who want to get on the housing ladder, but can't afford outright • An initial deposit then around £250 a week in rent and mortgage payments • Households who have been able to save up around £10k, then needs an income of £35k per year • A teacher who has been able to save up for a deposit can afford this 	<ul style="list-style-type: none"> • Around 620 Homes • Designed for local households who can afford to buy a new home outright • From £300k for a 2-bed • Households who have a deposit of around £30k, and a household income of around £70k a year • A train driver and office worker together who have been able to save up for a deposit can afford this

4.21 Performance Compared to other London Boroughs

The Council's planned delivery pipeline through Be First compares strongly against other London boroughs seeking to tackle the capital's housing crisis. The GLA Annual Monitoring Report published in October 2019 showed that:

- LBBD had the highest % of affordable homes as a proportion of all new homes completed in 2017/18;
- LBBD had the second highest % of affordable homes as a proportion of all new homes completed between 2015/16 and 2017/18; and
- LBBD is the borough with the highest proportion of affordable units in the pipeline, with 4,353 affordable homes with planning consent.

4.22 Recent Housing Allocations Policy Changes

Inclusive Growth's housing activities look beyond the new build programme, into existing policies and procedures. The Committee was informed of recent changes to the Council's allocations policy to improve affordability for local people, free up large properties, and support vulnerable groups into housing. Members noted that specifically, changes include:

- Adjusting the qualifying criteria for Reside properties to open more up for local people – raising the earnings vs rent affordability threshold to 40% (currently 35%) and permitting in-work benefits and Universal Credit to count towards household income (as part of a working household);

- Providing Council tenants who are under-occupying their home with the joint highest bidding priority (alongside regeneration decant households) and
- Establishing and formalising joint assessment panels to provide housing options and solutions for vulnerable groups.

Changes were approved by Cabinet in December 2019 and will be fully implemented in Spring 2020.

4.23 Key Messages from the Meeting

Based on the information presented, the Committee identified the following issues:

- The definition of 'affordable' is not universally agreed; whilst accommodation in Barking and Dagenham may be cheaper than elsewhere in London, we must also consider its affordability in terms of the incomes of residents who live in the Borough;
- It is positive that housing developments offer a range of tenures; however, there are a group of residents who fall into a category between affordable and intermediate rents, which means there may be a widening gap in housing provision for this group;
- Shared ownership is a new product for the Council. Reside have been monitoring where those who are buying shared ownership live - most of these people come from Barking and Dagenham (the target market). Reside are starting to monitor feedback and the means by which people can staircase out if they want to buy extra shares.. However, is there is a possibility that some residents may get 'stuck' in shared ownership properties? As the demand for shared properties is low, there is a concern that residents may find it difficult to sell their share and move on as their family grows;
- A barrier to shared ownership and private sales is the deposit barrier. The trend in the London Housing market currently is that people have to put down big deposits for smaller mortgages, but many in Barking and Dagenham cannot afford to do this;
- More affordable 2-bed and larger properties are needed in the Borough to help larger families on the Housing Register;
- Generally, it is still not clear on how Reside can help residents who are in employment but on the Housing Register and living in crowded or otherwise unsuitable accommodations, in light of the extent of the affordable housing need in the Borough.

THE OVERVIEW & SCRUTINY COMMITTEE RECOMMENDS THAT:

1. Early in the development of a housing scheme, relevant ward Members be provided with information on the proposed number of bedroom mix of the units, the type of rent, the approximate cost in monetary terms of those rents, and whether there might be any additional service charges, with information displaying how this relates to local need;

2. The Council explores the issue of shared ownership and whether people could get 'stuck' in this arrangement, including whether it would be possible for the Council to ask developers to buy back shares to help residents wishing to move on;
3. As there is a variety of figures in relation to housing need in the Borough, this information be more widely publicised and clarified;
4. Officers develop more detailed communications for residents about the range of affordable housing options such as the Reside offer and shared ownership (including the difference between products, and the eligibility criteria);
5. Officers work to ensure that the supply of affordable homes, as far as viability allows, contains larger family homes of three and four bedrooms in order to ensure larger families can stay in the Borough, rather than moving to less expensive parts of the country;
6. Regular data is collected on the impact of the change in Reside's affordability threshold, and this data be presented to the Committee at an appropriate point in the 2020/21 municipal year;
7. With the Government's Help to Buy scheme potentially coming to an end, further options to support residents in putting down deposits be explored by the Council; and
8. Officers consider the feasibility of providing positive landlord references for Council and Reside tenants who are seeking to move or secure a mortgage.

4.24 Task and Finish Group 2- KLoE 4: Sustainability: 30 January 2020

The second part of KLoE 4 asks 'how is environmental sustainability being incorporated into the infrastructure of the Borough as residential developments come on stream?'

In advance of the Task and Finish group on 30 January, the Committee provided officers with the following three sub-questions to structure the group discussions:

1. Where does the biodiversity action plan of 2017 fit into the strategy for inclusive growth? Have we implemented any of the recommendations from the report?
2. Considering the Parks and Open Spaces Strategy, does the overarching strategy for Inclusive Growth go far enough to establish and encourage outdoor pursuits within the community? What actions have been taken and what successes have there been?
3. To what extent are environmental sustainability considerations observed in the planning process?

At the session, Members heard from the Commissioning Lead for Energy and Sustainability in Inclusive Growth and the Head of Heritage, Parks and Leisure. They began by outlining the Inclusive Growth ambitions in this area, the roadmap to becoming the 'green capital of the capital'.

4.25 Inclusive Growth Ambitions: Towards 2030 and 2050 Net Zero Carbon Targets

Barking and Dagenham Council has declared a climate emergency, with Members pledging at the January 2020 Assembly meeting that the Council will do everything in its power to make Barking & Dagenham Carbon Neutral. The Inclusive Growth Strategy sets targets of a carbon neutral Council by 2030, and a carbon neutral borough by 2050. To achieve this, everyone has a part to play in facilitating the cleaner, greener, environmentally sound community which will help prevent temperatures rising by more than 1.5C.

Members heard that achieving these goals means using our own investment, and the investment of key strategic partners, to deliver game changing innovations in energy production, distribution and efficiency. These innovations will lay the foundation for much wider roll out of green infrastructure in future, demonstrating what is possible and making the case to Government and third-party investors.

Inclusive Growth actions are focussed across five key areas of activity:

Waste - producing less and doing more	East London Waste Authority Strategy – modelling and forecasting our waste flows for 25 years to boost recycling, reuse and waste reduction
A decarbonised local energy system	Roll-out of B&D Energy district heat networks; cheaper fuel offer with Beam Energy; investment planning for PV and heat pumps across our estates
Energy efficient homes and buildings	E. ON insulation programme; deep retrofit Energiesprong model; Carbon offsetting to incentivise on-site carbon reduction in new-builds
A green local environment	Masterplans for our parks; tree-planting; habitat enhancement in the Local Plan; growth in electric vehicles and air quality targets
Localising green economy jobs	Shaping the markets and supply chains to a clean growth economy; retrofit and Low carbon industries

Members were taken through the key themes, beginning with the Council’s aspirations around decentralised, decarbonised and affordable energy. This has three main areas of activity:

- Low carbon district heat networks to 8,000 homes
- Affordable fuel tariffs, sourced from renewables
- LBBD to invest in solar, battery and heat pump technologies infrastructure.

Officers took Members through key activities and challenges in these areas, focussing on local energy production and storage including the delivering of decentralised energy networks through B&D energy, and the development of solar power supported by battery storage. Members heard that the main obstacle here is to find a business model which makes significant upfront investment viable. To do so, there will need to be sufficient demand in the market, highlighting the wider point that everyone has a part to play in decarbonising Barking & Dagenham.

Members were keen for officers to recognise the potential costs or logistical concerns for residents who may be hesitant to have renewable infrastructure installed on their homes, and suggested further emphasis should be placed on what developers and building owners can do and how the Council holds them to account.

On affordable fuel tariffs, Members heard an update on the Council's Municipal energy company, Beam Energy. Beam seeks to tackle fuel poverty and provide access to affordable warmth through a localised suite of affordable, competitive energy tariffs branded by LBB and with electricity supplied from 100% renewable sources. Beam's focus is on supporting more vulnerable residents, who currently make up 33% of its customer base, for example, through pay as you go prepayment meters. In 2019, Beam managed to support 50 vulnerable customers, by giving them free fuel on Christmas Day. The focus over the next three years is to grow Beam's customer base.

Moving on to consider energy efficient homes and buildings, officers took Members through:

- Cosy Homes scheme delivering free insulation and heating measures
- Energiesprong 'deep retrofit' pilot on Becontree
- RE:FIT programme of retrofitting corporate assets and housing stock
- New carbon offset policy, incentivising zero carbon new-build.

Members were particularly interested in the retrofitting programme. Barking & Dagenham has at least 15,000 cold and draughty homes across all tenures in the Borough. Our residents are wasting money on heating poorly insulated properties, leading to cold-related illnesses. Members were assured that to ensure that all residents can play their part in the fight against climate change, whilst benefiting from a well ventilated, energy efficient home with lower fuel bills, the Council is committed to an on-going programme of retrofit.

Members were assured that the Council is seeking to enshrine the London Plan commitments in its own Draft Local Plan to provide 20% active parking spaces with electric vehicle chargers and an additional 20% with passive ducts and cabling civils prepared on new-build developments so that chargers can be added at a later date. Equally, the Council is evaluating a home charging-point offer through its white label energy partnership Beam Energy, including a differential tariff for Beam customers. All householders can currently apply for a £500 grant from the Office of Low Emission Vehicles towards the cost of installing a domestic charge-point.

The Committee learned that the Inclusive Growth team has, to date, completed loft installations on approximately 10,000 homes. Beyond this, officers outlined the concept of 'deep retrofitting' which seeks to enable a high-level of airtightness across a property combined with technology such as smart meters to ensure efficient energy use. The Council is currently commencing a deep retrofitting pilot costing approximately £85,000 per property – but this could be reduced to £45,000 if we can scale up our ambitions, including the potential for a local manufacturing hub.

The third key area of Inclusive Growth sustainability activity is focussed on delivering a green local environment. Members learnt of the developments and ambitions in:

- Air Quality Action Plan targets;
- Shifting the Borough to an electric and low emission future;
- Increased tree canopy, cools spots for shading and refreshed parks and spaces; and
- Enhancement of habitats and biodiversity.

As an outer London borough, with a more dispersed population and less intensive economic activity, air quality in Barking & Dagenham is better than in many other London boroughs, meeting all the national pollution targets bar one. But there are still significant issues that need to be addressed. The main source of pollution in the Borough is from road transport, although there are important industrial sources in the south of the Borough and close to its boundaries which contribute to our failing to meet acceptable levels of Nitrogen Dioxide (NO₂) in the atmosphere. While we are currently meeting objectives for particulate matter (PM₁₀ and PM_{2.5}), the PM_{2.5} target is only meeting the legal target, rather than the recommended level set out by the World Health Organisation (WHO). For this reason, in the London Environment Strategy, the Mayor of London has committed to meeting the WHO health-based guideline limits across London by 2030.

Members heard that improving air quality in Barking & Dagenham must include a reduction of car use across the Borough, and particularly around our schools, in line with the Mayor's Transportation Strategy and our Local Implementation Plan. They were assured that the Council is taking steps to make walking and cycling in the Borough much easier, including through the introduction of cycle hire and micro-mobility schemes.

The question of air quality also arose within the context of construction sites, which are often responsible for adding to the concentrations of PM₁₀ and PM_{2.5} pollution. There are now general standard planning conditions in place which require developers to set out a construction management plan in advance of being on-site and these contain practical measures to abate the production of dust and fine particle emissions. Development applications are required to complete air quality assessments, which are reviewed by the Council's enforcement services and the new London Plan steers developers to build to a standard which is 'air quality neutral' in terms of its impact.

Ann example of tackling site generated emission is the water cannons to be in place by Be First on all of its sites where demolition is taking place to reduce dust and operate wheel washes in all weathers to limit transmission of construction debris out of site, including hosing down and ramped washes with brushes. Equally, all sites have 10ft hoardings as a standard requirement. The emerging Local Plan and Infrastructure Delivery Plan, which governs the framework for s.106 and carbon offset funds, will seek to address air quality matters further with certain sites subject to a contribution towards an Air Quality Fund, which will support the Council in its monitoring of emissions across the Borough. The Draft London Plan also significantly enhances requirements to maximise the greening of developments through a new Urban Green Factor (UGF) calculation which encourages on-site tree-planting, living walls and green roofs, which can transform wasted vertical spaces and filter and generate clean air and nurture urban biodiversity.

Members again heard of the need to upscale capacity in the Borough – with bold ambitions needing bold action. For example, there are currently around 300 electric cars in the Borough but we are aiming for 4,000 by 2025 – this will require a major increase in the Borough’s supply of charging points to ensure an electric car is a realistic prospect for residents. To achieve our carbon neutral targets, major changes are required, and the Inclusive Growth strategy outlines the activity that will get us there – but everyone needs to play a part.

4.28 Sustainability in Planning

Subject to the new draft Local Plan, there are a number of current planning advice notes which are widely accessible to developers wanting to know what the Council would like to see in new-build and refurbishments, the most important being on Sustainable Design and Construction as well as on waste, recycling and green roofs.

The planning application process also requires specific submissions with regard to:

- Energy Statements – requiring the building’s carbon footprint is reduced by at least 35% of the Part L Building Regulations;
- Biodiversity Statement – protections for natural habitats, wildlife and tree plantings and references to the new Green Infrastructure and Biodiversity Strategy 2019;
- Flood risk – mitigations measures and sustainable drainage requirements; and
- S106 and carbon offsetting tools to support additional green infrastructure and air quality monitoring.

The second part of this Task and Finish group focussed on wider sustainability and responding to the questions submitted by the Committee, beginning with the Parks and Open Spaces Strategy.

4.26 Delivering Quality Parks and Refreshed Open Spaces

The need for quality parks and open spaces is a vital plank of inclusive growth. This is coupled with utilising parks against the impact of climate

change, providing shade and cooling, while supporting wider ranges of biodiversity.

Members heard that the Parks and Open Spaces Strategy commits the Council to:

- Master-planning of the Borough's 10 major parks;
- Repurposing facilities in outdoor spaces and making use of community groups;
- Tree-planting opportunities, new spaces and places of interest (Dagenham corridor, skylight and summer meadows, orchard communities);
- Raising the educational profile of our parks, such as Wild & Free programmes; and
- New workstreams – pitch strategy and elevating the sporting potential of parks.

The Committee learned about the detail of the parks master plan, including improvement works at Eastbrook Country Park, plans to bring cricket back to St Chads Park and additional funding received for parks through soil implementation projects. Officers also spoke through the community elements of the parks' masterplan, such as bowls clubs and the fruit picking project in Central Park. In addition, officers outlined community efforts to prevent anti-social behaviour (ASB) to ensure parks can be enjoyed by all, highlighting plans to base a preventative knife crime project at St Chads Park and resident led anti-ASB activities at Valance Park.

Members were pleased to hear of such initiatives but felt they did not have sufficient sight and knowledge of activities and plans. There was a clear message that if the parks and open spaces strategy is to deliver, Members, residents and partners need to be more involved and informed.

4.27 Biodiversity Report 2017

As indicated above, in advance of the session, Members requested an update on the 2017 Biodiversity report. The Committee heard that in 2016, the Borough commissioned an independent habitat survey into existing 38 Sites of Interest for Nature Conservation (SINCs) and made a number of recommendations for new sites and proposals for wildlife corridors. The report now forms part of the evidence base of the Local Plan which is subject to public consultation.

The Biodiversity report contained the following recommendations, which officers aim to enact and are seeking the input of partners (such as developers) to progress:

- Merging the Beam Valley Country Park and Beam Parklands into an upgraded Site of Metropolitan Importance;
- Mayesbrook Park and Scratton's Farm Ecopark be upgraded from Grade 2 to Grade 1 site;

- A new Borough Grade 1 site be created in Buzzard's-mouth Creek and Thames View Ditch;
- Two new Borough Grade 2 sites be recognised at the Marks-Warren Quarry Restored Area and Cranfield Golf Centre; and
- There are 11 other sites proposed for 'Local Site' status across parts of the Borough where there is considered deficient access to nature.

4.29 Key Messages from the Meeting

Based on the information presented, the Committee identified the following key points:

- Only 30 percent of our homes are well insulated and this impacts on our fuel poverty rates which are high;
- The Council must invest in renewable energy infrastructure as well as stimulate demand;
- More information around what the Council is doing in terms of new technology such as battery storage, heat pumps, cross laminated timber or city trees;
- Positive activity is taking place in parks in the Borough – such as school trips to learn from park rangers but there appears to be a lack of awareness amongst both Members and residents around this work;
- Green infrastructure needs to be central to the planning process, making our green spaces not separate from everyday life but part of the norm. This includes looking at what our roads are made of and how they are used;
- Other boroughs have utilised opportunities presented by the environment to make parks and open spaces deliver on other priorities. What can we learn from them? What are the links between the new social prescribing model and the parks service?;
- Around four local authorities have specific cabinet members for the environment and eight have an environment committee. The Council has committed to the ambition to be the green capital of the capital – could we consider how our political structures could offer greater accountability for this priority?;
- A reason people may not use parks is fear of crime and ASB – how do we measure the impact of our strategies around this? We need more positive engagement around our parks so they become vibrant, community spaces that are a part of residents' everyday lives;
- What are the implications of potential new parking restrictions around parks and how can we mitigate these, so they do not impact upon residents' use of parks?;
- There should be a clear programme of maintenance/ replacement of play equipment in all the Borough's parks;
- We need a diverse range of volunteers and better park ranger presence e.g. one Saturday a month is not enough;
- The biggest cause of pollution in terms of dust and air quality is developments. We must ask - who builds our properties and how do we hold them to account on air quality etc?; and
- Are we getting the best out of section 106 agreements in terms of the sustainability and green agenda?

THE OVERVIEW & SCRUTINY COMMITTEE RECOMMENDS THAT:

1. There is a focus on external communications going forward around parks and leisure so that residents can have sufficient knowledge of community activities being undertaken;
2. Officers look into how the Council can incentivise residents to use renewable energy technologies, such as electric cars and solar panels, to make sure these are attractive and feasible;
3. The Council utilises the opportunity presented by our environment to make parks and open spaces deliver wider priorities such as reducing isolation for our older people and supporting young people to get outside and learn new skills;
4. Officers ensure that the recommendations of the Biodiversity Action Plan 2017 are acted upon as part of the Council's new Local Plan;
5. Officers look into the possibility of offering more educational partnerships between the parks service and schools, possibly offering parks education as a Barking & Dagenham School Improvement Partnership (BDSIP) service;
6. Officers utilise section 106 funding to support the deep retrofitting programme;
7. Officers investigate how we can hold developers to account in relation to impacts on air quality;
8. Officers report to Cabinet on a quarterly basis on progress against key environmental plans and objectives as set out in the Council's new corporate plan; and
9. The Leader of the Council consider whether clearer ownership within the Cabinet of climate and sustainability issues would help to deliver on the Council's ambitions in these areas;

5. Acknowledgements

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