

## NOTICE OF MEETING

# CABINET

will meet on

**THURSDAY, 25TH MARCH, 2021**

**At 6.15 pm**

by

**VIRTUAL MEETING, ON [RBWM YOUTUBE](#)**

TO: MEMBERS OF CABINET

Councillor Johnson, Leader of the Council and Chairman of Cabinet, Business, Economic Development and Property

Councillor Rayner, Deputy Leader of the Council, Resident & Leisure Services, HR, IT, Legal, Performance Management & Windsor

Councillor Carroll, Deputy Chairman of Cabinet, Adult Social Care, Children's Services, Health and Mental Health

Councillor Cannon, Public Protection and Parking

Councillor Clark, Transport and Infrastructure

Councillor Coppinger, Planning, Environmental Services and Maidenhead

Councillor Hilton, Finance and Ascot

Councillor McWilliams, Housing, Communications and Youth Engagement

Councillor Stimson, Climate Change, Sustainability, Parks and Countryside

Karen Shepherd – Head of Governance - Issued: Wednesday, 17 March 2021

Members of the Press and Public are welcome to attend Part I of this meeting. The agenda is available on the Council's web site at [www.rbwm.gov.uk](http://www.rbwm.gov.uk) or contact the Panel Administrator **David Cook** 01628 796560

**Recording of Meetings** – In line with the council's commitment to transparency the Part I (public) section of the virtual meeting will be streamed live and recorded via Zoom. By participating in the meeting by audio and/or video, you are giving consent to being recorded and acknowledge that the recording will be in the public domain. If you have any questions regarding the council's policy, please speak to Democratic Services or Legal representative at the meeting.

## AGENDA

### PART I

<u>ITEM</u>	<u>SUBJECT</u>	<u>PAGE NO</u>
1.	<u>APOLOGIES FOR ABSENCE</u>  To receive any apologies for absence	-
2.	<u>DECLARATIONS OF INTEREST</u>  To receive any declarations of interest	5 - 6
3.	<u>MINUTES</u>  To consider the minutes of the meeting held on 25 February 2021.	7 - 12
4.	<u>APPOINTMENTS</u>	-
5.	<u>FORWARD PLAN</u>  To consider the Forward Plan for the period April 2021 to July 2021.	13 - 20
6.	<u>REFERRAL FROM OVERVIEW AND SCRUTINY</u>	-
7.	<u>CABINET MEMBERS' REPORTS</u>  Leader of the Council and Chairman of Cabinet, Business, Economic Development and Property	-
	i. Compulsory Purchase Order - Nicholson's Walk Shopping Centre, Maidenhead  Finance and Ascot	21 - 118
	ii. Finance Update: March 2021  Deputy Chairman of Cabinet, Adult Social Care, Children's Services, Health and Mental Health	119 - 174
	iii. Achieving for Children Reserved Matter Ownership Decisions	175 - 282



This page is intentionally left blank

## MEMBERS' GUIDE TO DECLARING INTERESTS IN MEETINGS

### Disclosure at Meetings

If a Member has not disclosed an interest in their Register of Interests, they **must make** the declaration of interest at the beginning of the meeting, or as soon as they are aware that they have a DPI or Prejudicial Interest. If a Member has already disclosed the interest in their Register of Interests they are still required to disclose this in the meeting if it relates to the matter being discussed.

A member with a DPI or Prejudicial Interest **may make representations at the start of the item but must not take part in the discussion or vote at a meeting.** The speaking time allocated for Members to make representations is at the discretion of the Chairman of the meeting. In order to avoid any accusations of taking part in the discussion or vote, after speaking, Members should move away from the panel table to a public area or, if they wish, leave the room. If the interest declared has not been entered on to a Members' Register of Interests, they must notify the Monitoring Officer in writing within the next 28 days following the meeting.

### Disclosable Pecuniary Interests (DPIs) (relating to the Member or their partner) include:

- Any employment, office, trade, profession or vocation carried on for profit or gain.
- Any payment or provision of any other financial benefit made in respect of any expenses occurred in carrying out member duties or election expenses.
- Any contract under which goods and services are to be provided/works to be executed which has not been fully discharged.
- Any beneficial interest in land within the area of the relevant authority.
- Any licence to occupy land in the area of the relevant authority for a month or longer.
- Any tenancy where the landlord is the relevant authority, and the tenant is a body in which the relevant person has a beneficial interest.
- Any beneficial interest in securities of a body where:
  - a) that body has a piece of business or land in the area of the relevant authority, and
  - b) either (i) the total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body **or** (ii) the total nominal value of the shares of any one class belonging to the relevant person exceeds one hundredth of the total issued share capital of that class.

Any Member who is unsure if their interest falls within any of the above legal definitions should seek advice from the Monitoring Officer in advance of the meeting.

A Member with a DPI should state in the meeting: ***'I declare a Disclosable Pecuniary Interest in item x because xxx. As soon as we come to that item, I will leave the room/ move to the public area for the entire duration of the discussion and not take part in the vote.'***

Or, if making representations on the item: ***'I declare a Disclosable Pecuniary Interest in item x because xxx. As soon as we come to that item, I will make representations, then I will leave the room/ move to the public area for the entire duration of the discussion and not take part in the vote.'***

### Prejudicial Interests

Any interest which a reasonable, fair minded and informed member of the public would reasonably believe is so significant that it harms or impairs the Member's ability to judge the public interest in the item, i.e. a Member's decision making is influenced by their interest so that they are not able to impartially consider relevant issues.

A Member with a Prejudicial interest should state in the meeting: ***'I declare a Prejudicial Interest in item x because xxx. As soon as we come to that item, I will leave the room/ move to the public area for the entire duration of the discussion and not take part in the vote.'***

Or, if making representations in the item: ***'I declare a Prejudicial Interest in item x because xxx. As soon as we come to that item, I will make representations, then I will leave the room/ move to the public area for the entire duration of the discussion and not take part in the vote.'***

### Personal interests

Any other connection or association which a member of the public may reasonably think may influence a Member when making a decision on council matters.

Members with a Personal Interest should state at the meeting: ***'I wish to declare a Personal Interest in item x because xxx'. As this is a Personal Interest only, I will take part in the discussion and vote on the matter.***

This page is intentionally left blank

# Agenda Item 3

## CABINET

THURSDAY, 25 FEBRUARY 2021

PRESENT: Councillors David Cannon, Andrew Johnson (Chairman), David Coppinger, Samantha Rayner, Stuart Carroll (Vice-Chairman), David Hilton, Gerry Clark, Donna Stimson and Ross McWilliams

Also in attendance: Councillors Bateson, Larcombe, Tisi, W Da Costa, Bhangra, Hassler, Shelim, Werner, Del Campo, Baldwin, Davey, Singh and Barbara Richardson (RBWM Property Company)

Officers: Duncan Sharkey, Kevin McDaniel, Hilary Hall, Adele Taylor, Andrew Valance, Nikki Craig, Emma Duncan, Louisa Dean, Adrian Waite and David Cook.

### APOLOGIES FOR ABSENCE

There were no apologies received.

### DECLARATIONS OF INTEREST

No interests declared.

### MINUTES

**RESOLVED UNANIMOUSLY: That the minutes of the meeting held on 4 February 2021 were approved.**

### APPOINTMENTS

None

### FORWARD PLAN

Cabinet considered the contents of the Forward Plan for the next four months and noted the changes made since last published, including:

- Standards and Quality of Education – removed from Forward Plan.
- Provision of Legal Services – moved to April 2021.
- Housing Strategy – moved to April 2021.
- Affordable Housing Windsor – Added to April 2021.
- Community Facilities Review – Added to April 2021.
- Maidenhead Vision Charter – Added to April 2021.
- Maidenhead Town Hall – Added to April 2021.

### CABINET MEMBERS' REPORTS

#### c) INTERIM SUSTAINABILITY POSITION STATEMENT

Cabinet considered the report regarding the adoption of the Interim Position Statement to be published as guidance and afforded weight as a material consideration in the planning process.

The Lead Member for Climate Change, Sustainability, Parks and Countryside informed Cabinet that she was presenting this joint report with the Lead Member for Planning and Maidenhead. A Sustainability Supplementary Planning Document is planned, however, the changes to national and local climate policy are material considerations which should be considered in the handling of planning applications. To help meet the Climate Change Strategy it is considered prudent and necessary to adopt an interim position statement which would clarify the Council's approach to these matters.

The National Planning Policy Framework was updated in February 2019. Paragraphs 7 and 8 set out that sustainability and measures to address climate change through mitigation, adaptation and moving to a low carbon economy are at the heart of the planning system.

When the Royal Borough declared a climate emergency we said we would be carbon neutral by 2050. When the Climate Strategy was adopted this set out how the Borough would address the Climate Emergency across four key themes: Circular Economy, Energy, Natural Environment and Transport. The Strategy sets a trajectory which seeks a 50% reduction in emissions by 2025.

The intention of the statement is not to introduce new policy but to clarify how the Borough will interpret existing policy and material considerations, as such it's weight would be limited to that of a material consideration. In due course there is an intention to prepare, consult on and adopt a detailed sustainability SPD which would sit alongside the emerging Borough Local Plan. As this will take time it was considered prudent to propose this paper.

The Lead Member for Planning, Environmental Services and Maidenhead said that at Council he mentioned that changing the black bin collection schedule was one of the first big steps towards achieving our climate change agenda. As Lead Member for Planning he was delighted to see this paper being brought forward as it was another step forward and brought clarity for our developers in meeting carbon neutral.

The Lead Member for Finance and Ascot said that this was an important step to bringing the climate strategy forward. Housing development can impact our carbon footprint so it was important to bring this down. The spreadsheet provided developers a lot of information that they needed to focus on when putting plans forward.

The Deputy Chairman of Cabinet, Adult Social Care, Children's Services, Health and Mental Health said that the merits of the paper for planning consideration had been mentioned. He was pleased to see the council looking to make behaviour change. He had been discussing with NHS colleagues who were supportive of the changes in bin collections and incentivising behaviour changes towards recycling and a more healthier approach to how we view the world. When thinking about the environment we can also take a public health approach and he would continue to work with his cabinet colleagues. He also mentioned that the view of our younger residents was important and this is important for his later paper.

The Lead Member for Transport and Infrastructure said that he wished to thank his fellow Lead Members for the progress being made with the strategy. There was a lot of work to do and it was important not to be complacent. The Lead Member was dedicated to her work and that was appreciated. With his portfolio charging points for vehicles were being introduced to meet the pace of development. More energy efficient vehicles, energy efficient batteries and energy efficient charging points will be coming forward over the next few years. Its important that developers and the borough take advantage of opportunities. This is an important piece of work in helping to regulate development to bring down carbon footprint and yield tangible results.

The Deputy Leader of the Council, Resident and Leisure Services, HR, IT, Legal, Performance Management and Windsor informed that she supported the paper as it showed how the Royal Borough had come so far in a short period of time.



Cllr W Da Costa addressed Cabinet and informed that he was the vice-chairman of the climate change panel. He asked if this document would apply to next weeks planning meeting. He was informed that planning applications could only be judged on existing adopted policy and that if approved this report would only be implemented after the call in period had elapsed.

Cllr Da Costa continued by saying that although the document had many good points there were also many weaknesses that could have been addressed if it had been shared by the cross party working group, especially as the two co vice chairman had not been consulted. There were thousands of existing buildings in the borough that can not be changed quickly so it was important that we introduce the highest standards now. He proposed that there should be renewable energy sources from day one and zero carbon should apply to all new buildings. Climate change will bring more rainfall and more this means potentially more landslides. We are going to face 40 degree heat regularly, are new buildings designed for this. Buildings now need to be future proof. He also suggested that members on planning panels should be trained in how to interpret the new policies so they can be applied with consistency. The Lead Member responded by saying that this was an important interim document and that a full SPD would be introduced. The Head of Planning also informed that we had to work within existing legislation and our planning policy framework.

Cllr Davies informed that she was pleased to see the paper being brought forward but asked if there was more information that could be given on the criteria that would be used for sustainability and planning applications. The Head of Planning informed that when there was a viability issue with an application such as large developments with regards to affordable housing, there needed to be evidence given, financial assessments and an independent review. A proportionate review would be used for this policy. There would be transparent evidence within the planning system.

Cllr Singh mentioned that he supported this paper. In his ward there was a large application and asked if this policy would be relevant to that application that had just been submitted. He was informed that as the application had already been submitted and accepted it would follow existing policies.

The Deputy Chairman of Cabinet, Adult Social Care, Children's Services, Health and Mental Health said that this was a positive document but we have to adhere to the law and our policy framework. We should be advocating changes at a Government level. He praised the Lead Member for her work and had progressed well over the last 18 months.

**Resolved unanimously: that Cabinet notes the report and:**

- I. Adopt the Interim Position Statement to be published as guidance and afforded weight as a material consideration in the planning process.**

A) DATCHET DESIGN GUIDE SUPPLEMENTARY PLANNING DOCUMENT – REGULATION 14 ADOPTION

Cabinet considered the report that sought approval for the adoption of the Datchet Design Guide, incorporating the recommended changes.

The Lead Member for Planning, Environmental Services and Maidenhead informed Cabinet that the borough had a history of helping residents and parish councils taking ownership of their neighbourhoods via neighbourhood plans and design guides. This design guide had been developed by consultants working with the borough and the Datchet Design Group. It would help secure high quality design within Datchet and not to restrict growth. Following the consultation a number of changes had been made, none were substantial. This showed what can be achieved and he looked forward to presenting their neighbourhood plan.

The Lead Member for Public Protection and Parking said that this was a wonderful example what a community can do working with the parish council and borough. It was a fantastic document that he recommended.

**Resolved unanimously: that Cabinet notes the report and:**

**I. Approves the adoption of the final Datchet Design Guide Supplementary Planning Document with recommended changes.**

**B) ESTABLISH A RBWM YOUTH COUNCIL**

Cabinet considered the report regarding the proposed development of an RBWM Youth Council.

The Deputy Chairman of Cabinet, Adult Social Care, Children's Services, Health and Mental Health informed Cabinet that we currently have a number of youth groups in the borough which engage on important issues for young people via a range of forums, we need to give these a say and more substance in representation to do with the council. He said it was proposed that initially the council would be made up of the following existing forums: the Girls Policy Forum, Kickback, Youth Ambassadors, the Esteem Project and the SEN Life Skills Group. The Youth Council would give clear, transparent and meaningful engagement of young people across the Council, building on what already works.

There were currently number of Youth Council's across the UK and the LGA encourages their establishment. The majority of surrounding boroughs have a youth council or parliament. These give young people an opportunity to engage with national and local politics.

The Lead Member referred Cabinet to paragraph 2.11 of the report that showed young people will learn personal development skills such as, learning new skill. confidence building. team working, to name just a few that were included. These were important in development and starting a career.

The Lead Member said that earlier today the link to the equalities impact assessment had been circulated. This had been produced on time but misses from the report. There was nothing but positive impacts for young people.

He had worked with our Youth Ambassadors and read out a letter they had sent him that said they were excited that the paper was being considered, they think a youth council would be beneficial and help Cabinet to hear the voice of young people. It will help engagement with young people, to see their views influencing decisions rather than decisions being made for them. They want to make a difference and for their voices to be heard.

The Lead Member thanked them for the letter and it showed why the paper should be approved. He thanked officers for their support, especially Elaine Keating.

The Lead Member for Housing, Communications and Youth Engagement informed that he was once the chair of a previous youth council and it had been an enjoyable experience working with young people on this paper. It was important that they have a work programme that they were interested in and can provide positive outcomes. This needs to be driven by young people and be able to influence the council. He reiterated the skills that can be gained by being part of any youth council.

The Deputy Leader of the Council, Resident and Leisure Services, HR, IT, Legal, Performance Management and Windsor said that she endorsed the paper, the Girls Forum had been an excellent example. This would help broaden democracy and hopefully we will see future councillors.

The Lead Member for Finance and Ascot said that he had invited students from Charters School to join the Ascot Neighbourhood Group and he was pleased they had as they made a great considered contribution that challenged and was of value. He congratulated the two Lead Members for this paper.

Cllr Tisi said that she was pleased to have met the youth ambassadors who had written the letter read out earlier and was impressed with what they had to say. A young person may not be interested in party politics but they were interested in a number of important issues. One of the girls had said consultation was often seen as an afterthought they wanted to influence things that was important to them. It was important that this paper puts them at the heart of decision making and not just as an afterthought. She said all young people should be considered such as those with special education needs. It was also important that if we were to involve them with our meetings them a better standard of meeting behaviour was important.

The Lead Member summed up by saying a thank you for the support of this paper and how it was important that we listen to young people's views. It was essential that this Youth Council had diversity and unity.

**Resolved unanimously: that Cabinet notes the report and:**

- i) Agrees to the establishment of a Youth Council to represent all young people within the Royal Borough of Windsor and Maidenhead.**
- ii) Requests officers in Children Services and Democratic Services to develop a framework to support, mentor and guide elected Youth Council members about the functioning and workings of the Council and to work with Lead Members.**
- iii) Agrees to form a Working Group to provide a framework for the governance and participation of the Youth Council in the Council's policy development and implementation of policy. This will include working with the chairs of Overview & Scrutiny Panels to ensure the Youth Council's views are represented and considered.**

The meeting, which began at 6.15 pm, finished at 7.40 pm

CHAIRMAN.....

DATE.....

This page is intentionally left blank

# Agenda Item 5

## CABINET

### FORWARD PLAN - CHANGES MADE SINCE LAST PUBLISHED:

ITEM	SCHEDULED CABINET DATE	NEW CABINET DATE	REASON FOR CHANGE
Award of Arboricultural Services Contract	March 2021	N/A	Removed from Forward Plan.
Finance Update	N/A	May 2021	New Item
Annual Performance Report	N/A	June 2021	New Item

## FORWARD PLAN OF CABINET DECISIONS

NB: The Cabinet is comprised of the following Members: Councillor Johnson, Leader of the Council and Chairman of Cabinet, Business, Economic Development and Property, Councillor Rayner, Deputy Leader of the Council, Resident and Leisure Services, HR, IT, Legal, Performance Management and Windsor, Councillor Carroll, Deputy Chairman of Cabinet, Adult Social Care, Children's Services, Health and Mental Health, Councillor Cannon, Public Protection and Parking, Councillor Clark, Transport and Infrastructure, Councillor Coppinger, Planning, Environmental Services and Maidenhead, Councillor Hilton, Finance and Ascot, Councillor McWilliams, Housing, Communications and Youth Engagement, Councillor Stimson, Climate Change, Sustainability, Parks and Countryside

The Council is comprised of all the elected Members

All enquiries, including representations, about any of the items listed below should be made in the first instance to Democratic Services, Town Hall, St Ives Road, Maidenhead. Tel (01628) 796560. Email: democratic.services@rbwm.gov.uk

### FORWARD PLAN

ITEM	Private Meeting - contains exempt/confidential information? See categories below.	Short Description	Key Decision, Council or other?	REPORTING MEMBER (to whom representations should be made)	REPORTING OFFICER / DIRECTOR (to whom representations should be made)	Consultation (please specify consultees, dates (to and from) and form of consultation), including other meetings	Date and name of meeting	Date of Council decision (if required)
14 Provision for and Arrangement of Legal Services to the Council	Open -	To consider the options for the provision of corporate legal services to the Council	Yes	Deputy Leader of the Council, Resident and Leisure Services, HR, IT, Legal, Performance Management and Windsor (Councillor Samantha Rayner)	Emma Duncan	Internal consultation	Cabinet 29 Apr 2021	
Housing Strategy	Open -	To approve the strategy.	Yes	Lead Member for Housing, Communications and Youth Engagement (Councillor Ross McWilliams)	Tracey Hendren	Internal process	Cabinet 29 Apr 2021	

**N.B. All documents to be used by the decision maker to be listed in the report to Cabinet**

ITEM	Private Meeting - contains exempt/confidential information? See categories below	Short Description	Key Decision, Council or other?	REPORTING MEMBER (to whom representations should be made)	REPORTING OFFICER / DIRECTOR (to whom representations should be made)	Consultation (please specify consultees, dates (to and from) and form of consultation), including other meetings.	Date and name of meeting	Date of Council decision (if required)
15 Highways Maintenance and Management Contract – Options and future recommendations	Open -	The Highways maintenance management contract, which is currently awarded to Volker Highways is in the 4th year of a 5 year + 2-year contract. The report outlines options and recommendations for the future of this contract.	Yes	Lead Member for Transport and Infrastructure (Councillor Gerry Clark)	Hilary Hall	Internal process	Cabinet 29 Apr 2021	
Home to School Transport Policy	Open -	To seek approval for consultation on the policy.	No	Deputy Chairman of Cabinet, Adult Social Care, Children's Services, Health and Mental Health (Councillor Stuart Carroll)	Kevin McDaniel	External	Cabinet 29 Apr 2021	
Maidenhead Vision Charter	Open -	A vision document for Maidenhead.	Yes	Leader of the Council and Chairman of Cabinet, Business, Economic Development and Property (Councillor Andrew Johnson)	Duncan Sharkey	Consultation with some stakeholders and local residents.	Cabinet 29 Apr 2021	

**N.B. All documents to be used by the decision maker to be listed in the report to Cabinet**

ITEM	Private Meeting - contains exempt/confidential information? See categories below	Short Description	Key Decision, Council or other?	REPORTING MEMBER (to whom representations should be made)	REPORTING OFFICER / DIRECTOR (to whom representations should be made)	Consultation (please specify consultees, dates (to and from) and form of consultation), including other meetings.	Date and name of meeting	Date of Council decision (if required)
Maidenhead Town Hall	Fully exempt - 3	Strategic Asset Management of Council Corporate Assets.	Yes	Leader of the Council and Chairman of Cabinet, Business, Economic Development and Property (Councillor Andrew Johnson)	Duncan Sharkey	Internal	Cabinet 29 Apr 2021	
Community Facilities Review	Fully exempt - 3	Strategic Asset Management and Assessment of community assets.	Yes	Leader of the Council and Chairman of Cabinet, Business, Economic Development and Property (Councillor Andrew Johnson)	Duncan Sharkey	Internal process	Cabinet 29 Apr 2021	
Affordable Housing, Windsor	Fully exempt - 3	Looking at the release of land to assist with the provision of affordable housing.	Yes	Leader of the Council and Chairman of Cabinet, Business, Economic Development and Property (Councillor Andrew Johnson)	Duncan Sharkey	Internal process	Cabinet 29 Apr 2021	
Library Transformation Strategy and Reductions	Open -	A library strategy is required in order to help release the power and assets within communities to meet local need The strategy outlines how the library service will adapt to changing circumstances, opportunities and demands, and will	Yes	Deputy Leader of the Council, Resident and Leisure Services, HR, IT, Legal, Performance Management and Windsor (Councillor Samantha Rayner)	Adele Taylor	Internal and External	Cabinet 27 May 2021	

**N.B. All documents to be used by the decision maker to be listed in the report to Cabinet**



ITEM	Private Meeting - contains exempt/confidential information? See categories below	Short Description	Key Decision, Council or other?	REPORTING MEMBER (to whom representations should be made)	REPORTING OFFICER / DIRECTOR (to whom representations should be made)	Consultation (please specify consultees, dates (to and from) and form of consultation), including other meetings.	Date and name of meeting	Date of Council decision (if required)
17		assist councillors, senior officers, library professionals, stakeholders, communities and customers to understand the role that library services can play in delivering other priorities and shared objectives. The report will include reductions in the library estate in order to make essential savings and related mitigations.						
Finance Update	-	Latest financial update.	No	Lead Member for Finance and Ascot (Councillor David Hilton)	Adele Taylor		Cabinet 27 May 2021	
Appointments to Outside Bodies	Open -	To make appointments of council representatives on outside and associated bodies.	No	Leader of the Council and Chairman of Cabinet, Business, Economic Development and Property (Councillor Andrew Johnson)	Emma Duncan	Internal	Cabinet 24 Jun 2021	

N.B. All documents to be used by the decision maker to be listed in the report to Cabinet

ITEM	Private Meeting - contains exempt/confidential information? See categories below	Short Description	Key Decision, Council or other?	REPORTING MEMBER (to whom representations should be made)	REPORTING OFFICER / DIRECTOR (to whom representations should be made)	Consultation (please specify consultees, dates (to and from) and form of consultation), including other meetings.	Date and name of meeting	Date of Council decision (if required)
Annual Performance Report	-	Report detailing performance of the Council against the corporate scorecard for Q3 and 4.	Yes	Deputy Leader of the Council, Resident and Leisure Services, HR, IT, Legal, Performance Management and Windsor (Councillor Samantha Rayner)	Duncan		Cabinet 24 Jun 2021	
Finance Update	-	Latest financial update.	No	Lead Member for Finance and Ascot (Councillor David Hilton)	Taylor		Cabinet 22 Jul 2021	
Revised Medium Term Financial Strategy	-	To recommend the new MTFS	Yes	Lead Member for Finance and Ascot (Councillor David Hilton)	Taylor		Cabinet 22 Jul 2021	

N.B. All documents to be used by the decision maker to be listed in the report to Cabinet

ITEM	Private Meeting - contains exempt/confidential information? See categories below	Short Description	Key Decision, Council or other?	REPORTING MEMBER (to whom representations should be made)	REPORTING OFFICER / DIRECTOR (to whom representations should be made)	Consultation (please specify consultees, dates (to and from) and form of consultation), including other meetings.	Date and name of meeting	Date of Council decision (if required)
------	--	-------------------	---------------------------------	---	---	---	--------------------------	--

#### DESCRIPTIONS OF EXEMPT INFORMATION: ENGLAND

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

N.B. All documents to be used by the decision maker to be listed in the report to Cabinet

This page is intentionally left blank

Report Title:	<b>Compulsory Purchase Order – Nicholson’s Walk Shopping Centre, Maidenhead</b>
Contains Confidential or Exempt Information	No - Part I
Lead Member:	Councillor Johnson, Lead Member for Business, Economic Development and Property
Meeting and Date:	Cabinet – 25th March 2021
Responsible Officer(s):	Duncan Sharkey, Managing Director
Wards affected:	St Mary’s



## **REPORT SUMMARY**

1. In July 2019 Full Council approved the sale of the Council’s freehold interest in part of the Nicholson’s Walk Shopping Centre and Central House and to enter into an agreement to relocate the Nicholson’s Car Park as part of a new masterplan for the regeneration of the town centre.
2. The decision was taken to aid the regeneration of the town centre and allow the site assembly for the purpose of redevelopment of the overall site.
3. The recommendation was made and approved to assist with further site assembly if required.
4. Denhead S.A.R.L., who are developing out the site, now need assistance with acquiring the interests of the remaining landowners and leaseholders to facilitate the site delivery.
5. The purpose of this report is to enable the voluntary or compulsory acquisition of all necessary third-party land interests to bring forward comprehensive regeneration of the town centre.
6. This report seeks authority to make and promote a compulsory purchase order to facilitate the redevelopment and regeneration of the Nicholson’s Shopping Centre, Nicholson’s Multi-Storey Car Park and surrounding land to deliver a comprehensive mixed use development (as edged red on the plans in Appendix C).
7. Authority is also sought for officers to make the CPO and to undertake all necessary steps/work to secure the confirmation and subsequent implementation of the CPO.
8. Prior to making the CPO the Council will enter into an indemnity agreement with the developer Denhead S.A.R.L who will be responsible for all costs and liabilities arising in undertaking and completing the CPO.

## **1. DETAILS OF RECOMMENDATION(S)**

**RECOMMENDATION: That Cabinet notes the report and the attached draft Statement of Reasons and:**

- i) **Authorises the use of CPO powers to acquire all property interest in the site known as the Nicholson’s Walk Shopping Centre,**

- Nicholson’s Car Park, Siena Court and adjoining areas identified in the plans contained in Appendix C, Maidenhead.
- ii) Approves that council officers continue to negotiate the acquisition by agreement of all third-party interest in the land in advance of confirmation of a CPO.
  - iii) Approve the Council entering the CPO Deed of Indemnity with Denhead S.A.R.L. to ensure all liabilities and costs will be the responsibility of the developer.
  - iv) Authorises the Managing Director in consultation with the Lead Member for Business, Economic Development and Property to take all necessary steps required for the making, confirmation, and implementation of the CPO.

## 2. REASON(S) FOR RECOMMENDATION(S) AND OPTIONS CONSIDERED

### Options

**Table 1: Options arising from this report**

Option	Comments
<p>To proceed with the making of the compulsory purchase order (CPO) and thereafter the associated steps to acquire the necessary interests and rights over land to enable the Scheme to be delivered and to engage s.203 of the Housing and Planning Act 2016 to override third party rights which exists over the Order Land.</p> <p><b>This is the recommended option</b></p>	<p>The CPO is required to ensure that the Scheme can be advanced and delivered within a reasonable time frame. Without the CPO there is no certainty that the Scheme would be delivered as intended.</p>
<p>To not advance the proposed compulsory purchase i.e. Do Nothing</p> <p><b>This is not recommended</b></p>	<p>If the CPO is not promoted by the Council, on account of the number of parties with whom agreement needs to be reached in respect of the acquisition / surrender of their interest and securing of new rights for construction purposes, it is likely that the Scheme would not be delivered.</p>

- 2.1 The CPO process enables the necessary steps to be taken to secure the acquisition of all necessary land interest to deliver the regeneration of the site

known as Nicholson Walk Shopping Centre on the map at appendix C (“the site”). It.

- Gives officers specific authority to begin the process of making the CPO.
- Indicates to third party landowners that the Council intends to take all necessary steps to acquire the necessary land interests to enable regeneration of the site to proceed.
- Secures the appropriate authority for land acquisition notices to be served on third party landowners.

### 3. KEY IMPLICATIONS

3.1 The rejuvenation and revival of the character of Maidenhead Town Centre has been a key objective of the Council for several years. The main aims are captured in the Maidenhead Town Centre Area Action Plan (MTCAAP) which identified 4 key themes to achieve this, namely:

(a) Place making

(b) Economy

(c) People

(d) Movement

3.2 The Nicholson’s Shopping Centre, whilst still well-occupied, has several issues which makes it no longer fit for purpose. The owners of the shopping Centre, Denhead S.A.R.L. has recently submitted a hybrid planning application for the redevelopment of the Nicholson’s Shopping Centre and surrounding land.

3.3 The emerging Local Plan also identifies the Nicholson Centre and surrounding area as a development site for mixed use development comprising retail, community, employment, and residential uses.

3.4 The Developer's planning application (20/01251/OUT) proposes:

“(1) The OUTLINE planning permission (with all matters reserved) for four buildings that range in height, with the highest being 88.70m and the lowest being 66.2m on the site for a comprehensive mixed-use redevelopment comprising:

- Residential Institutions (Class C2) - up to 29,400 m2 (GEA).
- Business Use (Class B1) - up to 29,700m2 (GEA).
- Flexible Retail, financial and professional services, restaurants, and cafes, drinking establishments, hot food takeaways, non-residential institutions and

assembly and leisure (Class A1 / A2 / A3 / A4 / A5 / D1 / D2) - up to 4,400 m2 (GEA).

- Parking and plant space - up to 13,600 m2 (GEA).
- Formation of new pedestrian and vehicular access.
- Means of access and circulation and car parking within the site; and
- Provision of new public open space and landscaping.

(2) FULL DETAILS for the demolition of all existing buildings on site, , construction of two residential buildings comprising 25 storeys, and part 15/part 10 storey and a landscaped podium (Class C3), construction of a 4 storey office building (Class B1), the provision of a new public open space, and landscaping and the erection of a multi-storey car park and flexible retail, financial and professional services, restaurant and cafes, drinking establishments, assembly and leisure, and heritage and community centre uses (Class A1 / A2 / A3 / A4 / A5 / D1 / D2)."

- 3.5 The delivery of new accommodation is only one facet of the scheme. The new development will re-establish connections across the town centre, repairing links which were lost when the shopping centre was constructed in the 1970s. The focus of the scheme is on permeability and connectivity, creating new public spaces around a mix of workspace, homes, shops, and public space, reinvigorating both the daytime and nighttime economy of the town centre.
- 3.6 The delivery of the Scheme is complex on account of its town centre location and the existence of several tenancies and other rights across the shopping centre. The shopping centre has been poorly performing for some time and has passed through several differing ownerships over recent years. This has led to a varied asset management strategy which has not been conducive to advancing the much-needed redevelopment of the shopping centre as several tenants have been granted long term leases which cannot be terminated early.
- 3.7 The shopping centre's location in the town centre, abutted to its north and east by neighbouring properties in third party ownership, increases the complexity of delivering the Scheme. The proximity of neighbouring properties and the nature of the construction means rights need to be secured over neighbouring properties for crane oversailing, access, scaffolding, and purposes required for the construction and on-going management of the Development. In addition, the history of the shopping centre's service deck being used by neighbouring properties on the High Street for their own servicing and provide access routes, means that there are a number of existing rights which need to be interfered with.
- 3.8 The Nicholson Shopping Centre is owned by Denhead S.A.R.L. (the Developer), which is a collaboration between Tikehau Capital and Areli Real Estate. The Developer has submitted a planning application (the Development) for the redevelopment of the shopping centre and surrounding



area (as detailed above), the application currently benefits from a resolution to grant planning permission. In order to facilitate the development, the subject of the planning application, there are several third-party land and rights which need to be acquired.

The Developer has been proactive in securing agreements with tenants to secure the surrender of leases within the shopping centre, but in order for the Development to proceed, and for the associated public benefits to be realised, the land assembly exercise needs to be completed. The range of parties with whom agreement needs to be reached necessitates the use of the Council's compulsory purchase and Section 203 (Housing Act 2016) powers if the Developer's development is to proceed in a reasonable timeframe.

- 3.9 At present there are 13 tenants who occupy retail accommodation with whom an agreement has not been completed to vary their lease terms. Negotiations are ongoing and there are several tenancies in which an in-principle agreement has been reached with the occupier and is with the respective legal advisers to formalise. Whilst there is constructive dialogue with all occupiers who have not yet agreed lease terms, in some instances there is a notable difference of opinion as to the level of payment due to secure varied lease terms. The use of the Council's compulsory purchase powers is therefore necessary to ensure that vacant possession of the retail accommodation can be secured within a reasonable timescale and allow the proposed redevelopment to proceed. The confirmation of the Council's intention to proceed with a CPO will also assist with discussions as the compulsory purchase compensation code sets a clear framework for the assessment of compensation which will hopefully allow differences of opinion as to the price payable for the variation of a lease to be narrowed.
- 3.10 To deliver the Development a significant level of land assembly needs to be completed in addition to the leasehold interest referred to above. These include freehold interests and the variation of existing rights of adjoining properties and obtaining new rights required for construction, maintenance, and the creation of connections. The details of the interests to be acquired or varied are included in the draft Statement of Reasons included in Appendix B.
- 3.11 The Plans at Appendix C identifies the extent of the land to be included within the CPO boundary [and extent of new rights].
- 3.12 The recommendation to make the CPO and use associated powers (set out below) is based on the public benefits that will be achieved on completion of the Development, weighed against the effects of delivering it (including the effect of the exercise of the powers) and the likelihood that without the use of the Council's statutory powers, the Development would not be brought forward resulting in the town centre being dominated by a failing shopping centre.
- 3.13 The most appropriate and specific power available to the Council to make a compulsory purchase order in relation to the Scheme is section 226(1)(a) of the Town and Country Planning Act 1990 (as amended) (**TCPA**).

- 3.14 It states that a local authority shall have power to acquire compulsorily any land in their area *“if the authority think that the acquisition will facilitate the carrying out of development/re-development or improvement on or in relation to the land.”*
- 3.15 Under section 226(1A), the power must not be exercised unless members think that the development, re-development or improvement of land is likely to contribute to the achievement of the promotion of improvement of the social, economic and/or environmental well-being of the area.
- 3.16 The exercise of the section 227 power, to acquire land by private treaty ahead of vesting under the CPO, is for the same planning purpose.
- 3.17 The Council should also have regard to the CPO Guidance<sup>1</sup> published by the Government.
- 3.18 Paragraph 1 of the CPO Guidance states
- “Compulsory purchase powers are an important tool to use as a means of assembling the land needed to help deliver social, environmental and economic change. Used properly, they can contribute towards effective and efficient urban and rural regeneration, essential infrastructure, the revitalisation of communities, and the promotion of business – leading to improvements in quality of life.”*
- 3.19 Paragraph 2 of the CPO Guidance goes on to state
- “Acquiring authorities should use compulsory purchase powers where it is expedient to do so. However, a compulsory purchase order should only be made where there is a compelling case in the public interest”* and that authorities *“should be sure that the purposes for which the compulsory purchase order is made justify interfering with the human rights of those with an interest in the land affected”*.
- 3.20 Compulsory purchase is intended as a last resort to secure land assembly. However, the CPO Guidance does acknowledge that given the length of time it can take to secure a CPO, it can be sensible to plan for and initiate the formal CPO process alongside the negotiation process.
- 3.21 In terms of process, the Council can make the CPO (once authorised) but before it can be implemented, it will require confirmation from the Secretary of State unless no objections are made or are not withdrawn, in which event the Council can confirm the CPO itself.
- 3.22 In the event that the CPO is made and objections are made and not withdrawn, it is likely that a public inquiry will be held and a planning inspector appointed to consider whether to confirm the CPO or to make a recommendation to the Secretary of State whether to confirm.

---

<sup>1</sup> "Guidance on Compulsory Purchase process and The Crichel Down Rules" – July 2019

- 3.23 Paragraph 105 of the CPO Guidance acknowledges that it may not always be *"feasible or sensible to wait until the full details of the scheme have been worked up, and planning permission obtained before proceeding with the order."* Accordingly, the guidance recognises that it is not necessary for planning permission to have been issued for the proposed scheme before an order can be made.
- 3.24 The CPO Guidance identifies that the Council will need to be able to demonstrate that there are sufficiently compelling reasons for the powers to be sought at this time, this should include:
- (a) a clear idea of how it intends to the use land proposed to be acquired; and
  - (b) show that all necessary resources are likely to be available to achieve that end within a reasonable timescale.
  - (c) that the development is unlikely to be blocked by any physical or legal impediments to implementation (for example a need for planning permission or other consent or licence).
- 3.25 The factors which the Secretary of State will consider in deciding whether to confirm an order made pursuant to Section 226(1) (a) of the Town and Country Planning Act 1990 include:
- (a) whether the purpose for which the land is being acquired fits in with the adopted Local Plan for the area, or, when no such up to date Local Plan exists, with the draft Local Plan and NPPF.
  - (b) the extent to which the scheme will contribute to the achievement of the economic, social and/or environmental well-being of the area.
  - (c) whether the purpose for which the Order land is to be acquired could be achieved by any other means.
  - (d) the potential financial viability of the scheme for which the land is being acquired. The Guidance states that "a general indication of funding intentions, and of any commitment from third parties will usually suffice to reassure the Secretary of State that the scheme will proceed".
- 3.26 Acquisitions of land for planning purposes under section 226 or 227 of the Town and Country Planning Act 1990 (TCPA) will engage Sections 203 to 205 of the Housing and Planning Act 2016 (**2016 Act**) where other qualifying criteria are satisfied (see below). This authorises the interference with relevant rights and converts the right to an injunction (blocking development) to a right to compensation (under Section 204 of the 2016 Act) on a reduced statutory basis (which reflects the reduction in property value) for any infringement.
- 3.27 It is likely that a stopping up order will be required as part of the proposals in relation to highway and/or footways. This will need to be applied for to the Secretary of State and can be applied for in advance of or post planning permission. Officers will liaise with the Developer to manage the timing of that

process in conjunction with the CPO process. There are not expected to be any impediments to the securing of a stopping up order.

#### **4. FINANCIAL DETAILS / VALUE FOR MONEY.**

- 4.1 All costs associated with the CPO process and acquisition costs (including compensation costs and reasonable internal costs) will be borne by the Developer under the proposed CPO Indemnity Agreement. The draft form of the CPO Indemnity Agreement allows for the following:
- i. Denhead S.A.R.L. as developer is to pay the Council funds for all estimated costs, in advance on a forecasted quarterly basis; these funds will be put on deposit and available as and when needed.
  - ii. Indemnity/obligations to pay in relation to any blight notices/advance payment requests.
  - iii. The Council is not obliged to acquire any interests following a confirmed CPO until the Developer has first deposited the properly assessed compensation monies with the Council together with an additional contingency.
- 4.2 It is considered therefore that the Council's risk to exposed financial liability is kept to a minimum subject to the CPO Indemnity Agreement first being entered into before the Order is made. A copy of the draft Deed of Indemnity is contained in Appendix A.

#### **5. LEGAL IMPLICATIONS**

- 5.1 SLS and Denton's have been instructed by the Council to conclude the Deed of Indemnity Agreement with the Developer Denhead S.A.R.L. The costs of this are to be met by the developer.
- 5.2 Specialist CPO solicitors and surveyors will be appointed to undertake the necessary professional work and negotiations with all cost to be met by the developer.
- 5.3 The CPO process is governed by law, principally the Acquisition of Land Act 1981. There is a public and lawful process which must be followed by the Council to secure the confirmation of CPO powers. Additionally, the CPO Guidance gives further direction on the required process and relevant considerations to be considered.
- 5.4 Under section 226(1)(a) of the TCPA the Council, if authorised by the Secretary of State for Communities and Local Government, has the power to acquire land compulsorily where it thinks that the acquisition will facilitate the development, redevelopment or improvement of land. Section 226(1A) provides that the Council may only use this power if it thinks that doing so will contribute to the achievement of the economic, social, and environmental well-being of the area. Members must therefore address these questions when deciding whether to authorise the use of the CPO powers. The Section

3 explains the justification for the use of the Council's compulsory purchase powers.

- 5.5 Also, under section 13 of the Local Government (Miscellaneous Provisions) Act 1976 the Council can acquire new rights over land. Members will see that there are areas of land shaded blue on the plan at Appendix 1, which identifies the land which is not needed permanently for the development, but which are needed for the purposes of access, crane oversailing and to carry out works.
- 5.6 The Secretary of State will only confirm the CPO if he or she is satisfied that there is a compelling case in the public interest to do so. Officers consider that a robust case can be presented, with section 3 setting out how the tests set under the CPO Guidance are met.
- 5.7 The Developer and Council, through a jointly appointed CPO surveyor, have been in discussions with those whose land and interests are required. Efforts to acquire the land and interests by agreement will take place, but without the use of CPO powers it will not be possible to acquire all the required land and interests within a reasonable timeframe.
- 5.8 Those who wish to object to the CPO may do so and are entitled to be heard at a public inquiry held to consider the case for, and the objections to, the CPO. Those whose land and interests are acquired will be entitled to compensation calculated based on legislation and related case law known as the "Compensation Code".
- 5.9 Consideration must also be given to the interference with rights protected by the Human Rights Act 1998, including Article 8 (respect for private and family life and home), and Article 1 (the right to peaceful enjoyment of possessions) of the European Convention on Human Rights. A decision to make a CPO must strike a proportionate balance between the public interest associated with the regeneration of the land and the interference with private rights. With the implementation of relocation strategies; the attempts to acquire by agreement; the fact that parties will receive fair compensation under the "Compensation Code", and the fact that there is a compelling case in the public interest for the exercise of the Council's CPO powers, it is considered that the interference with the private rights of those affected that would be the inevitable result of the exercise of compulsory purchase powers conferred by the CPO would be lawful, justified and proportionate.

## **6. RISK MANAGEMENT**

- 6.1 There is limited risk for the Council as all associated costs will be indemnified by Denhead S.A.R.L.
- 6.2 Councils are often called upon to exercise their powers of CPO to enable regeneration in their area of operation. Council officers will ensure that appropriate external specialist have been appointed, and that the CPO process is undertaken according to the relation legislation.

**Table 2: Impact of risk and mitigation**

<b>Risks</b>	<b>Uncontrolled risk</b>	<b>Controls</b>	<b>Controlled risk</b>
<b>LOW</b> Challenge to CPO	NO	Preparation of a CPO and related documents is a technical and complex area, carrying a risk of challenge. However, the Council has retained experienced and expert external legal advice and the documents have been reviewed by leading counsel.	YES
<b>LOW</b> Affected Parties not being identified	NO	A specialist lands referencing firm has been appointed to undertake the land referencing exercise to mitigate against this risk. The discussions being held by the Developer and CPO Surveyor with those affected when seeking to acquire their land and interests also help to identify the parties with interests in the area.	YES
<b>MEDIUM</b> Cost	NO	The cost of preparing the CPO and any compensation related to the compulsory purchase of land / new rights, or the interference with existing rights, fall on the Developer and may be the subject of security. As such, the Council is protected.  There is a risk that owners and occupiers will seek sums more than the estimates for the costs of land acquisition. This risk has been mitigated through the receipt of professional valuation advice and the setting of	YES

Risks	Uncontrolled risk	Controls	Controlled risk
		appropriate budgets. An indemnity in relation to all costs arising out of the CPO process and compensation payments will be provided to the Council by the Developer through the CPO Indemnity Agreement. The CPO process will not be commenced until this agreement is in place.	
<b>LOW</b> CPO not confirmed by Secretary of State		There is a small risk that the Secretary of State does not confirm the Order. Experienced professionals have been instructed to present the strongest case, including leading Counsel.	

## 7. POTENTIAL IMPACTS

7.1 The Equality Act 2010 place a duty on the Council, in the exercise of its function, to have due regard to the need to-

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

7.2 The relevant protected characteristics are:

- a. Age
- b. Disability
- c. Gender reassignment
- d. Pregnancy and maternity

- e. Race
  - f. Religion or belief
  - g. Sex
  - h. Sexual orientation
- 7.3 An Equality Impact Assessment screening form has been completed and is available on the [council's website](#).
- 7.4 This report has considered the Equality Act 2010 and how it proposes are designed to reduce the inequalities of outcome which result from socio-economic disadvantage. The Council is committed to improving the quality of life and wider participation for all the economic, educational, cultural, and social and community life within the Borough. This is achieved by pursuing successful regeneration of the Borough's regeneration areas, in this instance Colindale. This benefits all sections of society by directly addressing the shortage of housing in the Borough across all tenures.
- 7.5 Consultation has and will continue to be undertaken with residents and the wider community to ensure that the Development reflects local needs (as far as practicable) and that affected third parties are kept informed of the development programme.
- 7.6 The duty under the Equality Act 2010 is a continuing one, and "due regard" means the regard that is appropriate in all the circumstances. It is not a duty to take specific steps, not to achieve results. A public body needs to be satisfied that it has sufficient information to make informed decisions.
- 7.7 Having had due regard to its duty under the Equality Act 2010 the Council is confident that facilitating the delivery of the scheme will contribute towards the social, economic, educational and cultural improvements for existing and future residents of the Borough. It will also increase levels of social inclusion within a mixed and diverse community.

#### Human Rights

- 7.8 In reaching their decision, members should take account of the provisions of the Human Rights Act 1998. As a public authority, the Council must not act in a way which is incompatible with a Convention right protected by the Human Rights Act 1998. As outlined above, in officers' view there are strong grounds on which to conclude that there is a compelling public interest sufficient to justify interfering with the human rights of those with an interest in the Order Land, in compulsorily acquiring the third party interests and interference with third party rights. The proposed Order does not include the acquisition of any residential properties.



- 7.9 Human rights protected by the 1998 Act of particular importance to the decision on compulsory purchase are those under Articles 6 and 8 and Article 1 of the First Protocol of the Convention.
- 7.10 Articles 6 provides:
- "In the determination of his civil rights and obligations or of any criminal charge against him, everyone is entitled to a fair and public hearing within a reasonable time by an independent and impartial tribunal established by law"*
- 7.11 The statutory procedures require that all those likely to be affected by the Order are notified and given an opportunity to object. If there are objections the Secretary of State will arrange a public local inquiry so that their objections can be heard (unless all parties agree to the written representations procedure). The legislation provides for the statutory review in the event of challenge to the decision of the Secretary of State on confirmation of the Order. Disputes over compensation can be referred for hearing to the Lands Chamber of the Upper Tribunal. Taken together, the availability of these procedures satisfies the requirements of Article 6.
- 7.12 Article 1 of the First Protocol provides
- "Every natural or legal person is entitled to the peaceful enjoyment of his possessions. No one shall be deprived of his possessions except in the public interest and subject to the conditions provided for by law and the general principles of international law."*
- 7.13 Article 1 of the First Protocol again indicates that compulsory purchase must strike a fair balance between the public interest and the private rights protected by Article 1, equivalent to proportionality under Article 8.
- 7.14 For the reasons set out above, it is considered that there is a compelling case in the public interest for the Order to be made and this satisfies the requirements of proportionality and fair balance.
- 7.15 Data Protection/GDPR - All personal data, that is captured under GDPR will be processed and stored by Denhead S.A.R.L. and their specialist consultants. The council will not hold any unnecessary information, other than that associated with the outstanding land ownership, as part of the CPO process.
- 7.16 Staff resources will be allocated to deal with this project from the Council's property company.

## 8. CONSULTATION

- 8.1 Extensive public consultation has been held by the developer Denhead S.A.R.L. prior to submitting the planning application.
- 8.2 The developer Denhead S.A.R.L. has engaged and consulted with leaseholders and property owners on their proposals and entered negotiations to acquire the necessary interests to proceed with the development.
- 8.3 Denhead S.A.R.L. will continue to negotiate with the remaining landowners and tenants to come to a naturally beneficial conclusion in the hope that the need for a final tribunal is not necessary. However, the CPO process will be prepared on the basis that this may well need to be implemented and carried all the way to its natural conclusion, should an agreement for settlement not be reached.

## 9. TIMETABLE FOR IMPLEMENTATION

Implementation date if not called in: Immediately

The full implementation stages are set out in table 3.

**Table 3: Implementation timetable**

Date	Details
April – May 2021	Land Referencing
June 2021	Submit CPO to Secretary of State
June 2021	Serve CPO Notices
November/December 2021	Anticipated date of Public Inquiry
April 2022	Secretary of State Decision

## 10. APPENDICES

This report is supported by 3 appendices:

- Appendix A – Draft Compulsory Purchase Order Deed of Indemnity
- Appendix B – Draft Statement of Reason
- Appendix C – Plans of Interests to be Acquired

## 11. BACKGROUND DOCUMENTS

**This report is supported by 1 background document:**

- Equality Impact Assessment Screening Form

## 12. CONSULTATION (MANDATORY)

Name of consultee	Post held	Date sent	Date returned
Cllr Johnson	Lead Member for Business, Economic Development and Property	11/02/21	11/02/21
Duncan Sharkey	Managing Director	11/02/21	12/02/21
Adele Taylor	Director of Resources & S151 Officer	11/02/21	23/02/21
Andrew Vallance	Head of Finance	11/02/21	
Emma Duncan	Deputy Director Law & Governance & Monitoring Officer.	11/02/21	
Elaine Browne	Head of Law	11/02/21	15/03/21
Nikki Craig	Head of HR, Corporate Projects, and IT	11/02/21	17/02/21
Louisa Dean	Communications and Marketing Manager	11/02/21	
Kevin McDaniel	Director of Children's Services	11/02/21	11/02/21
Hilary Hall	Director of Adults, Health & Commissioning	11/02/21	12/02/12
Karen Shepherd	Head of Governance	11/02/21	
	Other e.g. external		

## REPORT HISTORY

<b>Decision type:</b> Key decision Date it was first entered into the Cabinet Forward Plan: 22 <sup>nd</sup> June 2020	Urgency item? No	To Follow item? No
Report Author: Chris Pearse, Head of Capital Projects, and Asset Management, RBWM Property Company Limited 01628 796761		



## Appendix A – Draft Deed of Indemnity

DRAFT

## CPO Deed of Indemnity

### Dated

**Denhead S.À R.L.**  
(the Developer)

**Royal Borough of Windsor and Maidenhead**  
(the Council)

Dentons UK and Middle East LLP  
One Fleet Place  
London EC4M 7WS  
United Kingdom  
DX 242

DRAFT

## Contents

1	Interpretation	1
2	Statutory Powers and Council's Obligation	10
3	The Costs	10
4	Payment of Costs	11
5	Acquisitions by Private Treaty	13
6	Dealings in the Council's Land	14
7	Blight Notices	14
8	The RCO	16
9	Making the CPO	16
10	Confirmation of the CPO	18
11	Acquisition by/vesting in the Council	21
12	Acquisition Costs payable to Third Parties and Claimants	23
13	Role of the Selected Agent	25
14	Option Structure	25
15	Cessation of Deed	26
16	Notices	26
17	Expert Determination	27
18	VAT	28
19	Council's Powers as Local Planning Authority	29
20	Contracts (Rights of Third Parties) Act 1999	29
21	Jurisdiction	29
22	Council's Legal Costs	29
23	Assignment	29
24	Good Faith	30
25	Confidentiality	30
	Appendix 1 – Plan	33
	Appendix 2	34



# Deed of Indemnity

## Dated

## Between

- (1) **Denhead S.À R.L (the Developer)** a limited company (*societe a responsabilite limitee*) governed by the law of the Grand Duchy of Luxembourg having its registered office at 15 Boulevard F.W. Raiffesisen, L-2411 Luxembourg, registered with the Luxembourg *Registre de commerce et des societes* under number B232225
- (2) **Royal Borough of Windsor and Maidenhead (the Council)** of Town Hall, St Ives Road, Maidenhead SL6 1RF;

## Recitals

- A The Developer proposes to carry out the Development and is the freehold owner of part of the Site known as the Nicholson's Shopping Centre in Maidenhead.
- B The Council is prepared to consider supporting the necessary land acquisition by promoting and making a CPO under Section 226(1)(a) of the 1990 Act in order to secure the necessary Additional Interests and facilitate the Development on the basis that it is indemnified by the Developer on the basis as provided for in this Deed.
- C The Council is also prepared to take in land and interests owner by the Developer under arrangements separate from the CPO for the purposes of extinguishing third party rights pursuant to section 203 of the 2016 Act.
- D The Developer acknowledges that by the Council entering into this Deed, the Council cannot fetter its discretion to make or exercise its CPO powers. The making of the CPO will always be subject to it being properly authorised by the Council's members and the Council being satisfied pursuant to the Guidance that there is a compelling case in the public interest for such CPO to be made
- E The Developer also acknowledges that the Council will require to be put in funds in advance of incurring any CPO costs and that payment will be made pursuant to a Cost Demand in advance of such costs being incurred by the Council.
- F On the basis that the Developer continues to seek acquire (so far as is reasonably practicable) the Additional Interests by private treaty negotiation, working with the Council to undertake such negotiations and (if appropriate) making such acquisitions and there being a Planning Permission the Council is willing to seek authority to make, promote and implement the CPO in respect of the Additional Interests.

## It is agreed:

### 1 Interpretation

- 1.1 In this Deed the following words and expressions shall unless the context requires otherwise have the following meanings:

**1976 Act** means the Local Government (Miscellaneous Provisions) Act 1976

**1981 Act** means the Acquisition of Land Act 1981

**1990 Act** means the Town and Country Planning Act 1990

**2016 Act** means the Housing and Planning Act 2016

**Acceptable CPO** means a Confirmed CPO confirmed by the Secretary of State with modifications which the Developer is reasonably satisfied will enable the Development to be constructed in its entirety and brought into beneficial use

**Acquisition Costs** means subject to Clause 3.2 all costs and expenses incurred in accordance with the CPO Compensation Code, the aggregate of all compensation costs and expenses payable to all Third Parties and Claimants and all administrative project management acquisition professional and/or other costs and expenses reasonably and properly incurred or to be incurred by the Council arising from or in connection with the preparation for and the making and obtaining confirmation of and the implementation of the CPO [and any RCO] (whether the same are (where relevant) agreed with the relevant Third Party or Claimant or determined by the Lands Tribunal or a court or other competent third party) including without limitation:

- (a) the purchase price or any compensation for or in respect of any Additional Interests which the Council acquires:
  - (i) pursuant to the CPO; or
  - (ii) as a result of any Blight Notice; or
  - (iii) by private treaty;
- (b) any payment under the Compulsory Purchase Act 1965 or the Land Compensation Acts 1961 and 1973 made as a result of the acquisition of or interference with any land interest or right within or over the CPO Land (including for the avoidance of doubt any payment pursuant to sections 23-29 of and Schedule 3 to the Land Compensation Act 1961);
- (c) any statutory interest and any costs payable to any Third Party or Claimant (including without limitation interest which may be payable by virtue of the Council taking possession of any land or interest referred to in paragraph (a) and (b) of this definition before the amount of any payments referred to in those paragraphs have been agreed);
- (d) any legal valuation or other costs and expenses payable to a Third Party or Claimant;
- (e) all disturbance and home loss payments to which any Third Party or occupier is entitled;
- (f) occupiers and business loss payments payable to a Third Party or Claimant;
- (g) the purchase price and any compensation (including any payment for severance or injurious affection) payable as the result of the severance of land in common ownership and the costs of accommodation works the Council is required to carry out as a result of the CPO in respect of land not included in the CPO and not otherwise acquired by the Council;

- (h) any Advance Payment;
- (i) any compensation payment pursuant to sections 203 and 204 of the 2016 Act together with any SDLT and any other tax liabilities which the Council may incur as a consequence of exercising its powers under S203 (including Appropriation where applicable) and the transfer of an interest to the Developer following the use of those powers;
- (j) any compensation payable for depreciation payable under Part I of the Land Compensation Act 1973 as a result of physical factors caused by the use of public works comprised in the Development;
- (k) all payments arising from or in connection with any RCO;
- (l) subject to Clause 18, a sum or sums equal to any irrecoverable VAT in respect of any of the Acquisition Costs save to the extent that the Council is entitled to obtain repayment or credit in respect of the same; and
- (m) any additional costs the Council incurs as a result of the Developer refusing to approve any payments or delaying approval of that payment or failing to provide the Council with necessary funds to make payment on the day it is due.

but excluding any CPO Costs

**Acquired Land** means any interest in the Additional Interests acquired by private treaty by the Developer or pursuant to Clause 7 by the Council

**Additional Interest(s)** means all Third Party Land Interests Third Party Rights and any New Rights required to facilitate the Development

**Advance Payment** means any payment which the Council is required to make in respect of the CPO Land under sections 52, 52A [and 52B] of the Land Compensation Act 1973 (as amended)

**Application** means the hybrid planning application (part-outline, part-full) application reference 20/01251/OUT for comprehensive mixed-use redevelopment of the Site and any subsequent replacement alteration variation or amendment of the same required for the Development.

**Appropriation** means appropriation of Council Interests for planning purposes by the Council pursuant to section 122 of the Local Government Act 1972 in respect of land within the Site owned by it but not held for planning purposes relevant to the purpose of the CPO and the term "**Appropriate**" shall be construed accordingly.

**Approved Expenditure** means in respect of the Acquisition Costs:

- (a) the estimate set out in the Compensation Schedule or as otherwise may be agreed with the Developer plus a contingency equivalent to 10% of those estimated Acquisition Costs; or
- (b) the amount determined under Clause 17 (Expert Determination); or
- (c) the amount determined by the Lands Tribunal or the amount settled by the Developer in the course of negotiations after making a reference to the Lands Tribunal; or

- (d) the amount of any other full and final settlement reached by the Developer in relation to any interest in the Additional Interest with the Council's approval.

**Blight Notice** means a notice served on the Council under Part VI of the 1990 Act in respect of any Additional Interest

**Claimant** means a person entitled to the payment of compensation as a consequence of the making of and/or implementation of the CPO and/or the exercise of the Council's powers pursuant to Section 203/204 of the 2016 Act and/or upon Commencement of the Development who is not a Third Party

**Commencement** means the commencement of the Development pursuant to the Permission by the carrying out of a "material operation" (as defined in section 56(4) of the 1990 Act) save that for the purposes of this Deed works of demolition site clearance and levelling decontamination remediation and the erection of security fencing shall not be included (and "**Commence**" and "**Commenced**" shall be constructed accordingly)

**Compensation Schedule** means the schedule to be prepared by the Developer and approved in writing by the Council being a schedule of estimated Acquisition Costs as revised from time to time in accordance with Clause 12

**Conditions** means any of the following conditions:

- (a) the expiry of the challenge period for the grant of the Planning Permission without a challenge being commenced or if commenced the date on which all relevant proceedings are exhausted and a Planning Permission is granted or upheld;
- (b) the expiry of the challenge period for the confirmation of the CPO without challenge or the ultimate determination of any challenge against the confirmation of the CPO leaving intact an Acceptable CPO;

**Confirmed CPO** means any CPO as confirmed by the Secretary of State (or by the Council if the Secretary of State so allows)

**Council External Costs** means only the reasonable and proper costs incurred by the Council for goods and/or services relating to the making and implementation of the CPO and all other matters contemplated by this Deed supplied by third parties including legal, surveying, Counsel's fees and other professional costs incurred in accordance with clause [3.2.2].

**Council Internal Costs** means only the Council's reasonable and proper internal costs incurred in accordance with clause [3.2.1]

**Council Interests** means any land or interests held by the Council within the Site

**Costs** means subject to Clause 3 the CPO Costs and Acquisition Costs

**Costs Demand** means a quarterly or six monthly written demand of the Costs anticipated to be incurred by the Council in a relevant quarter or six months which is consistent with the costs plan prepared and approved in accordance with clause 2.4(d).

**Counsel** means a barrister who is a member of the Planning and Environmental Bar Association of at least ten (10) years post qualification experience or such other suitably experienced barrister as the parties may from time to time agree

**CPO** means a compulsory purchase order or orders to be made pursuant to Section 226 of the 1990 Act to acquire the Additional Interests

**CPO Compensation Code** means the principles derived from the body of statute and case law and established practice applicable to the ascertainment, payment or determination of compensation in relation to compulsory acquisition including (but not limited to) the Land Compensation Acts of 1961 and 1973, the Compulsory Purchase Act 1965, the Planning and Compensation Act 1991, the Planning and Compulsory Purchase Act 2004 and the Planning Act 2008 (as subsequently amended by the Housing and Planning Act 2016 and the Neighbourhood and Planning Act 2017)

**CPO Costs** means subject to Clause 3.2, all reasonable and proper costs, fees and expenses reasonably and properly incurred or to be incurred by the Council (including Council External Costs and Council Internal Costs in accordance with the terms of this Deed arising from or as a consequence of:

- (a) the preparation (including land referencing and other preparatory procedures) and making and obtaining confirmation of and the implementation of the CPO including the costs of any assessments or studies required to be undertaken to support the CPO process;
- (b) the negotiation for and acquisition of any Additional Interests by agreement in advance of confirmation of the CPO or in advance of the GVD or notice to treat (including costs and any acquisition made consequent on any Blight Notice or purchase notice);
- (c) the holding and management of any Additional Interests;
- (d) the preparation (including without limitation land referencing and other preparatory procedures) and making and obtaining confirmation of and the implementation of the CPO;
- (e) the negotiations for the payment of compensation to Third Parties and Claimants and other matters relating to the acquisition of any Additional Interests including necessary relocation arrangements;
- (f) implementing the Sheriff's warrant procedure necessary to secure vacant possession;
- (g) the rehousing by the Council of any person displaced from a dwelling in consequence of the Council compulsorily acquiring any Additional Interests;
- (h) the service of notice to quit on any tenant of the Council occupying land where possession is required in order to implement the Development;
- (i) all costs incurred in relation to service of any Notices to Treat, Notices of Entry, GVD;
- (j) the costs of security for the Additional Interest (if acquired by the Council) and hoarding costs, utility disconnection, utility removal costs and payment of empty property council tax and/or business rates (as applicable)
- (k) the costs of removing any squatters and/or unlawful occupiers of the Additional Interest

including (without limitation):

- (i) all legal (including Counsel's fees), surveyors', valuation, land referencing, advertising, project management and other professional costs and disbursements;
- (ii) all SDLT and HM Land Registry fees and other disbursements arising out of the acquisition holding and management of any Additional Interests and the disposal of any Additional Interests pursuant to this Deed;
- (iii) all outgoings in respect of any Additional Interests acquired by the Council such as (but not limited to) the payment of rent, insurance, and service charge but not for repairs and maintenance unless such costs have first been approved in writing by the Developer;
- (iv) all costs charges and expenses in connection with (or in anticipation of) prosecuting or defending (including taking advice from Counsel in connection with) any of the following:
  - (aa) any appeal or application for judicial review in respect of the confirmation, non-confirmation or partial confirmation of the CPO or the making of a GVD or service of a notice to treat or notice of entry;
  - (bb) any reference to the Lands Tribunal or court for the determination of the statutory compensation payable in respect of the acquisition of any Additional Interests;
  - (cc) any reference to the Lands Tribunal following the service of a Blight Notice;
  - (dd) any other claim reference or proceedings in connection with or arising out of the CPO process (including any Public Inquiry or reference to the Expert for the determination of any dispute as provided in this Deed) including any court challenge to the Council's decision to make, proceed or implement the CPO of the Secretary of State's decision to confirm the CPO (in whole or part);
- (v) mediation or other costs associated with any alternative dispute resolution process connected with the CPO or the RCO and/or any objection thereto;
- (vi) all costs expenses and other monies awarded against the Council in connection with or arising out of any Public Inquiry, Lands Tribunal reference, appeal, judicial review and any other claim or litigation (including any reference to the Expert for the determination of any dispute as provided for in this Deed); and
- (vii) subject to Clause 18, a sum or sums equal to any VAT in respect of any of the CPO Costs save to the extent that the Council is entitled to obtain repayment or credit in respect of the same

but excluding the Acquisition Costs and provided further that the Council shall seek to minimise the duplication of any CPO Costs under item (k(i)) (above) to the extent it is reasonably practicable to do so.

**CPO Land** means the land (and each and every part of it) in or over which Additional Interests are to be acquired pursuant to the CPO

**Deed** means this deed of indemnity

**Deliverable CPO** means a CPO for which Counsel has provided a written opinion or confirmed verbally that there is a 50% (or better) chance of success that the CPO will be confirmed

**Development** means the development permitted by the Planning Permission

**Designated Account** means the bank account held by the Council into which the Costs are to be paid and identified pursuant to Clause 2.4(a)

**Developer's Interests** means those interests in land or in rights in the Site which are from time to time held by the Developer

**Developer's Notice** means the written notice to be served by the Developer on the Council requesting the Council commence the CPO process

**Development** means the construction on the Site of the development permitted by the Planning Permission

**Drawdown Notice** means such notice or notices to be served by the Developer on the Council from time to time during the lifetime of the CPO and such notices shall:

- (a) identify the Third Party Land Interests to be acquired by GVD;
- (b) identify any Third Party Land Interests or Third Party Rights to be acquired by Notice To Treat/Notice to Enter (if applicable);
- (c) identify any New Rights to be acquired;
- (d) the proposed timetable for acquiring such interests as identified in the relevant Drawdown Notice (having regard to any administrative processes the Council may need to undertake in order to comply with the Drawdown Notice); and
- (e) confirm the Approved Expenditure has been deposited with the Council.

and any Drawdown Notice shall always be consistent with the agreed Vesting Strategy

**Expert** means a person appointed pursuant to Clause 17

**Guidance** means the document issued by the Department for Communities and Local Government titles "*Guidance on Compulsory Purchase Process and The Crichel Down Rules* published July 2019 (as subsequently amended or replaced).

**GVD** means a notice or notices in "Form 2" in relation to a general vesting declaration served under the Compulsory Purchase (Vesting Declarations) Act 1981 by the Council pursuant to the CPO

**Highway Authority** means the highway authority as determined in accordance with section 1 of the Highways Act 1980

**Land Swap Agreement** means the agreement between the Developer and the Council dated 12 February 2020 and any documents supplemental to or varying such agreement from time to time.

**Lands Tribunal** means the Lands Chamber of the Upper Tribunal or the successor to its functions insofar as they are relevant to this Deed

**Letter of Reliance** means the letter to be procured by the Developer from the Selected Agent in favour of the Council substantially in the form at Schedule 1

**Longstop Date** means (unless the parties otherwise agree) the date [\*\* ] years from the date of this Deed or \*\* years from the Unchallenged Date whichever shall occur first

**New Rights** means any right (or easement) as the Developer reasonably considers is required to be obtained (or overridden) in order to Commence carry out and complete and operate the Development and/or use the same following completion from any Third Party having an interest in any property or otherwise having the benefit of any right whatsoever affecting the Site or the Development and which are capable of being acquired under Section 13 of the 1976 Act or extinguished by the operation of the CPO

**Notice of Entry** means a notice of entry pursuant to Section 11 of the Compulsory Purchase Act 1965

**Notice of Treat** means a note to treat served pursuant to Section 5 of the Compulsory Purchase Act 1965

**Option Structure** means the structure for the disposal of the Developer's Interests and/or Additional Interests and/or Acquired Land for the Development and related agreements the approved drafts of which are set out in Appendix 2 and reference to "Leaseback" in Clause 23 (Assignment) shall have the meaning as given to that term in such agreements.

**Planning Permission** means the planning permission granted pursuant to the Application

**Plan** means the plan annexed to this Deed as Annexure 2

**Pre-Existing Costs** means all costs, fees and expenses (including Counsels Fees and Council's Internal Costs) incurred by the Council in connection with and in preparation for the making of the CPO prior to the date of this agreement in the sum of £X [XX Thousand Pounds] to be paid by the Developer to the Council on execution of this Deed

**Programme** means the Developer's summary programme as shall from time to time be approved by the Council for making, promoting and implementing the CPO

**Public Inquiry** means a public local inquiry or inquiries held by the Secretary of State to consider objections (or via the use of written representations) before determining whether or not to confirm the CPO and (if applicable) the RCO

**RCO** means an order or orders made under Part X of the 1990 Act or under the Highways Act 1980 to facilitate the temporary and/or permanent stopping up, closure diversion and/or pedestrianisation of any highway, footpath or public walkways or other public rights of way required to facilitate the Development



**Relevant Income** means interest received by the Council on moneys from time to time standing to the credit of the Designated Account and any rent or other income received from time to time as a result of the holding or ownership of any Additional Interests

**Secretary of State** means the Secretary of State for Communities and Local Government or any replacement minister exercising the current powers of the Secretary of State relating to the discharge of powers under the 1990 Act and the 1981 Act

**Selected Agent** means Newsteer the Developer's appointed agent (with a Letter of Reliance to the Council) (or such other agent agreed with the Council)

**Site** means the land and buildings shown edged red on the Plan

**Third Party** means any person owning Third Party Land Interests or Third Party Rights or from whom a New Right is to be acquired and (if applicable) the successors in title to such person

**Third Party Land Interests** means any freehold or leasehold interests in or tenancy within the Site which are not owned or controlled by or vested in the Developer or the Council at the date of this Deed and are required to be acquired to facilitate the carrying out completion and maintenance (or use and enjoyment) of the Development

**Third Party Rights** means any rights of way light and air or other easements of any nature whatsoever covenants and other interests not vested in the Council or Developer in or over beneath or affecting any part of the Site which would be infringed by the Development or would adversely affect or in any way prevent or impede the carrying out completion and maintenance of the Development (or its use and enjoyment)

**Unchallenged Date** means the expiry of the statutory period in relation to a Confirmed CPO leaving it free from any proceedings or statutory challenge

**VAT** means value added tax within the meaning of the Value Added Tax Act 1994

**Vesting Strategy** means the Developer's summary programme as shall from time to time be provided to the Council for implementing the CPO and acquiring the Additional Interests such strategy to be first discussed and agreed with the Council pursuant to the requirements of Clause 10.2

**Working Days** means any day except Saturday Sunday or other public holidays in England

- 1.2 In this Deed unless the context requires otherwise references to the singular include the plural and *vice versa*; references to persons shall include bodies corporate and *vice versa*; and references to clauses and to schedules shall be construed as references to clauses and schedules of this Deed unless expressly provided otherwise.
- 1.3 The expression "the Council" shall include its statutory successor in respect of the functions to which this Deed relates.
- 1.4 References to statutes or statutory provisions include that statute or provision as amended modified re-enacted or replaced from time to time and any order, instrument or regulation made or issued under it or deriving validity from it.
- 1.5 Where any approval, consent, agreement is required to be given or action taken or discretion exercised pursuant to the terms of this Deed it shall be in writing and (unless expressly stated

to the contrary) shall not be unreasonably withheld or delayed and for the avoidance of doubt "in writing" shall include written instructions sent by email on or behalf of the Parties either by their employees, officer the Selected Agent and/or the Council or the Developer's solicitors.

- 1.6 Headings in this Deed are for convenience only and shall not affect the construction of this Deed.

## **2 Statutory Powers and Council's Obligation**

- 2.1 This Deed is made pursuant to Section 1 of the Localism Act 2011 and all other powers so enabling.

- 2.2 Subject to Clause 2.3, the Council agrees and undertakes to the Developer that it will take all reasonable steps as soon as reasonably practicable to seek authority to make and promote the CPO (including the engagement of Section 203 of the 2016 Act by Appropriation or acquisition for planning purposes pursuant to s227 of the 1990 Act as appropriate) and subject to such authorisations make and promote the confirmation of the CPO having regard to the Programme and if the CPO is confirmed (subject to the requirements of this Deed) to compulsorily acquire the Additional Interests.

- 2.3 The Council will not be required to take any further step or action pursuant to Clause 2.2 or otherwise in accordance with this Deed if the Developer has not served the Developer's Notice; and further, if following service of the Developer's Notice:

- (a) Counsel has advised the Council that it is not a Deliverable CPO; or
- (b) the Developer fails to pay to the Council the Costs in accordance with this Deed (until such payment is received in full by the Council).

- 2.4 The Council shall:

- (a) identify the Designated Account into which all Costs will be paid. Any interest earned on the account shall belong to the Developer absolutely;
- (b) supply quarterly to the Developer the details of the entries in the Designated Account for the relevant month(s);
- (c) reply promptly to the Developer's written enquiries in relation to the Designated Account;
- (d) maintain a cost plan identifying the anticipated Costs and a cash flow forecast showing the anticipated dates of payment of such Costs in the cost plan and provide copies thereof to the Developer quarterly for approval by the Developer not less than 21 days before the date of issuing a Costs Demand pursuant to clause 2.4(e); and
- (e) issue the Costs Demand to the Developer on a quarterly or six monthly basis;

## **3 The Costs**

- 3.1 Subject to the provisions of this Deed, the Developer agrees to pay to the Council in accordance with this Deed all of the Costs as the Council shall incur and to indemnify the Council against all of the Costs provided that the Developer shall have no liability for Acquisition Costs incurred, or resulting from any action taken by the Council before the

Developer's Notice has been served on the Council (save for the Pre-Existing Costs) unless otherwise agreed in writing by the parties.

3.2 The obligations on the Developer to pay any Costs pursuant to this Deed or indemnify the Council pursuant to this Deed shall be subject always to those Costs being reasonably and properly incurred (by the Council or relevant Third Party) and in accordance with this Deed and PROVIDED FURTHER THAT:

3.2.1 The Council's Internal Costs referred to in this Deed shall be only the reasonable costs of time expended and disbursements incurred:

- (a) by the Council's own staff, employees, agents and officers whose prior identity has first been notified to and the hourly rates of whom must have first been approved in writing by the Developer (such approval not to be unreasonably withheld or delayed together with any internal administrative costs (including costs of Shared Legal Services Wokingham Borough Council where acting for the Council); and
- (b) in accordance with a scope of services and work streams for such officers which have been previously approved by the Developer (such approval not to be unreasonably withheld or delayed)

and the cost of time so expended shall be calculated at hourly rates set out in Schedule [APPEND DETAIL OF HOURLY RATES] and the Council shall provide to the Developer for approval detail of any annual increases to such rates (such approval not to be unreasonably withheld or delayed)

3.2.2 The Council's External Costs referred to in this Deed shall include only the cost of time expended and disbursements incurred:

- (a) in respect of external consultants and/or Counsel whose prior identity has first been notified to and the hourly rates of whom must first have been approved in writing by the Developer);
- (b) in accordance with a scope of services and workstreams for such appointed external consultants or Counsel which has first been approved by the Developer in writing (such approval not to be unreasonably withheld or delayed).

3.3 The Developer shall have no liability for any Costs incurred, or resulting from any action taken by the Council before the written request by the Developer is made to the Council pursuant to Clause 9.1(b) and unless such costs have been approved in advance by the Developer.

3.4 Where the Council takes either of the steps in Clause 11.1(a) or 11.1(b) before there is agreement for it to do so at a meeting held under Clause 10.2, the Developer shall not be liable for any Costs arising from the taking of such step.

#### **4 Payment of Costs**

4.1 The Developer shall pay an amount equal to the Acquisition Costs payable to the relevant Third Party or Claimant not exceeding the Approved Expenditure by cleared funds no later than three Working Days prior to the proposed date of payment by the Council to the relevant Third Party or Claimant PROVIDED THAT the Developer has had a minimum of 15 Working Days written notice of any such payment and the Council's actions in negotiating the relevant payment have been taken in accordance with this Deed.

- 4.2 Within 28 days of receipt of a Costs Demand to pay the requested sum to the Council.
- 4.3 All Cost Demands shall include a written description of the work and written evidence of the Costs incurred or proposed to be incurred for which the payment is sought or the interest in land that has been acquired or is being acquired and where a Cost Demand for a previous six months has been under-estimated, the Council shall be permitted to recover any additional Costs from a previous six months as part of such Cost Demand or shall be permitted to issue additional Costs Demands prior to the expiry of the six month period the Cost Demand was anticipated to cover.
- 4.4 The Parties agree that a separate Costs Demand may be issued by the Council in advance of making the CPO such Costs Demand shall be for any Compensation identified in the Compensation Schedule being payable in relation to possible Blight Notices.
- 4.5 Interest at the rate of [2% (two percent)] above the HSBC Bank base lending rate for the time being in force will be payable on any Costs due under this Deed by the party in default from the date on which payment becomes due until the date upon which payment is made by the party in default.
- 4.6 If any Costs are recoverable from any third party, the Council will use reasonable endeavours to recover them (if practicable to do so) and sums recovered (if already paid by the Developer) shall be credited to the Designated Account and set against the next Cost Demand, or to the extent that they exceed the Costs demanded in the next following Cost Demand, reimbursed by the Council to the Developer within no more than 10 Working Days following receipt of any such sum.
- 4.7 The Council shall pay all monies received pursuant to a Costs Demand and received Acquisition Costs into the Designated Account on receipt and shall only use such monies for the purpose they are paid (unless otherwise agreed with the Developer).
- 4.8 The Developer is entitled at any time to obtain information about the balance held in the Designated Account and of any withdrawals from it;
- 4.9 The Council shall from time to time inform the Developer of those officers authorised by the Council to sign a mandate for withdrawal from the Designated Account if requested by the Developer.
- 4.10 If in the course of promotion of the CPO or of any litigation relating to the CPO the Council is the beneficiary of an award of costs against any third party then any such award paid to the Council shall (where entirely funded by the Developer pursuant to the provisions of this Deed) forthwith upon receipt be paid into the Designated Account and shall be treated in the same way as any other funds deposited in the Designated Account
- 4.11 In the event that either:
- 4.11.1 This Deed is determined; or
- 4.11.2 The CPO has been confirmed and implemented to the full extent required by the Developer then within 21 (twenty one) Working Days after written notice from on Party to the other confirming that fact the Council shall agree with the Developer how much money (if any) still needs to be paid out of the Designated Account to meet liabilities reasonably and properly incurred by that time or where further costs have been projected and are subject to future Costs Demands;

- 4.12 Within 14 (fourteen) Working Days after the agreement pursuant to clause 4.12 of any amount still needing to be paid out of the Designated Account the Council agrees to:
- 4.12.1 make the payments agreed as still being payable subject to sufficient funds being available in the Designated Account; and then
- 4.12.2 once the Council is satisfied there are no outstanding Acquisition Costs or CPO Costs to be incurred or paid the Council shall take such steps as shall be necessary to close the Designated Account and repay any remaining credit balance to the Developer.

## **5 Acquisitions by Private Treaty**

- 5.1 The Developer shall:
- (a) use reasonable endeavours to acquire the Additional Interests by private treaty on the appropriate terms reasonably available at the relevant time having regard to the level of compensation likely to be awarded for the relevant interest pursuant to the Compensation Code and where appropriate consider and have regard to any requests for relocation within the Development (subject always to the Developer's commercial requirements and tenant mix for the Development);
  - (b) maintain and keep up to date a schedule of the progress of the negotiations to acquire the Additional Interests and supply every quarter a copy of the updated schedule to the Council;
  - (c) maintain and keep updated records of all correspondence and other contact with Third Parties having any Additional Interest and at the Council's reasonable request from time to time supply the Council with such detailed information as it may reasonably require in relation to any particular negotiation, including as requested copies of correspondence, file notes, attendance notes, and other documentation;
  - (d) from the date the CPO is made consult with the Council at regular intervals and pay due regard to reasonable representations made by the Council to the progress of the acquisition of the Additional Interests;
  - (e) upon entering into any agreements to acquire any Additional Interest supply a copy of the completed agreement to the Council;
  - (f) subject to Clause 7, upon receipt by the Developer of notification from the Council of a Blight Notice which is properly accepted as valid by the Council negotiate to agree the compensation.
- 5.2 The Council shall use reasonable endeavours to assist the Developer in acquiring the Additional Interests if requested.
- 5.3 Acknowledging that circumstances may arise where third parties will not negotiate or treat with the Developer, the Council shall do so as soon as reasonably practicable but only after having first received a written request from the Developer and a Costs Demands for such negotiation first being paid by the Developer.
- 5.4 In circumstances contemplated by clause 5.3 the Council must agree with the Developer the identity of those acting on behalf of the Council in negotiations and keep the Developer fully

and promptly informed of the progress of negotiations seek and have reasonable and proper regard to any representations from the Developer and seek the Developer's prior written approval of the terms (including the consideration payable) under any resultant acquisition.

## **6 Dealings in the Council's Land**

- 6.1 The Council will not dispose of any interest or right owned or held by it in the Site or in any Additional Interest except to the Developer for as long as this Deed subsists (or other than in accordance with the Option Structure in relation to interests held or owned by the Council prior to the date of this Deed).
- 6.2 The Developer and the Council agree that at the sole discretion of the Developer any interest or right owned or held by the Developer in the Site or any Additional Interest may be transferred to and from the Council for the purposes of the overriding of easements and other third party rights subject to such terms of transfer as may be agreed between the Parties.
- 6.3 In relation to an interest acquired by the Council in the Additional Interests the Council shall not let, licence or otherwise permit any person to occupy any part of the Site or any Additional Interest or create any new interest in any property within the Site or any Additional Interest without the written consent of the Developer PROVIDED THAT it may grant leases or occupational rights in respect of the whole or any part or parts of the Acquired Land to any bona fide lessee or licensee (subject to any restrictions imposed in relation to the renewal of any business tenancy pursuant to the provisions of Part II of the Landlord and Tenant Act 1954):
- 6.3.1 The provisions of sections 24 to 28 (inclusive) of the Landlord and Tenant Act 1954 (to the extent they would apply to the leases/occupation rights) have been properly excluded from the lease/occupation rights granted; and
- 6.3.2 That the grant of such leases or occupation rights will not prejudice the date of commencement of the Development or increase the costs thereof; and
- 6.3.3 The terms do not require any expenditure on the repair and condition of the premises; and
- 6.3.4 The terms do not allow any works to be undertaken that would increase the costs of demolition; and
- 6.3.5 Such leases/occupation rights are on such terms as do not impact on the possession date of any part of the site pursuant to the CPO; and
- 6.3.6 Such leases/occupation rights are granted for a fixed term of six month or less.
- 6.4 The Council shall seek to minimise all outgoings payable in respect of any Additional Interest acquired by it in accordance with the principles of good estate management.

## **7 Blight Notices**

- 7.1 If a Blight Notice is served in respect of an interest in any part of any Additional Interest related to the promotion of the CPO for the Development then the Developer shall carry on negotiations with the relevant party to acquire any Additional Interest and this Clause 7 shall apply.
- 7.2 The Council shall:

- (a) as soon as reasonably practicable and in any event within 10 Working Days supply a copy of any Blight Notice to the Developer together with copies of any relevant supporting correspondence and documents and a statement certifying the rateable value of the relevant property within the rating list as at the date of the Blight Notice;
- (b) within 10 Working Days after receipt of the Blight Notice consult with the Developer concerning the Blight Notice and its implications (including the appropriate manner in which to respond to such Blight Notice so as to ensure that the Council can respond within the statutory time limit) including whether to serve a counter-notice in response;
- (c) within 15 Working Days after receipt of a Blight Notice, investigate the grounds for service of such Blight Notice and the value of the interest the subject of the Blight Notice (and the parties agree that the Selected Agent shall consider and advise on the value of the interest and the other compensation which may be payable to the owner of the interest concerned);
- (d) within 30 Working Days after receipt of a Blight Notice, serve a counter-notice in response (and provide to the Developer copies of all relevant correspondence and documentation) unless:
  - (i) it is agreed with the Developer that a counter-notice is not appropriate; or
  - (ii) Counsel has advised at least 3 working days before the expiry of the timescale that there is insufficient grounds for service of a counter notice or response notice;
- (e) keep the Developer fully informed as to the negotiations with the relevant owner and/or any steps which the Council proposes to take in connection with any Blight Notice (including adjustment or compromise of any Blight Notice claims) and give the Developer the opportunity to make representations on such steps in advance (to which the Council will have reasonable and proper regard) or agree the Developer shall undertake the negotiations with the relevant owner with the Developer keeping the Council fully updated on those negotiations;
- (f) use reasonable endeavours to minimise the liability in relation to any Blight Notice; and
- (g) not adjust or compromise any Blight Notice claims without providing a copy of the Blight Notice to the Developer and providing a reasonable opportunity for comment (to which the Council shall have reasonable and proper regard in dealing with such claims).

7.3 Either party shall be entitled to seek the opinion of Counsel as to the validity of the Blight Notice and whether any grounds exist for service of a counter-notice (to which the parties will have reasonable and proper regard).

7.4 If the Council does not serve a counter notice or a response notice pursuant to Clause 7.2(d) the Council and Developer will jointly appoint the Selected Agent to negotiate on behalf of the Council and the Developer the compensation payable and the Developer will deposit the Approved Expenditure with the Council.

7.5 The Council shall keep the Developer fully informed of any course of action pursued under this Clause 7 and of any proceedings in the Lands Tribunal and will invite the Developer to attend all consultations with Counsel appointed in respect of the same.

## **8 The RCO**

8.1 The Council and Developer will regularly consult with each other in relation to the progress of the preparation for, making of, pursuing, confirmation and implementation of any RCO necessary for the purposes of the Development and each will supply the other, as soon as reasonably practicable, copies of all relevant documentation relating to any RCO for consultation and comment.

8.2 Where an RCO is deemed necessary the Developer shall submit the RCO application to the Secretary of State and both parties shall thereafter use their reasonable endeavours to promote and secure the confirmation of the RCO as soon as reasonably practicable and in so doing, the Parties shall keep each other fully informed at all times of the progress in the making of the RCO, objections, negotiations and communications with any such objector, the confirming body, the Highway Authority and the Planning Inspectorate.

8.3 The Council and the Developer shall use reasonable endeavours to cooperate in coordinating any CPO inquiry and RCO inquiry whether or not the inquiries are conjoined and will supply each other with copies of any relevant documentation received or issued in connection with any inquiry into the RCO.

## **9 Making the CPO**

9.1 Subject to Counsel's confirmation of a Deliverable CPO the Council shall:

- (a) prior to the making of the CPO consult and have due regard to the views of the Developer on all documentation relating to the CPO including taking Counsel's advice to ensure the purpose of the CPO is sufficiently broadly so as to remove the risks envisaged by clause 11.2;
- (b) subject to Clause 2.3 being satisfied and the Developer having requested the following steps be taken and agreed the Costs arising under Clause 3.2.2 to:
  - (i) seek all appropriate Council authority required to make the CPO and acquire the Additional Interests;
  - (ii) carry out the referencing with all due diligence to determine the Additional Interests to be acquired by the CPO including drafting and serving of requisitions for information and upon securing all necessary Council authorities to make the CPO (subject to the parties to this Deed agreeing the form and extent of the CPO and the Compensation Schedule under Clause 12.2(b));
  - (iii) prepare drafts of the statement of reasons and any other documents notices or certificates which may be required in the making and promotion of the CPO and in relation to any such document shall consult the Developer and have reasonable and proper regard to its representations on the form of the documents; and



- (iv) undertake such assessments (including any assessment having regard to the Council's public sector equalities duty under the Equalities Act 2010) to support the making and promotion of the CPO;
  - (v) take all appropriate steps acting diligently and expeditiously to make promote and secure the confirmation of the CPO as soon as reasonably practicable (which may include confirming the CPO itself if that power is afforded to the Council by the Secretary of State);
  - (vi) subject to the Council resolving to make the CPO, make and submit the CPO to the Secretary of State for confirmation (or an Inspector acting on his behalf) as soon as reasonably practicable but not without the prior written approval of the Developer;
- (c) (except where there is a conflict of interest):
- (i) keep the Developer fully and promptly informed of the progress of the CPO and preparations for the Public Inquiry including providing the Developer with copies of all material written correspondence and minutes of meetings;
  - (ii) arrange joint consultations with the Council's Counsel in relation to the preparation of the case for any Public Inquiry (including the selection of witnesses and the scope of evidence)
  - (iii) provide an opportunity for the Developer to comment on and acting reasonably and promptly approve any joint instructions for the Council's Counsel
  - (iv) invite representatives of the Council and Developer to attend all joint consultations with Counsel
  - (v) ensure that a copy of any note or minute of any consultations with Counsel is made and copied to the Council and the Developer.
- (d) if objections are made to the CPO, as soon as reasonably practicable send to the Developer copies of all such objections and liaise with the Developer and otherwise use reasonable endeavours to help resolve such objections in consultation with the Developer (the Developer to have the lead in all negotiations with objectors);
- (e) not give any undertaking or assurance which relates to or may affect the design, operation, occupation, servicing, viability, cost, value or Programme for the Development to any objector to the CPO or any other Third Party or Claimant until it has first obtained the written approval of the Developer to that undertaking or assurance;
- (f) consult and co-operate (insofar as it is proper and reasonable to do so) and procure that its consultants and advisers will consult and co-operate (insofar as it is proper and reasonable to do so) with the Developer in its preparation for and conduct at any Public Inquiry including the preparation of supporting evidence, the procedural programme and strategy in relation thereto;
- (g) adduce all relevant and appropriate evidence at any Public Inquiry in particular relating (amongst other things) to matters of the public interest for the CPO and the

benefits of the Development as they relate to satisfying the relevant statutory and non-statutory tests;

- (h) keep the Developer fully informed at all times of the progress made under this Clause 9.1 including provision of copies of all relevant correspondence, notices and documents as soon as reasonably practicable;
- (i) prosecute any Public Inquiry with all due diligence and use all reasonable endeavours to obtain confirmation of the CPO;
- (j) use reasonable endeavours to secure the earliest practical date for any Public Inquiry or hearing required in connection with the CPO; and
- (k) not withdraw the CPO or exclude from the CPO any interest in land or otherwise amend the extent of the CPO without the prior written consent of the Developer.

9.2 The parties agree that where it is necessary to seek the opinion of Counsel, instruct Counsel or appoint witnesses to appear in connection with any Public Inquiry and/or in relation to any hearing of any body or court concerned in relation to any compensation payable or any other matter or thing arising out of or in connection with the CPO any such instruction or appointment shall be an instruction by the Council) (save where it relates to a matter which can appropriately be an instruction jointly by the Council and the Developer)).

9.3 The parties shall use reasonable endeavours to agree a strategy for any Public Inquiry including the nature of the evidence to be adduced at the Public Inquiry and the witness or witnesses to be instructed to present the evidence provided that where the parties are not able to agree on the identity of the witnesses the matter shall be referred to the Counsel instructed pursuant to Clause 9.2 for final determination.

9.4 The Developer will not object to the CPO and will (and will procure that its consultants will) give such support and assistance to the Council in the exercise of its compulsory purchase powers and in relation to the making confirmation and implementation of the CPO as may be reasonable including at its own expense (without limitation) giving or procuring the giving of supporting evidence (both written and in person) at any Public Inquiry and/or at any hearing of any body or court convened in relation to any compensation payable or any other matter or thing arising out of or in connection with the CPO and any RCO.

9.5 The Council shall not compulsorily acquire pursuant to the CPO or implement the CPO in respect of any of the Developer's Interests without the prior written agreement of the Developer (which may be withheld by the Developer in its absolute discretion).

## **10 Confirmation of the CPO**

10.1 If the Secretary of State (or an Inspector appointed to act on his behalf) allows or directs the Council to confirm the CPO then the Council shall confirm the CPO and notify the Developer as soon as is reasonably practicable after receipt of the permission or direction from the Secretary of State.

10.2 Following confirmation of the CPO the Council shall supply to the Developer as soon as reasonably practicable after receipt:

- (a) a copy of the Secretary of State's relevant decision letter;

- (b) a copy of the CPO inspector's report; and
- (c) a copy of the CPO as confirmed and a copy of the CPO map;

and the Council and the Developer shall subject to any notification under Clause 10.3 meet within one month of the date of the notification in Clause 10.1 (unless otherwise agreed in writing) to discuss and agree the Developer's Vesting Strategy, this shall include (but not be limited to) the choice of procedure for implementing the CPO, strategy and process for implementing the CPO, timescales for making GVD's and/or issuing Notices to Treat and Notices to Enter and preferred vesting date (as applicable).

10.3 Following the confirmation of the CPO, in relation to any Additional Interests the Council shall as soon as practicable:

- (a) serve a notice of confirmation on all parties entitled to receive such notice;
- (b) publish the notice of confirmation in accordance with all relevant statutory provisions;
- (c) otherwise comply with the relevant statutory requirements in relation to the CPO so as to enable it to become operative as soon as reasonably practicable including updating its Local Land Charges Register;

and in each case provide copies of all relevant documentation to the Developer and act in accordance with the Vesting Strategy.

10.4 Without prejudice to Clauses 10.2 and 10.3, if the CPO is confirmed with modifications the Developer shall as soon as reasonably practicable (and in any event within 14 (fourteen) days from the date it is supplied the documents referred to in Clause 10.2) notify the Council in writing that it is satisfied that the CPO is an Acceptable CPO or that it is not so satisfied and set out its reasons if that is the case.

10.5 If the Secretary of State (or Inspector) declines to confirm the CPO or confirms the CPO with modifications and the Developer has notified the Council that it is not satisfied that the Confirmed CPO is an Acceptable CPO the Council and the Developer shall as soon as reasonably practicable consult with one another as to the appropriate manner in which to respond to such decision in order to facilitate the delivery of the Development (including whether it is reasonable to promote a new CPO).

10.6 If the Secretary of State does not confirm the CPO (in whole or in part) or modifies the CPO so that it is not an Acceptable CPO then unless otherwise agreed in writing between the parties the Developer and the Council will at the Developer's cost seek the written opinion of Counsel as to whether or not there is merit in challenging the Secretary of State's decision and if so, as to the manner on which such challenge should be mounted and, if not, as to the form and extent and strategy for promotion of a new CPO.

10.7 If Counsel advises that there is a 50% (fifty per cent) or better chance of a success by way of:

- (i) an appeal to the High Court against the Secretary of State's (or Inspector's ) decision against non-confirmation or partial confirmation or an application for judicial review (which ever Counsel shall advise as being more appropriate in the circumstances); or
- (ii) (as the case maybe) such action as Counsel shall advise as being appropriate in the circumstances to resist such third party challenge;

the Council shall:

- (A) lodge such appeal or application for judicial review or (as the case maybe) take all such procedural steps and other action as Counsel shall advise in order to resist such third party challenge; and
- (B) supply copies of all relevant correspondence papers and other court documents to the Developer; and
- (C) liaise with and have due regard to (but without being bound by ) the views of the Developer as to the manner of prosecution of the relevant appeal/application/court action; and
- (D) keep the Developer reasonably advised and up dated on the progress and results of the same;
- (E) and the costs incurred by the Council in connection with any action taken under this clause shall be CPO Costs provided that they have been approved by the Developer in writing in advance of being incurred by the Council.

10.8 If any challenge made to the Secretary of State's decision on the CPO pursuant to Clause 10.7 is unsuccessful then the parties shall consult one another as to whether it is reasonable to take any further steps to prepare and promote the CPO (or a new CPO ) with each party being entitled in its absolute discretion to take no further steps provided that the costs incurred in making this decision shall only form part of the CPO Costs to the extent that the decision is agreed by the Developer.

10.9 If Counsel advises that there is less than a 50% (fifty per cent) chance of a successful challenge to the Secretary of State's decision on the CPO or if the Developer notifies the Council that it does not wish the Council to challenge the decision the Council may in its reasonable discretion elect to proceed with a challenge.

10.10 If the Council does elect to proceed with a challenge under Clause 10.9, it shall proceed with all due diligence and then:

- (a) if such challenge is unsuccessful all costs and fees incurred by the Council in making such an appeal or application shall not form part of the CPO Costs and shall be borne by the Council; and
- (b) if such a challenge is successful leaving intact an Acceptable CPO then the costs and fees reasonably and properly incurred and all compensation and other sums for which the Council becomes properly liable as a result shall form part of the CPO Costs PROVIDED THAT the Developer has been kept fully informed at all times as to progress including provision of copies of all relevant correspondence and documents and has been invited to attend meetings with witnesses and Counsel where relevant and has had the opportunity to make representations and comment and the Council has had reasonable and proper regard to any such input and has acted in accordance with the terms of this Deed.

10.11 The Council will inform the Developer as soon as reasonably practicable of any legal proceedings (including the granting of leave by the court to institute the same) against the

Council (including any reference to the Lands Tribunal) or the Secretary of State concerning the CPO and the following provisions will apply:

- (a) the Council shall as soon as reasonably practicable deliver copies of all proceedings, documents and correspondence received relating to such challenge to the Developer;
- (b) the parties will keep each other fully and regularly informed of all progress and likely liabilities and in relation to any costs or damages suffered or properly payable in any such challenge or proceedings;
- (c) the Council shall as soon as reasonably practicable instruct Counsel to advise on the merits of defending or contesting such challenge and if so, the manner in which such defence should be mounted;
- (d) if Counsel advises that there is a 50% or better chance of successfully defending or contesting such challenge, the Council shall (unless the Developer requires otherwise) take all procedural steps necessary to defend or contest such challenge, consult with the Developer on the appointment of Counsel and witnesses and keep the Developer fully informed at all times and the costs incurred by the Council in connection with the same shall be CPO Costs; and
- (e) If Counsel advises that there is a less than 50% chance of successfully defending or contesting such challenge, the Council may in its discretion elect to defend or contest the challenge but its costs in doing so if it is not successful shall not be CPO Costs. If the Council is successful in contesting or defending the challenge its reasonable and properly incurred costs shall be CPO Costs PROVIDED THAT the Developer has been kept fully informed at all times as to progress including provision of copies of all relevant correspondence and documents and has been invited to attend meetings with witnesses and Counsel where relevant and has had the opportunity to make representations and comment and the Council has had reasonable and proper regard to any such input and has acted in accordance with the terms of this Deed.

## **11 Acquisition by/vesting in the Council**

11.1 Subject to Clause 11.2 and to agreement on the Compensation Schedule under Clause 12.2(c), and the Developer having first served a Drawdown Notice, the Council shall as soon as is reasonably practicable:

- (a) execute a GVD and (if required by the Developer) prepare and serve statutory notices to acquire title to any Additional Interest pursuant to the CPO and that GVD shall specify the timeframe within which the GVD is to take effect ; or
- (b) serve a Notice to Treat or Notice of Entry (as the case may be)

PROVIDED THAT the course of action shall only be as set out in the Drawdown Notice(s) served by the Developer from time to time during the lifetime of the CPO and PROVIDED FURTHER THAT:

the Developer has first deposited the Approved Expenditure for such Additional Interests in the Designated Account.

11.2 The Council shall only be able to reject a Drawdown Notice if:

- 11.2.1 there has been a material change in circumstances since the date of the confirmation of the CPO; and
- 11.2.2 because of the material change in circumstance:
- (a) there no longer remains a compelling case in the public interest for the acquisition of the Additional Interest; or
  - (b) the purposes for which the CPO had been made can no longer be realised.
- 11.3 The Council will provide to the Developer all relevant documentation relating to the acquisition of any Additional Interests.
- 11.4 As soon as reasonably practicable the Council will supply to the Developer copies of all title documents in respect of any interests and of the agreement for its acquisition.
- 11.5 As between each other the Developer and the Council will at all times during the negotiations for the acquisition of any interest in land:
- (a) fully consult, liaise and where necessary hold meetings with the other regarding the negotiations;
  - (b) when requested by the other supply copies of all material correspondence, telephone attendance notes, minutes of meetings, reports, heads of terms and any other documents and correspondence relating to the negotiations;
  - (c) afford a representative of the other the opportunity to attend any meetings with owners of any Additional Interest and give as much notice to the other as is reasonably practicable of any such meetings.
- 11.6 The Council hereby declares that any Additional Interest(s) Land or Acquired Land acquired by the Council pursuant to this Deed at the expense of the Developer shall be held by the Council in trust for the Developer absolutely provided that in the event of the termination of this Deed any property interests acquired by such date shall (subject to the requirement to settle any outstanding Acquisition Costs and CPO Costs in relation to the relevant interests) be transferred by the Council to the Developer at nil consideration. ]
- 11.7 Following the acquisition by the Council of any Additional Interests or Acquired Land pursuant to this Deed the Council will:
- 11.7.1 provide all necessary information to the Developer as may be required to register the GVD and subsequent transfers with the Land Registry;
  - 11.7.2 update the Local Land Charges register as required;
  - 11.7.3 transfer all of the Council's interests in the Additional Interests and the Acquired Land acquired pursuant to this Deed to the Developer for £1 (one pound) immediately on request by the Developer and in doing so shall not attach to nor create in respect of the Additional Interests or Acquired Land any incumbrances on title.
- 11.8 The Council will, if requested by the Developer, issue a warrant to the Sheriff to deliver possession of any land in relation to which the Council is entitled to lawful possession in order to secure vacant possession of the same for the benefit of the Developer.

11.9 The Council will, if requested by the Developer, bring any proceedings necessary to secure and maintain possession of any land in relation to which the Council is entitled to lawful possession in order to secure and maintain vacant possession of the same for the benefit of the Developer and the Developer shall at its own expense use all reasonable endeavours to support the Council in this regard including the giving of evidence as to matters within the proper competence or knowledge of the Developer and attending and giving any proper and reasonable assistance in any judicial proceedings.

## **12 Acquisition Costs payable to Third Parties and Claimants**

12.1 The Developer shall instruct the Selected Agents (subject to the approval of the Council) to conduct negotiations with Third Parties and Claimants for the acquisition of any Additional Interest or the settlement of compensation payable in respect of any Additional Interest following the making of any GVDs or the service of notices to treat or notices of entry or to conduct negotiations with Claimants for compensation otherwise payable to them.

12.2 The Council and the Developer shall jointly review (but not more frequently than at two monthly intervals) the Compensation Schedule:

- (a) at the request of either party;
- (b) immediately prior to the making of the CPO; and
- (c) before the Council is required to comply with Clause 11.1(a) or 11.1(b).

12.3 If the Council and the Developer are unable to agree on an entry in or omission from or alteration to the Compensation Schedule at any time, the same may be determined by the Expert at the request of either party having regard to the level of compensation which would be fixed by the Lands Tribunal were the disputed compensation to be referred to the Lands Tribunal and his recommendation shall then be adopted.

12.4 The Council shall consult the Developer and have regard to any comments made by it and seek the Developer's written approval before:

- (a) agreeing the amount of compensation with Third Parties and Claimants payable in respect of the acquisition of any Additional Interest or otherwise payable to a Claimant; or
- (b) making a reference to the Lands Tribunal or other alternative dispute resolution body including which of the Council or the Developer shall have conduct of the reference.

12.5 If the Developer does not approve any proposed amount of compensation payable to a Third Party or a Claimant pursuant to Clause 12.4(a) above, a referral shall be made to the Expert for final determination.

12.6 The Council shall, unless otherwise agreed with the Developer, refer any compensation claim by a Claimant to the Lands Tribunal if it has not been settled or previously referred to the Lands Tribunal within 24 months of entry onto the relevant land having been taken pursuant to the Confirmed CPO.

12.7 If the amount of compensation payable to a Third Party or a Claimant is referred to the Lands Tribunal the Council shall:

- (a) notify the Developer of such reference;

- (b) supply to the Developer all relevant advice, documentation, correspondence and reports received and issued by the Council in respect of the negotiation or action as the Developer shall reasonably require;
  - (c) consult with the Developer on the appointment of the solicitor and/or Counsel and the expert witnesses to represent the Council and the amount of any sealed offer to be made;
  - (d) pursue the negotiation of all claims diligently and expeditiously and keep the Developer fully informed of progress at all times;
  - (e) take into account all representations made by the Developer as to the progress and conduct of the negotiation or action and in relation to all submissions and any evidence to be submitted;
  - (f) appoint Counsel to present the Council's case at the Lands Tribunal and notify the Developer of and invite the attendance of the Developer at all consultations with Counsel.
- 12.8 The Developer may at the written request of the Council take over the negotiations for the settlement of the Acquisition Costs and conduct such reference in the name of the Council by notice in writing to the Council at any time not later than 10 Working Days after the Council notifies the Developer of such reference and shall thereafter consult the Council on the appointment of the solicitor and/or Counsel and the expert witnesses to represent the Council and the amount of any sealed offer to be made.
- 12.9 Where the Developer has taken over the negotiations for the settlement of the Acquisition Costs and the conduct of such reference, the Developer shall thereafter supply to the Council copies of all correspondence papers and documents as the Council shall reasonably require.
- 12.10 If the Council receives any application for an Advance Payment:
- (a) the Council will promptly notify the Developer of that application;
  - (b) the Council will consult with the Developer and take into account all representations made by Developer and have regard to the sum identified in the Compensation Schedule and the advice of the Selected Agent to agree the Advance Payment sum and both parties shall work together to comply with the statutory time limits for the payment of an Advance Payment;
  - (c) the Developer shall within 10 working days deposit the Advance Payment sum as Approved Expenditure into the Designated Account such sum as shall be agreed pursuant to Clause 12.10(b); and
  - (d) the Council shall pay the Advance Payment sum to the claimant.
- 12.11 Where the Developer has deposited the Approved Expenditure with the Council pursuant to any provision of this Deed and there is a reference to an Expert pursuant to Clause 15 or to the Lands Tribunal by Third Parties or Claimant or pursuant to clause to Clause 12.10 as an Advance Payment, if the Expert or Lands Tribunal determine the compensation payable to the Third Parties or Claimant:



- 12.11.1 is greater than the Approved Expenditure (the Excess) the Developer shall pay such Excess to the Council within 10 working days of such determination or such lesser period as may be determined by the Lands Tribunal as notified in writing by the Council; or
- 12.11.2 is less than the Approved Expenditure or any Advance Payment that has been paid to a Claimant then the Council shall either within 10 working days return the excess monies to the Developer or where the Advance Payment has been made shall use all reasonable endeavours to recover the surplus from the Claimant and shall return it to the Developer within 10 working days of its recovery.
- 12.12 Within 10 Working Days of receipt of the Council's written notice pursuant to clause 12.11 the Developer shall deposit the sum identified as the Approved Expenditure in the Designated Account.

### **13 Role of the Selected Agent**

- 13.1 The Developer shall require that the Selected Agent shall undertake the following (subject first to the approval of the Council of the terms of the Selected Agent's appointment):
- 13.1.1 provide the Letter of Reliance in favour of the Council;
- 13.1.2 prepare and keep updated the Compensation Schedule; and
- 13.1.3 to conduct negotiations with Third Parties and Claimants for compensation otherwise payable to them.
- 13.1.4 any private treaty negotiations for the Additional Interest;
- 13.1.5 any investigations and negotiations in respect of Blight Notices pursuant to Clause 7; and
- 13.1.6 any negotiations in respect of claims for Advanced Payment.

### **14 Option Structure**

- 14.1 The Developer may at any time following the service of a Developer's Notice (provided it has not been rejected pursuant to Clause 11.2) or, where applicable, the date of a decision pursuant to Clause 17 that a rejected Developer's Notice is acceptable and prior to commencement of the Development (and provided the requirements of Section 203 of the 2016 Act have been met) serve notice on the Council requiring it to enter into the "sale and leaseback agreement" which forms part of the Option Structure. Within 10 (ten) Working Days of service of such notice the Developer and the Council shall enter into such sale and leaseback agreement.
- 14.2 If the option in the sale and leaseback agreement is exercised and the Council acquires any of the Developer's Interests and/or the Acquired Land pursuant to Clause 5.3 in accordance with the arrangements set out in and the agreements forming part of the Option Structure, all such interests shall be acquired for "planning purposes" (within the meaning of section 203 of the 2016 Act).
- 14.3 The Developer shall indemnify and keep indemnified the Council on a full indemnity basis against all demands liabilities actions claims proceedings costs losses and expenses arising out of or in connection with:
- (a) the Option Structure (including any SDLT payable);

- (b) the entry by the Council into the various documents that are required by the Option Structure;
- (c) the ownership by the Council of any part of the Developer's Interests and/or the Acquired Land pursuant to the Option Structure; and
- (d) the exercise by the Council of its powers pursuant to section 203 of the 2016 Act and in accordance with clauses 14.1 and 14.2 of this Deed.

## **15 Cessation of Deed**

15.1 Subject to Clause 15.2, the relevant party shall be entitled to serve written notice upon the other to determine this Deed :

- (a) If the parties agree;
- (b) If the Conditions have not been met by the Longstop Date;
- (c) If any Confirmed CPO is not an Acceptable CPO (unless the Developer has agreed to pursue a new CPO); or
- (d) If either the Council or the Developer is in material breach of their obligations under this Deed and the other party has given at least 20 Working Days' notice of that material breach and the breach has not been remedied within a reasonable period as specified in such notice;

15.2 If Deed is determined under Clause 15.1, this Deed shall (subject to below mentioned) cease to have effect save that the Developer and the Council agree subject to Clause 15.4 that at all times:

- (a) the Developer will remain liable for any Costs which have been incurred in accordance with this Deed by the Council prior to that date or any Costs that they are legally obliged to incur thereafter;
- (b) the Developer will remain liable for any Costs which have been reasonably and properly incurred by the Council in withdrawing the CPO and in connection with that withdrawal (which for the removal of doubt shall constitute CPO Costs for the purposes of this Deed); and
- (c) the provisions of Clause 14.2 (and such provisions of this Deed as are necessary to give effect thereto) shall survive such termination.

15.3 If this Deed is terminated the Council shall take all reasonable steps to minimise the Costs for which the Developer shall be responsible in this Deed.

15.4 If any Costs which have been reimbursed by the Developer are overpaid, the Developer shall be entitled at its election to the benefit of any lawful refund either as a lump sum or as a credit against further payments due in respect of any Costs and without prejudice to the generality of the foregoing, the Developer shall be entitled to receive any surplus Advance Payment.

## **16 Notices**

16.1 Any notice or other written communication to be served or given to or upon any party to this Deed to the other shall be in writing and shall be sent to the other at the address provided for

above in relation to the Council and for the Developer at ARELI Real Estate Limited, 35-39 Maddox Street, London W1S 2PP (marked for the attention of Will Robinson) with a copy to Bryan Cave Leighton Paisner LLP, The White Building, 1-4 Cumberland Place, Southampton SO15 2NP (ref: VWAI/2ZK/2042540.000063) or such substitute address as may from time to time have been notified to the other in advance by that party

16.2 A notice may be served by:

- (a) delivery to the notice address; or
- (b) registered or recorded delivery post.

16.3 Any notice served will be deemed to have been validly served or given at the time when in the ordinary course of business it would have been received.

## **17 Expert Determination**

17.1 Any dispute or difference arising between the parties other than matters of legal construction or where it is specifically provided by this Deed to the contrary, shall be referred to and determined by an independent person ("the Expert") if so required by either of the parties by notice to the other party

17.2 The Expert shall have been professionally qualified for not less than ten years and shall have substantial recent experience in respect of the subject matter of the dispute or difference and shall be a specialist in relation to such subject matter.

17.3 The Expert shall be appointed by agreement between the parties or, failing such agreement within 10 Working Days of the notice referred to in Clause 17.1 shall be appointed on the application of either of the parties by such one of the following persons as the parties shall agree to be appropriate having regard to the nature of the dispute or difference in question:

17.3.1 the Chairman for the time being of the Bar Council;

17.3.2 the President for the time being of the Royal Institute of British Architects;

17.3.3 the President for the time being of the Royal Institution of Chartered Surveyors;

17.3.4 the President for the time being of the Institute of Chartered Accountants in England and Wales; or

17.3.5 the President for the time being of the Law Society;

or, in any such case, his duly appointed deputy or any other person authorised by him to make appointments on his behalf.

17.4 If within 15 Working Days after service of the notice referred to in Clause 17.1 the parties have been unable to agree which of the persons referred to in Clause 17.3 is appropriate to appoint the Expert, the Expert will be appointed, on the application of either of the parties by the President for the time being of the Law Society or his duly appointed deputy or any other person authorised by him to make appointments on his behalf.

17.5 Whenever the Expert is to be appointed under this Clause he shall act as an expert and not as an arbitrator and the following provisions shall have effect:

- 17.5.1 save in the case of manifest error the Expert's decision shall be final and binding upon the parties;
- 17.5.2 the Expert shall consider, inter alia, but shall not be bound by, any written representations on behalf of the parties made within such time limits as he shall specify, which time limits shall be as short as he shall consider practicable in the circumstances;
- 17.5.3 the Expert shall make available to each party copies of the other party's representations and allow the other party to make further written representations thereon to which Clause 17.5.2 shall apply.
- 17.5.4 upon receipt of any such representations the Expert shall forthwith inspect the property if necessary and give notice of his instructions, if any, to the parties and, if he shall so require, invite them or their advisers to attend his inspection and to make oral representations thereat;
- 17.5.5 the Expert shall as quickly as possible thereafter notify the parties in writing of his determination of the dispute or difference referred to him;
- 17.5.6 the parties shall use all reasonable endeavours to procure that the Expert shall give his decision with reasons as speedily as possible; and
- 17.5.7 the costs of appointing the Expert and his costs and disbursements in connection with his duties under this Deed shall be shared between the parties in such proportions as the Expert shall determine or in the absence of such determination equally between them.
- 17.6 If the Expert shall die or be or become unwilling or incapable of acting or in the reasonable opinion of either party shall delay his determination avoidably or if for any other reason he shall not deliver his decision, either party shall be entitled to apply to the President for the time being of the relevant professional institution to discharge the expert and appoint another in his place.

## **18 VAT**

- 18.1 Subject to Clause 17.2, all payments to be made (and other consideration to be provided) under this Deed shall be exclusive of VAT (if applicable). If VAT is properly chargeable in respect of the matters giving rise to such payments (or other consideration) an amount in respect of VAT will be added to such payment or other consideration and paid in addition by the recipient of the supply on receipt of a valid VAT invoice.
- 18.2 Where an amount in respect of VAT is incurred by the Council in respect of the Costs under this Deed, the Developer shall (within 20 Working Days of receipt of a copy of the VAT invoice received by the Council) pay to the Council an amount equal to such VAT (subject to Clause 17.3) to the extent that it is not otherwise recoverable by the Council.
- 18.3 The Council shall use all reasonable endeavours to recover any VAT incurred in respect of the Costs. If any amount in respect of VAT is charged to the Council in addition to the Acquisition Costs for the relevant interest in the Acquired Land or any Additional Interest by the relevant holder of the land or interest in respect of their disposal of that land or interest to the Council (whether by reason of an option to tax that land or interest or otherwise), the Council shall take all reasonable steps to determine this at the earliest possible time. The Developer shall not be required to make a payment under Clause 18.2 to the extent that such amount in respect of VAT is not recoverable by the Council as a result of the Council not

having validly exercised an option to tax in relation to that land or interest pursuant to paragraph 2 of Schedule 10 of the Value Added Tax Act 1994.

## **19 Council's Powers as Local Planning Authority**

Nothing in or implied in this Deed will fetter the Council's exercise of its rights and powers and performance of its duties and obligations in the exercise of its functions as a local planning authority.

## **20 Contracts (Rights of Third Parties) Act 1999**

Nothing in this Deed creates any rights in favour of any person not a party to this Deed pursuant to the Contracts (Rights of Third Parties) Act 1999.

## **21 Jurisdiction**

This agreement and any dispute which may arise in connection with it shall be governed by English law.

## **22 Council's Legal Costs**

The Developer will pay to the Council on the date hereof the Council's reasonable legal and surveyors' costs and charges properly incurred in the preparation, negotiation and completion of this Deed and the Pre-Existing Costs.

## **23 Assignment**

23.1 The Developer shall not assign, transfer, novate or part with or deal with in any other way whatsoever this Deed) save as permitted by this Clause 23.

23.2 The Developer may assign the benefit of this Deed

23.2.1 By way of security to any person providing finance for the Development provided that:

- (a) a summary of the terms of the security (but excluding any confidential financial information) is supplied to the Council prior to such assignment; and
- (b) written notice of the assignment is given to the Council;

and for the avoidance of doubt this shall include assignment by way of security to a security trustee for the party providing the finance.

23.2.2 On a sale of the Developer's Interests to a successor in title to the Developer, subject to such successor first entering into a deed of covenant with the Council on terms acceptable to the Council (acting reasonably) in which the successor in title covenants with the Council to comply with the obligations on the part of Developer (to the extent relevant) in this Agreement and the Council first being satisfied and confirming its consent in writing (acting reasonably and without undue delay) such successor has the financial resources available to comply with the obligations of the Developer under this Deed..

23.3 Notwithstanding the provisions of Clause 23.2 above, the Developer may in addition assign, transfer or novate this Deed to any party which the Council is satisfied and confirms the same in writing to the Developer (acting reasonably and without undue delay) has sufficient financial

standing to be able to comply with the Developer's outstanding obligations under this Deed and of the role such party will have in relation to the delivery of the Development.

- 23.4 The Council shall promptly, following request from the Developer (and subject to being satisfied as to the requirements specified in clauses 23.2.3 and 23.3 as applicable), enter into a deed of covenant with a chargee specified in Clause 23.2.1 or any part who provides a deed of covenant to confirm that the Council will comply with all of its obligations within this Deed.

## **24 Good Faith**

- 24.1 The parties hereby acknowledge a duty of good faith to each other in relation to all matters arising under this Deed.
- 24.2 The parties shall act prudently in relation to their respective rights and interests in the Site from time to time having regard to their mutual desire to secure the assembly of the Site in accordance with the terms of this Deed.
- 24.3 The Council covenants with the Developer to observe and perform its obligations in this Deed using its best endeavours to remedy any non-performance and mitigate any losses to the Developer arising out of any breach by the Council of its obligations under this Deed and to recompense in full the Developer for any loss reasonably and properly incurred or suffered by the Developer as a result of the failure of the Council to perform its obligations having regard to the duty of the Developer to mitigate any such loss and for the avoidance of doubt this clause shall not fetter in any way the Developer's legal rights or remedies available through statute, at common law or in equity.

## **25 Confidentiality**

- 25.1 The parties shall (and shall use reasonable endeavours to procure that their respective servants, agents and advisers shall) keep in strict confidence the financial and other commercial terms of this Deed and all documents and other information supplied to or received from any party to this Deed pursuant to the provisions of this Deed.
- 25.2 Clause 25.1 shall not apply to the extent that any party is obliged by UK law or EU legislation or by The Stock Exchange to disclose any of the same [or to the extent that such information and/or documents is/are already or is/are required to be in the public domain (other than through the actions of the Parties to this Deed)]

In witness whereof the parties to this Deed or their duly authorised representatives have hereunto set their hands and seals the day and year before written.

## Schedule 1 – Letter of Reliance

DRAFT

**The Common Seal of** )  
**Royal Borough of Windsor and** )  
**Maidenhead** )  
was hereunto affixed in the )  
presence of:

\_\_\_\_\_  
Authorised Signatory

\_\_\_\_\_  
Authorised Signatory

\_\_\_\_\_

**Executed** as a Deed by  
**Denhead S.À R.L.**,  
a company in Luxembourg,  
acting by:

Denhead S.À R.L

\_\_\_\_\_  
Signature of the company

who, in accordance with the laws of that  
territory, is acting under the authority of the  
company

\_\_\_\_\_  
Signature of the authorised  
signatory



## Appendix 1 – Plan

DRAFT

## Appendix 2

Option Structure

Sale and Leaseback Agreement

DRAFT

**Appendix B – Draft Statement of Reason**

DRAFT

**THE ROYAL BOROUGH OF WINDSOR AND MAIDENHEAD  
(NICHOLSONS SHOPPING CENTRE AND SURROUNDING AREA AT  
HIGH STREET, QUEEN STREET AND KING STREET, MAIDENHEAD)  
COMPULSORY PURCHASE ORDER 2021**

**TOWN AND COUNTRY PLANNING ACT 1990  
AND  
LOCAL GOVERNMENT (MISCELLANEOUS PROVISIONS) ACT 1976  
AND  
THE ACQUISITION OF LAND ACT 1981**

---

**STATEMENT OF REASONS  
FOR MAKING THE ORDER**

---

**Contents**

<b>SECTION</b>	<b>PAGE</b>
1 INTRODUCTION .....	4
2 ENABLING POWER .....	6
3 DESCRIPTION AND LOCATION OF THE ORDER LAND .....	6
4 THE NEED FOR REGENERATION.....	9
5 THE PROPOSALS FOR THE DEVELOPMENT .....	10
6 THE PURPOSE FOR MAKING THE ORDER.....	13
7 THE PLANNING FRAMEWORK IN RESPECT OF THE ORDER LAND .....	13
8 JUSTIFICATION FOR THE USE OF COMPULSORY PURCHASE POWERS .....	23
9 NEGOTIATIONS WITH THOSE OWNING INTERESTS IN THE ORDER LAND.....	32
10 OTHER MATTERS .....	33
11 CONCLUSION .....	36
12 CONCLUSION .....	37
13 ADDITIONAL INFORMATION.....	37
14 LIST OF DOCUMENTS IN THE EVENT OF AN INQUIRY.....	37

DRAFT

# 1 INTRODUCTION

- 1.1 On the [input date] the Royal Borough of Windsor and Maidenhead (“**the Council**” or “**the Acquiring Authority**”) made the Royal Borough of Windsor and Maidenhead (Nicholsons Shopping Centre and surrounding area at High Street, Queen Street and King Street, Maidenhead) Compulsory Purchase Order 2021 (“**the Order**”) pursuant to Section 226(1) (a) of the Town and Country Planning Act 1990 (“**TCPA 1990**”), the Acquisition of Land Act 1981 and Section 13 of the Local Government (Miscellaneous Provisions) Act 1976. On the 26<sup>th</sup> February 2020 the Council resolved to use the Council’s compulsory purchase powers to bring forward the redevelopment of the Nicholsons Shopping Centre. Subsequent to this, the Council’s Cabinet resolved to make the Order on [input date].
- 1.2 The Order has been submitted to the Secretary of State for Housing, Communities and Local Government for confirmation.
- 1.3 This document is the Statement of Reasons for the Order, the purpose of which is to set out the reasons for making the Order. This Statement of Reasons has been prepared in compliance with both paragraphs 21 and 154 of the Ministry of Housing, Communities and Local Government’s Guidance on Compulsory Purchase Process and The Crichel Down Rules (July 2019) (“**the CPO Guidance**”).
- 1.4 This statement is not a statement under Rule 7 of the Compulsory Purchase by Non-ministerial Acquiring Authorities (Inquiries Procedure) Rules 2007 and the Acquiring Authority reserves the right to alter or expand it as necessary for the purposes of Rule 7.
- 1.5 In this document the land included within the Order is referred to as “**the Order Land**”.
- 1.6 The purpose in making the Order is to facilitate the delivery of the redevelopment of the Nicholsons Shopping Centre. The existing Nicholsons Shopping Centre is an enclosed shopping centre located in a central position within Maidenhead Town Centre. Developed in parts since the 1960s, the shopping centre provides 55 retail units (17,000 sq. m.) with associated service yard and multi-storey car park. Whilst still reasonably well-occupied, the shopping centre has a number of issues which make it no longer fit for purpose.
- 1.7 The Council is seeking to assemble Order Land to facilitate the mixed-use development comprising a mixture of employment, residential, retail, leisure, community and elderly care homes in the heart of Maidenhead town centre, together with improvements to the public realm and open space (“**the Scheme**”). The Scheme aims to create an exemplar mixed-use development which will contribute to a vibrant and sustainable town centre and distinguish Maidenhead from the surrounding towns helping to ensure that it is the destination of choice for the local population.

- 1.8 The Scheme provides an opportunity to address the deficiencies of the existing shopping centre, deliver forms of development and accommodation which meet prevailing occupier and local residents' needs, introduce a greater range of uses into the town centre to improve vitality, and re-establish the connections with the surrounding streets which was lost when the shopping centre was developed in the 1960s.
- 1.9 To achieve these objectives a significant level of land assembly needs to be completed. The Order is required to secure those interests in the Order Land not already held by the Council or Denhead S.A.R.L. ('the Developer'), as well as new rights which are required to enable construction. The securing of third party interests and new rights over the Order Land (and the effect of the acquisition on adverse rights affecting it) will ensure that the Scheme can be delivered together with the benefits that this will bring.
- 1.10 This Statement of Reasons explains the reasons for making the Order. The considerations that are to be taken into account by the Secretary of State in deciding whether or not to confirm a compulsory purchase order are addressed using the following structure:
- (i) Power under which the Order has been made
  - (ii) The Order Land & interests to be acquired
  - (iii) The need for regeneration
  - (iv) The Proposals for Redevelopment
  - (v) The purpose for making the Order
  - (vi) The Planning Framework in respect of the Order Land
  - (vii) Relevant Corporate Policies
  - (viii) Justification for the use of Compulsory Purchase powers
    - (a) Consistency with the planning framework for the area
    - (b) Well-being benefits
    - (c) Financial viability/funding
    - (d) Alternatives
    - (e) No impediments to delivery
    - (f) Reasonable steps to acquire land by agreement
    - (g) Compelling case in the public interest
  - (ix) Legal and Other regards
    - (a) Human rights
    - (b) Consultation

- (c) Related Orders
- (d) Conservation Areas and Listed Buildings
- (e) Public sector equality duty
- (x) Conclusions

## **2 ENABLING POWER**

- 2.1 The Council is exercising its powers pursuant to section 226(1)(a) of the Town and Country Planning Act 1990 to acquire land compulsorily for "development and other planning purposes" on the basis that the acquisition of land will facilitate the carrying out of development, re-development or improvement on or in relation to that land. The Council in exercising its power under section 226(1) has had regard to Section 226(1A) which provides that this power must not be exercised unless the Council think that the development, re-development or improvements are likely to contribute to the promotion of the economic, social or environmental well-being of its area.
- 2.2 The Council considers that the use of section 226(1)(a) is appropriate having regard to the aims sought to be achieved by the redevelopment of the Order Land. The Council is satisfied that the use of the powers contained in section 226(1)(a) will contribute to the development, redevelopment or improvement of the Order Land. The Council is further satisfied that the redevelopment of the Order Land will contribute to improve the economic and social well-being of Maidenhead Town Centre through an enhanced residential, office, retail and leisure offering, and additional employment opportunities. The redevelopment of the Order Land will also contribute to the environmental and social wellbeing of the area as a consequence of the public realm improvements facilitated by the redevelopment of the Order Land. Full details of the benefits of the redevelopment of the Order Land for the Council's area are at Section 9 below.
- 2.3 Under section 13 of the Local Government (Miscellaneous Provisions) Act 1976 the Council has the power to compulsorily acquire new rights over land. The rights which are sought are specified in the Schedule to the Order and summarised in Section 3 below.

## **3 DESCRIPTION AND LOCATION OF THE ORDER LAND**

### **3.1 Extent and Nature of Rights**

- 3.1.1 The Order Map shows the freehold and leasehold interests to be acquired compulsorily as well as the extent of new rights to be secured. The Order Map has been carefully delineated to ensure the land and interests to be acquired are only what is required to facilitate the delivery of the Scheme.

### **3.2 Interests To Be Acquired**

- 3.2.1 The interests to be acquired within the Order Land can be categorised as follows:



- (i). **Leasehold interests of retail units within the existing Nicholsons Shopping Centre** – the majority of the Order Land is the existing Nicholsons Shopping Centre. Whilst the Developer, who is also the current owner of the shopping centre, has been managing the shopping centre to allow it to secure vacant possession of the majority of units in conjunction with its development programme, there are a number of units which are let on leases which have more than 18 months (as at December 2020) left to run and therefore would inhibit delivery of the Scheme. Reflecting that the majority of units within the shopping centre are let, so to ensure that the Scheme can proceed, the entirety of the shopping centre has been included in the Order. As noted at 5.4 below, the Development would retain the existing Nicholson Tower office building and so this is not included within the Order Lands, save for the acquisition of new rights so to allow works to take place to external parts of the building as part of the demolition of the existing shopping centre.
- (ii). **Leasehold interests in the existing Nicholsons Multi-Storey Car Park and adjoining retail units (39 – 51 King Street)** – the Council is the freeholder of the existing multi-storey car park and the adjoining retail units. The retail units are predominantly vacant, with Shopmobility occupying a unit on the ground floor of the car park. There is also a leasehold interest relating to the first and third floor of the car park extension which sits above the service deck. The existing multi-storey car park and service deck is to be demolished and therefore the Order covers this area to ensure all necessary interests in land can be acquired.
- (iii). **Leasehold interest in Siena Court, Broadway** – Siena Court, a four-storey office block located to the south of the Nicholsons Shopping Centre, is owned by the Council and presently operated by Regus as serviced offices on a lease which expires after the target date for commencing development. Vacant possession of Siena Court is required so to allow for the demolition of the building and construction of the new multi-storey car park.
- (iv). **Freehold interests in land at Brock Lane / Bankside** – to the east of the existing shopping centre is a narrow public highway (Brock Lane) and an access path (Bankside) which extends along the rear of the shopping centre and 10-12 Queen Street. Part of Brock Lane (plots 76, 79AA and 79AB) are in third party ownership, as well as the extent of Bankside (plots 74, 75 and 76B). The Order includes these parcels of land so public realm improvements works can be undertaken with the responsibility of future management and maintenance resting with the Developer following stopping up of the highway. The Development would maintain access to neighbouring properties over this land through the planning permission.

### 3.3 **New Rights**

- 3.3.1 As well as securing the land necessary to deliver the Scheme, new rights are also necessary to allow the Scheme to be constructed. These new rights are being created under Section 13 of the Local Government (Miscellaneous Provisions) Act 1976 and the affected parts of the Order Land are shown coloured blue on the Order Map.

3.3.2 The new rights are described in greater detail in the Schedule of Rights accompanying the Order. In summary, these generally relate to crane oversailing, access for construction works, the ability to erect scaffolding on land, the right to reposition plant, and new access rights over land so to maintain access to neighbouring properties during the construction process.

3.3.3 More specifically, new rights are sought over Nicholson Tower so to allow works to be undertaken to the frontage of the property. At present, the entrance to Nicholson Tower is situated within the shopping centre and as part of the demolition programme there will be a need to detach those parts of the existing shopping centre which presently connect with Nicholson Tower, as well as thereafter make good and improve the frontage.

### 3.4 **Extinguishment of and interference with rights**

3.4.1 The Order would also result in

- Extinguishment of all private rights of way in the Order Land (under Section 236 TCPA 1990). The affected interests are likely to be those properties within the shopping centre and on the High Street which have rights to use the service deck for deliveries and parking of vehicles. Replacement rights will be provided in respect of the new service yard and car park; and
- A change to the remedy available in relation to interference with easement-type rights (such as rights to light), because the Order would engage Section 203 of the Housing and Planning Act 2016 such that the only remedy for the interference with affected rights would be damages assessed under Section 10 of the Compulsory Purchase Act 1965. Section 12 (2A) of the Acquisition of Land Act 1981 identifies a "qualifying person" in relation to land comprised in an order as being "a person the acquiring authority thinks is likely to be entitled to make a relevant claim if the order is confirmed and the compulsory purchase takes place". Section 12 (2B) goes on to state that a "relevant claim" is a claim for compensation under Section 10 of the Compulsory Purchase Act 1965. The potentially affected interests are likely to those noted accordingly in Table 2 of draft Order Schedule. These properties lie outside of the boundary of the Order Land and are not subject to any form of acquisition, nor is any new right being sought in respect of these properties. Given it is the entirety of the development required to deliver the Scheme, as built, which may give rise to a claim for compensation, column (4) of Table 2, has been referenced to refer to "All Plots".

The inclusion of these properties is not an acknowledgement or acceptance that compensation is payable. Rather, these properties are being included in the Schedule given the requirements of S12 (2A) of the Order Land Acquisition Act 1981.

3.5 The individual plot boundaries and numbers shown on the Order Plan correspond with the Schedule to the Order. This schedule has been prepared based upon information gathering through the Land

Registry title documents, site inspections, enquiries [*and the responses to the notices issued under Section 16 of the Local Government (Miscellaneous Provisions) Act 1976*].

## **4 THE NEED FOR REGENERATION**

- 4.1 The existing Nicholsons Shopping Centre is an enclosed shopping centre located in a central position within Maidenhead Town Centre. Occupying 3.01 hectares (ha) the shopping centre is framed by the High Street to the north, Queen Street to the east, Broadway to the south and King Street to the west. Maidenhead Railway Station is located to the south-west of the shopping centre and is within a five minute walk.
- 4.2 The surrounding area is dominated by retail and employment uses. The High Street, Queen Street and, to a lesser extent, King Street each focus on ground floor retail uses. Immediately to the south of the site, is 'the Landing' site which has planning consent (ref: 18/01576/FULL) for a gateway development with a mix of retail, community, leisure and commercial uses at ground level and 454 residential units in a development comprising 6 buildings ranging from 6 to 16 storeys in height.<sup>1</sup>
- 4.3 The existing shopping centre, which has been developed in parts since the 1960s, provides 55 retail units (17,000 sq. m.) with associated service yard and multi-storey car park. Whilst still reasonably well-occupied, demand for retail space within the shopping centre over the last ten years has diminished significantly and this trend has continued, notwithstanding that the shopping centre forms part of the primary retail offer in an affluent town centre. Unrelated to the redevelopment proposals, and not solely prompted by the impact on the retail sector caused by Covid-19, as has been the case in shopping centres across the UK, retailers have been voluntarily vacating the shopping centre due to poor trading performance, as a result of changing consumer shopping patterns, notably due to the growth of online sales. Understandably, the impact is circular: if the retail offer is diminished then shoppers choose to visit other towns, which further reduces trading levels, resulting in a further reduction in retail offer as retailers exit for other viable town centres.
- 4.4 The shopping centre has a number of issues which makes it no longer fit for purpose. These include:
- (i) a poor quality enclosed environment;
  - (ii) units that are generally too large;
  - (iii) a standard retail format of deep plans and regular shaped units resulting in lack of suitability for a significant proportion of occupiers;
  - (iv) no sense of place, or spaces to meet and relax;

---

<sup>1</sup> 13,007 sq. m. office, and 3,846 sq. m. of other mixed uses including retail, community and leisure

- (v) the enclosed shopping centre resulting in high maintenance costs, and in turn, service charges for occupiers;
- (vi) a lack of pedestrian connectivity to Broadway and King Street;
- (vii) a multi-storey car park which creates a poor sense of arrival on King Street and a vehicular entrance that forms a barrier to pedestrian movement.

4.5 Despite its central location within the town centre, lying between the railway station and the high street, the shopping centre by virtue of being closed out of retailing hours constrains pedestrian connectivity across the town centre, particularly in a north-south direction.

4.6 The role of town centres is evolving evermore quickly. Town Centres across the UK have been in decline for a number of years, with retailers and restaurants ceasing trading on a daily basis. To survive, and indeed thrive, town centres have to respond to the changing lifestyle, shopping needs and desires of the population. This means creating places and spaces where people want to spend time, surrounded by a curated offer that provides a range of independent shops, opportunities for artisans, as well as also providing a place for larger format stores. Town centres need to be flexible and affordable to allow businesses to establish, be sustained and grow.

4.7 There is also a recognised need to drive a mix of uses within town centres, particularly in respect of residential accommodation and more flexible business space. Maidenhead is a well-established office location for large corporate occupiers, sitting at the western end of the M4 Corridor and benefitting from its proximity to Heathrow Airport. The redevelopment of the shopping centre allows for the office accommodation within the town centre to be further enhanced, positioning new, high quality office space within the heart of the town centre.

4.8 In respect of residential, like most town centres historically the residential offer has been limited but this has begun to change over recent years with more residential development being brought forward, promoting town centre living, across a range of typologies, including market sales, build to rent and senior living, which in turn promotes healthier more sustainable town centres and the creation of strong communities.

4.9 The proposed redevelopment of the Nicholsons Shopping Centre provides an opportunity to address the deficiencies of the existing shopping centre, deliver forms of development and accommodation which meet prevailing occupier and local residents' needs and re-establish the connections with the surrounding streets which was lost when the shopping centre was developed in the 1960s.

## 5 THE PROPOSALS FOR THE DEVELOPMENT

5.1 The Scheme is being advanced under a hybrid planning application (ref: 20/01251/OUT) for a comprehensive mixed-use redevelopment for the following, known as the Nicholson Quarter Development (**NQD**) :

1. **Outline planning permission (with all matters reserved)** for four buildings that range in height, with the highest being 88.7m AOD and the lowest being 66.2m AOD, on the site for a comprehensive mixed-use redevelopment comprising:
  - Business Use (Class B1) - up to 29,700 m2 (GEA);
  - Residential Institution (Class C2) - up to 29,400 m2 (GEA);
  - Flexible Retail, financial and professional services, restaurants and cafes, drinking establishments, hot food takeaways, non-residential institutions and assembly and leisure (Class A1 / A2 / A3 / A4 / A5 / D1 / D2) - up to 4,400 m2 (GEA);
  - Parking, refuse, bike storage and plant space - up to 13,600 m2 (GEA);
  - Formation of new pedestrian and vehicular access;
  - Means of access and circulation and car parking within the site; and
  - Provision of new public space and landscaping.
  
2. **Full planning permission** for the demolition of the majority of buildings on site, construction of two residential buildings comprising 25 storeys, and part 10/part 15 storeys and a landscaped podium (Class C3), construction of a 4 storey office building (Class B1), flexible retail, financial and professional services, restaurant and cafes, drinking establishments, and hot food takeaways uses (Class A1 / A2 / A3 / A4 / A5) and the provision of a new public realm, and the erection of a multi-storey car park.”

**(the Development).**

5.2 The Development can be summarised as follows (all floor areas quoted are Gross Internal Area):

	Detailed	Outline	Total
Development Zones	2, 4 & 5	1, 3 & 6	
Retail (A1-A5, D1, D2)	3,542 sq. m.	4,100 sq. m.	7,642 sq. m.
Office (B1)	1,288 sq. m.	27,900 sq. m.	29,188 sq. m.
Flexible Use	719 sq. m.	-	719 sq. m.
Residential Units (C3)	346 units	-	346
Senior Living Units (C2)	-	Up to 307	Up to 307
Car Parking	Multi-Storey delivering 885 car parking spaces	434	1,319

Cycles Spaces	803		803
---------------	-----	--	-----

5.3 The Development will provide a mix of residential units sizes as summarised in the table below:

	No. of Units	%
Studios	53	15.32%
One Bedroom (2P)	86	25.86%
Two Bedroom (3P)	68	19.65%
Two Bedroom (4P)	106	30.64%
Three Bedroom (5P)	22	6.36%
Three Bedroom (6P)	11	3.18%

5.4 Nicholson Tower, an office building located at the eastern end of Nicholson Lane and accessed via the shopping mall is, retained within the Development. Access will be maintained throughout the construction process.

5.5 Central to the masterplanning of the NQD is permeability and connectivity. The Development, which will deliver a mix of workspace, homes, shops and public space, is designed around a sequence of open streets and spaces that connect and knit into the town. The NQD will repair the connections lost when the shopping centre was developed in the 1960s, enabling north-south and east-west movement in a legible manner.

5.6 A key objective of the Development is the creation of a scheme which supports both the daytime and evening economies. Flexibility in uses and tenant mix is promoted: the aim is to replace outdated and inefficient retail and office buildings on the site and provide new, flexible, modern floorspace to meet the demands of Maidenhead and wider Berkshire. In order to create a vibrant and sustainable town centre community the NQD has been specifically designed to incorporate a varied mix of uses including offices, retail and restaurant and a mix of both private sales and senior living residential.

5.7 The change in offer which would be achieved by the Development also extends to delivering an efficient servicing solution which integrates with the public realm rather than dominating it. The existing Nicholsons Shopping Centre is dominated by large scale servicing accommodating larger vehicles. The concept for the Development is of streets and spaces where delivery is to be from the front of the units. No dedicated delivery or service access is proposed to the rear of the units.

5.8 Delivery bays will be provided in locations to the periphery of the quarter on The Broadway and Nicholsons Lane, with trolleys utilised to deliver to the units from these locations. Additional bollard

controlled servicing access will be provided from King Street along Moffatt Street through Brock Lane to Queen Street. This will enable drop off delivery to the front of the units for smaller vehicles. It is proposed that no vehicles are permitted to utilise this route from 10:00-06:00.

5.9 *[details of resolution to grant will be added following any resolution]*

## **6 THE PURPOSE FOR MAKING THE ORDER**

6.1 The Council is seeking to assemble the Order Land to facilitate the redevelopment of the Nicholsons Shopping Centre to deliver a mixed-use development comprising a mixture of employment, residential, retail, leisure, community and senior living units in the heart of Maidenhead town centre, together with improvements to the public realm and open space ('the Scheme').

6.2 The purpose of the Order is therefore to acquire all interests in land not in the Council's or the Developer's ownership, where agreement cannot be reached, in order to achieve delivery of the Scheme. The Order will also create new rights (as detailed in paragraph [3.3]) and facilitate interference with adverse rights where necessary (as detailed in paragraph [3.4]).

6.3 As outlined in the CPO Guidance acquiring authorities should seek to acquire the interests of property and land owners by agreement, relying on compulsory purchase as last resort. Negotiations have been pursued with those affected by the Order with a good level of success: agreement has been reached with a number of the shopping centre tenants which have allowed them to continue in occupation until the redevelopment commences. However, some parties have elected not to engage in negotiations or are seeking sums which have not allowed an agreement to be reached. All reasonable efforts will be made by the Council and Developer going forward to acquire property through negotiation and agreement. Nevertheless, it is clear that an Order is required to ensure that there is sufficient certainty that regeneration can come forward as envisioned by the Council, the Developer community and key stakeholders.

6.4 By making the Order, the Scheme can be delivered as intended and will contribute to achieving a number of key Council priorities and objectives as will be outlined in following sections.

## **7 THE PLANNING FRAMEWORK IN RESPECT OF THE ORDER LAND**

7.1 For the purposes of section 38(6) of the Planning and Compulsory Purchase Act 2014, the statutory Development Plan covering the Order Land comprises:

- (i) Royal Borough of Windsor and Maidenhead Local Plan (June 2003)
- (ii) Maidenhead Town Centre Area Action Plan (September 2011)

7.2 Relevant material considerations include:

- (i) National Planning Policy Framework (June 2019)

- (ii) Borough Local Plan 2013-2033 Submission Version Incorporating proposed changes (October 2019)

### 7.3 **Adopted Local Plan (June 2003) ('ALP')**

- 7.3.1 The ALP Proposals Map identifies the Nicholsons Shopping Centre as forming part of the Primary Shopping Core to which ALP Policy MTC8 applied. The Nicholsons Multi-Storey Car Park ('**MSCP**') is identified as Development Site M1 to which ALP Policy MTC7 applied.
- 7.3.2 However, both MTC7 and MTC8 are not saved policy, with relevant policies relating to Maidenhead Town Centre being replaced by the Maidenhead Town Centre Area Action Plan.

### 7.4 **Maidenhead Town Centre Area Action Plan ('TCAAP') (September 2011)**

- 7.4.1 The MTCAAP provides updated designations to the ALP Proposals Map, with Nicholsons Shopping Centre identified as being within the Primary Shopping Area and the retail units within the shopping Centre being designated as 'Primary Frontages'. The Nicholsons MSCP is no longer identified as a Development Site but, together with part of the shopping centre and the 'Landing site' forms part of the Broadway Opportunity Area.

- 7.4.2 In respect of the Town Centre Economy, the MTCAAP sets out two objectives

1. Quicken the pace of urban development and promote economic growth by providing additional retail that supports and enhances the town centre's existing retail offer; promoting office development that reinforces Maidenhead's role as an attractive business centre; encouraging high quality tourism and hotel facilities; and creating an evening economy through improved restaurant, café and night time uses along High Street, Queen Street and King Street, as well as in the Opportunity Areas.
2. Promote mixed use development by ensuring Opportunity Areas are developed as comprehensive mixed use schemes; and by promoting town centre land uses that effectively complement and integrate to create a vibrant, stimulating and sustainable town centre environment.

- 7.4.3 Policy MTC7 provides:

"Maidenhead town centre will be the principal location for retail development. The town centre's retail role will be maintained and enhanced through the protection of retail activity within the Primary Shopping Area and the delivery of a major comprehensive retail led development in the Area for Major Retail Led Development (also see Policy OA1: Broadway Opportunity Area). New development should broaden the range of shopping opportunities and improve Maidenhead's image as a sustainable and high quality shopping destination.



Development will be required to:

1. *Protect and enhance retail activity within the designated Primary Shopping Area;*
2. *Focus new retail development within the Primary Shopping Area and the Area for Major Retail Led Development;*
3. *Ensure effective integration between the Primary Shopping Area, the Area for Major Retail Led Development, and frontages elsewhere.”*

7.4.4 In respect of primary shopping frontages, Policy MTC7<sup>2</sup> states:

*“Within primary frontages, as illustrated on the proposals map, the retail character will be maintained and enhanced. Proposals therein for change of use or redevelopment from shops (Class A1) to other uses will only be permitted where they would:*

1. *be appropriate to the character and function of the area; and*
2. *not result in adverse impacts on existing uses within the frontage; and*
3. *not result in the loss of a prominent shop unit within the primary frontages”*

7.4.5 The supportive text recognises the importance of retail to draw people into the town centre and stimulate the local economy. It also identifies that *“despite the presence of several national retailers, the town centre has experienced a gradual decline over recent years. Survey information suggests that many residents are dissatisfied with the range and quality of shops and, as a result, shop elsewhere....Securing the town centre as a desirable place to shop and spend time is fundamental to its rejuvenation and the improvement of the town’s image and character”*.

7.4.6 It further comments that *“Maidenhead has been losing trade to other centres and out of centre locations. To maintain and enhance overall vitality and viability, and to perform its role as a major centre within its catchment area, there is a need for major new retail led development in the town centre”*.

7.4.7 The MTCAAP designates the land to the south of Nicholsons Shopping Centre (the Landing site) for a comprehensive major retail led development to deliver up to 25,000 sq. m. of retail accommodation:

*“Development of this land will support and enhance the main shopping area and facilitate better links both to the existing shopping core, and to the railway station. In order to maximise benefits for retail trade and the wider town centre, any scheme should include a mix of types and sizes of retail unit, so as to complement and extend the existing range of retail opportunities. In particular, the opportunity should be taken to include a range of larger units than are available at present, together with an anchor variety or department store<sup>3</sup>”*.

---

<sup>2</sup> MTC7 is proposed to be superseded by Policy TR3 of BLP

<sup>3</sup> Para 4.5 MTCAAP

7.4.8 This ambition is further articulated in Policy OA14: Broadway Opportunity Area which advances that a comprehensive retail led mixed use regeneration scheme comprising the following should be brought forward:

- 25,000 sq. m. of retail floorspace (gross);
- 190 residential dwellings (gross);
- 6,000 sq. m. of office floorspace (gross);
- Complementary leisure provision, particularly café and restaurant uses;
- Replacement multi-storey car park.

7.4.9 The following development and design principles of particular relevance and importance to the redevelopment of this area include:

- Strengthening and enhancement of the town centre's overall retail offer;
- A mix of uses that complement the existing primary shopping area;
- Innovative and distinctive architecture reflective of its gateway location;
- Effective integration with existing shopping areas through strong and direct pedestrian connections to the Nicholson's Centre, King Street and Queen Street;
- Enhanced linkages between the railway station and the existing retail network;
- High quality, appealing retail environment with active frontages at ground level, both internally and externally, to King Street, Queen Street and Broadway;
- Incorporation of new central high quality public spaces;
- Promotion of access by walking and cycling and reduction in the dominance of vehicles;
- Vehicular access and servicing off Broadway and Queen Street.

7.4.10 Redevelopment of the Broadway Opportunity Area is seen as integral to the successful implementation of the TCAAP's spatial strategy and realisation of the overarching vision for the town centre. The MTCAAP states that in order to deliver the required comprehensive approach set out in this policy and reasoned justification, if necessary and, where there is a compelling case in the public interest, the council will consider the use of its compulsory purchase powers.

7.4.11 In respect of housing, Policy MTC12<sup>5</sup> states that new housing development will be supported throughout the town centre, with Opportunity Areas expected to make a significant contribution to housing. All proposals will be expected to contribute to a sustainable mix and choice of housing with higher density housing appropriate in suitable locations.

7.4.12 The MTCAAP recognises<sup>6</sup> that town centres are becoming increasingly more important as a place to live and that this is to be welcomed as it adds vitality and some feeling of ownership of the streets and spaces. Whilst new homes will be built across the Royal Borough, Maidenhead town centre has

---

<sup>4</sup> Policy A1 is proposed to be superseded by BLP HO1 and ED2

<sup>5</sup> Proposed to be superseded by BLP Policy HO1

<sup>6</sup> Para 5.2

the potential to accommodate around 800 new homes within the Opportunity Areas. Past consultation shows strong support for continuing the existing approach of intensification of urban areas to help protect the Green Belt and to reflect their general sustainability. Maidenhead town centre is seen in particular as a location where high density housing development can be supported.

- 7.4.13 Whilst flats are likely to make up the majority of new housing across the town centre, the MTCAAP<sup>7</sup> provides that developments should provide a mix of dwelling size and avoid being dominated by one-bedroom units. In terms of affordable housing, the council currently seeks to achieve a 30% proportion of the total units provided on developments involving a net increase of 15 or more dwellings through Local Plan Policy H3.
- 7.4.14 The MTCAAP acknowledges that accessibility is key to a successful town centre. It reports that whilst Maidenhead's town centre is generally easy to get to, there are several aspects / barriers which restrict ease of access. The rejuvenation provides the opportunity to overcome these barriers to make the town centre more accessible particularly by walking, cycling and public transport.
- 7.4.15 Policy MTC148 provides that accessibility to the town centre will be optimised for all modes of travel, with a specific focus on creating a safe and comfortable environment for pedestrians and cyclists and improving access by public transport. Development should where appropriate:
- Provide improved pedestrian and cyclist connections to and through the town centre;
  - Enhance accessibility by bus;
  - Facilitate better integration between transport modes, particularly train, bus and taxi;
  - Optimise traffic flows and circulation, including the use of signage, to minimise congestion;
  - Provide adequate parking facilities, including disabled parking spaces, motorcycle parking and cycle parking, and provision of electric vehicle charging points.
- 7.4.16 Policy IMP1 states that the council will use its powers of compulsory acquisition, where applicable and where there is a compelling case in the public interest, to bring forward the rejuvenation of Maidenhead town centre.
- 7.4.17 The MTCAAP acknowledges that whilst some sites could be developed independently of one another, in some areas it is preferable for landowners, occupiers and developers to work together to unlock the potential and achieve a better solution. The council will work with landowners and developers to assist the process of rejuvenating the town centre and the delivery of the MTCAAP. Where there is a need for site assembly, and this is not forthcoming through private treaty and negotiation, the council will consider using its compulsory purchase powers where there is a compelling case in the public interest. In such circumstances, it will be necessary for the promoter of the comprehensive development to demonstrate their ability to deliver the scheme<sup>9</sup>.

---

<sup>7</sup> Para 5.3

<sup>8</sup> Proposed to be superseded by BLP Policy IF2

<sup>9</sup> Para 8.8 MTCAAP

- 7.5 **Borough Local Plan 2013-2033 Submission Version Incorporating proposed changes (October 2019) ('BLPSV')**
- 7.5.1 The Borough Local Plan 2013-2033: Submission Version (BLPSV) was submitted to the Secretary of State for Housing, Communities and Local Government for independent examination in January 2018. Following the initial stage of hearings, the Planning Inspector advised the Council that further work was needed in order for the examination to continue. In November 2019, the Council published proposed changes to the BLPSV which it originally submitted for examination and consulted for six weeks.
- 7.5.2 The BLP Proposed Changes Plan and representations made during the consultation period have been sent to the Planning Inspector for consideration. The stage 2 Hearings took place in October/November 2020. The draft Borough Local Plan has not yet been through the second examination in public, but there were no specific objections raised to the policies directly relevant to the Scheme and so there are unlikely to be significant amendments to those draft policies. These policies therefore carry reduced weight in the decision making process compared to the plan once adopted but as above are a relevant consideration in terms of the strategic direction of RBWM. The relevant draft policies have therefore been considered below.
- 7.5.3 The draft BLPSV designates the Nicholson's Shopping Centre as forming part of the Primary Shopping Area with all of the retail units identified as a Primary Shopping Frontage. The Nicholson's MSCP is designated a mixed use development site.
- 7.5.4 Draft Policy TR1 identifies Maidenhead as one of two town centres within the borough (the other being Windsor) and records that these centres will be the preferred location for the development of main town centre uses. Development proposals for main town centre uses including retail development, leisure, entertainment facilities, offices and arts, cultural and tourism development will be supported in accordance with the hierarchy, provided they are appropriate in terms of their scale and design, and are well-related to the centre.
- 7.5.5 The BLPSV, which has been informed by retail studies, recognises that a successful retail sector is key to securing a vital and viable town centre and that a key method of supporting the retail sector is through securing a mix of uses within town centres to maximise the likelihood of linked trips, which have the effect of increasing the amount of time spent in the centres and the likelihood of a higher spend per trip.<sup>10</sup>
- 7.5.6 The BLPSV seeks to maintain the dominance of retail units within the Primary shopping area and on designated primary shopping frontages. It recognises that non-retail uses support the town centre function and that restaurants, pubs and cinemas will be appropriate across a town centre to enhance the vitality and viability of a centre, but seeks to have a greater concentrations of these uses in

---

<sup>10</sup> Para 9.4.1 BLPSV

secondary frontages with food and beverage outlets being complementary in the primary shopping area<sup>11</sup>.

7.5.7 Residential use is regarded by the BLPSV as being particularly helpful within town centres as it increases vitality, provides custom for town centre businesses and increases natural surveillance. Residential use at ground floor level are regarded as not appropriate within retail frontages as it can create a dead space without visual interest or appeal. However, the residential use of upper floors forms a valuable part of the mix of uses that supports a successful town centre<sup>12</sup>.

7.5.8 The BLPSV recognises that since the adoption of the MTCAAP, a wider range of uses, including retail and non-retail floorspace may be more appropriate in the town centre and that there are currently significant numbers of empty units within the town centre at Maidenhead, although the numbers are declining. Reflecting the change in demand for retail accommodation the proposed development of the Broadway Opportunity Area will not deliver the anticipated quantum of retail floor space.<sup>13</sup>

7.5.9 Revised Policy TR3 provides that:

- Development proposals should promote and enhance the role of Maidenhead town centre and its vitality and viability. The retail role of Maidenhead will be supported and development proposals for the regeneration of sites for town centre uses and those that protect, enhance or diversify retail activity, within the primary shopping area will be supported.
- Primary frontages, defined on the Policies Map, should include a high proportion of retail uses. Development proposals for non-retail uses within primary frontages will be permitted where they would enhance vitality and viability, be appropriate to the character and function of the area and retain prominent shop units within the primary frontage.

7.5.10 BLPSV Policy HO1 provides that The Borough Local Plan will provide for at least 14,240 new dwellings in the plan period up to 2033. The Spatial Strategy sets out that development will be focussed on existing urban areas, primarily Maidenhead, but also Windsor and Ascot.

7.5.11 The Nicholson Centre is identified as an allocated housing site (AL1) with an estimated capacity of 500 residential units. The Site Allocation Proforma for the Nicholson Centre site details its allocation for a mixed use development providing retail, community, 22,000 sq. m. of employment space and approximately 500 residential units and a public square.

7.5.12 Development of the site will be required to:

- Be of exceptional design and a main focal point in terms of placemaking and town centre functions;

---

<sup>11</sup> Para 9.5.2 and 9.5.3 BLPSV

<sup>12</sup> Para 9.5.7 BLPSV

<sup>13</sup> Para 9.8.4, 9.8.5 and 9.8.6 BLP

- Act as the primary retail focus for Maidenhead providing high quality primary retailing frontages with a dominance of A1 uses;
- Create a highly permeable network of attractive human scale streets that are highly connected to surrounding streets and adjoining developments;
- Provide a network of high quality pedestrian and cycle routes across the site and linked into surrounding areas and routes;
- Ensure that the development is well-served by public bus routes / demand responsive transport / other innovative public transport solutions, with appropriate provision for new bus stop infrastructure, such that the bus is an attractive alternative to the private car for local journeys. This will include provision of bus stops adjacent to the main frontages of the site and attractive way marking from Maidenhead Railway Station;
- Provide storage and parking for cycles and scooters along with electric car charging points;
- Be strongly connected in visual terms into the High Street with a visually prominent route through from the High Street through the site to the intersection of King Street and Broadway;
- Create a generous green infrastructure network on the site at both ground and upper levels to facilitate biodiversity enhancement, leisure and improved health and wellbeing for visitors, workers and residents;
- Plant large growing trees along the western side of the site, including on the junction of King Street and Nicolson's Lane and at the junction of King Street and Broadway corner;
- Provide mixed uses at ground floor levels throughout the development;
- Provision of public social spaces at upper levels in the form of an exceptional quality roof garden;
- Provide an exemplar quality designed public square at ground floor level to act as the focus for streets, pedestrian and cycling routes and the network of green infrastructure. The square will be expected to be fronted by high quality buildings housing a mix of retail, community and employment uses at ground floor level. The square will be human scale and a social space providing a favourable micro climate for outdoor leisure throughout much of the year. Blue infrastructure and public art will be expected to provide a focus for the square;
- Contribute to the vitality, enclosure and enhancement of all surrounding streets, particularly the High Street, King Street and Broadway;
- Provide high quality attractive and animated frontages to Queen Lane and Brock Lane;
- Respond positively and sensitively to the character and scale of heritage assets in the surrounding area;
- Be designed sensitively to consider the privacy and amenity of neighbouring residential properties;
- Maintain a human scale frontage to the High Street;
- Provide at least 30% affordable housing;
- Provide 5% of units for custom build opportunities;
- Address surface water flooding issues;

- Consider flood risk as part of a Flood Risk Assessment as the site is bigger than one hectare;
- Demonstrate the sustainable management of surface water runoff through the use of SuDS in line with policy and best practice; any proposed surface water discharge should be limited to greenfield runoff rates where feasible.

7.5.13 BLPSV Policy HO3 seeks a minimum affordable housing requirement of 30% on sites delivering more than 10 additional dwellings with the tenure mix to be dealt with on a site-by-site basis. In assessing a site's capacity to deliver affordable housing the financial viability of developing the site is to be considered. In exceptional circumstances, where the provision of affordable housing in accordance with Policy HO3 is demonstrated as not economically viable, the Council will seek to negotiate alternative provision.

## 7.6 National Planning Policy Framework (2019)

7.6.1 The NPPF published in February 2019 is a revision of the National Planning Policy Framework published in March 2012. The NPPF has been updated to incorporate proposals previously consulted on in the Housing White Paper and the 'Planning for right homes in the right places' consultation.

7.6.2 The NPPF sets out the Government's planning policies for England and how these should be applied. Its purpose is to provide a framework within which locally-prepared plans for housing and other development can be produced. The NPPF continues to not form part of the Development Plan, but as it must be taken into account in the preparation of development plans, it is a material consideration in planning decisions.

7.6.3 The NPPF maintains the presumption in favour of sustainable development at its heart, setting out the three overarching objectives of the planning system:

- (i) **an economic objective** – to help build a strong, responsive and competitive economy, by ensuring that sufficient land of the right types is available in the right places and at the right time to support growth, innovation and improved productivity; and by identifying and coordinating the provision of infrastructure;
- (ii) **a social objective** – to support strong, vibrant and healthy communities, by ensuring that a sufficient number and range of homes can be provided to meet the needs of present and future generations; and by fostering a well-designed and safe built environment, with accessible services and open spaces that reflect current and future needs and support communities' health, social and cultural well-being; and
- (iii) **an environmental objective** – to contribute to protecting and enhancing our natural, built and historic environment; including making effective use of land, helping to improve biodiversity, use natural resources prudently, minimise waste and pollution, and mitigate and adapt to climate change, including moving to a low carbon economy.

7.6.4 In respect of the delivery of a sufficient supply of new homes, the NPPF states that to support the Government's objective of significantly boosting the supply of new homes, it is important that a sufficient amount and variety of land can come forward where it is needed, that the needs of groups with specific housing requirements are addressed and that land with permission is developed without unnecessary delay (Paragraph 59).

7.6.5 The NPPF acknowledges that inadequate housing can be a potential barrier to investment and that planning policies should address this (paragraph 81).

7.6.6 Planning policies and decisions should support the role that town centres play at the heart of local communities, by taking a positive approach to their growth, management and adaption. The NPPF states (paragraph 85) that planning policies should promote their long-term vitality and viability of town centres by allowing them to grow and diversify in a way that can respond to rapid changes in the retail and leisure industries, and allow a suitable mix of uses (including housing). The NPPF highlights that planning policies should recognise that residential development often plays an important role in ensuring the vitality of centres and encourage residential development on appropriate sites.

7.6.7 Paragraph 91 provides that planning policies and decisions should aim to achieve healthy, inclusive and safe places which:

- a) promote social interaction, including opportunities for meetings between people who might not otherwise come into contact with each other – for example through mixed-use developments, strong neighbourhood centres, street layouts that allow for easy pedestrian and cycle connections within and between neighbourhoods, and active street frontages;
- b) are safe and accessible, so that crime and disorder, and the fear of crime, do not undermine the quality of life or community cohesion – for example through the use of clear and legible pedestrian routes, and high quality public space, which encourage the active and continual use of public areas; and
- c) enable and support healthy lifestyles, especially where this would address identified local health and wellbeing needs – for example through the provision of safe and accessible green infrastructure, sports facilities, local shops, access to healthier food, allotments and layouts that encourage walking and cycling.

7.6.8 The NPPF states that:

“planning policies and decisions should promote an effective use of land in meeting the need for homes and other uses, while safeguarding and improving the environment and ensuring safe and



healthy living conditions. Strategic policies should set out a clear strategy for accommodating objectively assessed needs, in a way that makes as much use as possible of previously-developed or 'brownfield' land" (paragraph 117)

7.6.9 Paragraph 118 provides that policies and decision should promote and support the development of under-utilised land and buildings, especially if this would help to meet identified needs for housing where land supply is constrained and available sites could be used more effectively, with paragraph 123 advising that developments should make optimal use of the potential of each site.

7.6.10 The NPPF states that planning policies and decisions should support the creation of high quality buildings and places (paragraph 124) and in paragraph 127 that developments should:

- (i) function well and add to the overall quality of an area;
- (ii) be visually attractive as a result of good architecture, layout and effective landscaping
- (iii) be sympathetic to local character and history, including the surrounding built environment and landscape setting;
- (iv) establish or maintain a strong sense of place, using the arrangement of streets, spaces, building types and materials to create attractive, welcoming and distinctive places to live, work and visit;
- (v) optimise the potential of the site to accommodate and sustain an appropriate amount and mix of development (including green and other public space) and support local facilities and transport networks; and
- (vi) create places that are safe, inclusive and accessible, with a high standard of amenity for existing and future users; and where crime and disorder, and the fear of crime, do not undermine the quality of life or community cohesion and resilience.

## **8 JUSTIFICATION FOR THE USE OF COMPULSORY PURCHASE POWERS**

8.1 The Council considers that there is a compelling case in the public interest for the making of the Order.

8.2 The principle of the Scheme is supported by both national planning policy and emerging local policy. The Council's Maidenhead Area Development Management Panel resolved to grant planning permission on the [insert date] and a s.106 agreement is in the process of being concluded. The Council considers the Scheme will make a positive contribution to the promotion of achievement of the economic, social and environmental wellbeing of the area.

8.3 Single ownership and control of the Order Land is required to enable the Scheme to proceed. The Council is satisfied that the Developer has made reasonable attempts to acquire outstanding interests

by private agreement. The Council and Developer has attempted, and will continue to attempt, to purchase the outstanding interests by private agreement. However, given the number of third party interests identified in the Schedule to the Order, the Council considers it unlikely that the Council will be able to acquire all of these interests by agreement within a reasonable time period. The exercise of compulsory purchase powers will enable redevelopment to take place at an earlier date by providing certainty in respect of site assembly.

8.4 The Council has considered the need to include each parcel of land and each new right in the Order Land and is satisfied that these interests are required for the delivery of the Scheme.

8.5 In respect of an Order made under s.226 TCPA 1990, paragraphs 13, 15 and 106 of the CPO Guidance identifies the following issues be considered:

- (a) whether the purpose for which the land is being acquired fits with the adopted planning framework for the area or where no such up to date Local Plan exists, with the draft Local Plan and the National Planning Policy Framework;
- (b) the extent to which the Scheme would contribute to the achievement of the promotion and/or improvement of the economic, and/or social, and/or improvement of environmental well-being of the Council's area.
- (c) the potential financial viability of the Scheme, general funding intentions and the timing of available funding and that there is a reasonable prospect of the Scheme going ahead;
- (d) whether the purposes for which the proposed Order Land is to be acquired could reasonably be achieved by any other means.

8.6 Each of these matters is addressed in turn.

8.7 **Whether the purpose for which the land is being acquired fits with the adopted planning framework for the area**

8.7.1 The Development Plan is dated, reflecting that the adoption of the BLPSV has, in part, taken longer due to the need for alterations during the examination process. Consequently, the Local Plan and the MTCAAP both promote the expansion of comparison retail in Maidenhead Town Centre through the redevelopment of the Landing Site and the Nicholson MSCP to provide for retail expansion in the order of 25,000 sq. m. Changes in the retail market since the adoption of the Local Plan (2003) and the MTCAAP (2011) no longer make retail expansion focused on comparison goods retail either viable or a productive use of land, a point recognised by the BLPSV. This is also illustrated in the Landing Site securing consent for 454 residential units, 13,007 sq. m. of office space, and 3,846 sq. m. of other mixed uses including retail, community and leisure.

- 8.7.2 The BLPSV 2017 submitted version did not advance a different policy for the Nicholson's Shopping Centre to that of the MTCAAP: it continued to be identified as falling within the Primary Shopping Area with all of the retail units identified as a Primary Shopping Frontage. The site had no designation as providing a key redevelopment opportunity within the town centre.
- 8.7.3 The BLPSV Incorporating proposed changes, which was submitted in October 2019, proposes a significant change in policy approach to the shopping centre, designating it as an allocated housing site (AL1) and setting out detailed objectives for any redevelopment. The emergence of this policy is informed by the updated Retail Town Centre Study (2019) which identified that Maidenhead Town Centre will have a theoretical oversupply of comparison goods floorspace in 2024 and that there is limited capacity for additional floorspace by 2029 (about 900 sq. m. net), before rising to about 1,150 sq. m. net by 2033 and about 1,200 sq. m. net by 2036 if forecast trends occur.
- 8.7.4 These quantitative findings are mirrored in the qualitative assessment with the Retail Study Update (2019) recording that whilst the Nicholson's Shopping Centre has a range of major and multiple retailers, it comprises a number of vacancies (particularly at its eastern end). The Retail Study Update states:
- “given its location in the heart of the town centre with good connectivity to Maidenhead railway station, we consider this site represents a prime opportunity for substantial improvement or redevelopment. Suitable proposals for the centre would include a mix of uses including ground floor retail, leisure (including food & beverage) and community space, with ground floor and upper floor residential uses. There is also scope for office uses (subject to demand). Notwithstanding the existing level of vacancies within the centre, we consider that any scheme is unlikely to result in a substantial net increase of A1 retail floorspace (given the structural changes in the retail sector and the growing significance of nonA1 uses in supporting the vitality and viability of town centres). The improvement or redevelopment of the centre would, however, generate notable qualitative benefits; such as attracting new occupiers, enhancing the consumer experience, and improving the town centre as a place to live and work.”*
- 8.7.5 The updated BLPSV designates the Nicholson's Shopping Centre as providing an opportunity for a mixed use development providing retail, community, 22,000 sq. m. of employment space and approximately 500 residential units and a public square. The proposed scheme, if consented, delivers 638 residential units (346 residential and 292 Senior Living) and 35,219 sq. m. of employment floor space (7,469 sq. m. of retail; 27,750 sq. m. of offices).
- 8.7.6 Paragraph 5.6.12 of the BLPSV details the objectives sought from the redevelopment and it is clear that the proposed scheme delivers upon these: the scheme is of an exceptional design; maintains a high quality retail environment with a focus on a mix of retail uses and animated frontages at ground floor level; significantly improves permeability through the site and connectivity with other parts of the

town centre; delivers modern car and cycle parking; provides an significant increase to public open space; and is sensitive to the conservation area and neighbouring residential properties.

8.7.7 [The resolution to grant permission for the Development illustrates that the Scheme accords with the planning framework of the area. [reference Officer's Report]].

**8.8 The extent to which the Scheme would contribute to the achievement of the promotion and/or improvement of the economic, and/or social, and/or improvement of environmental well-being of the Council's area**

8.8.1 The existing Nicholsons Shopping Centre is underperforming. The MTCAAP, prepared in 2011, cited resident surveys reporting that many residents were dissatisfied with the range and quality of shops in Maidenhead town centre and as a result shop elsewhere. The shopping centre has continued to underperform since this date, reflecting the change in shopping habits towards online retail and also the downward cycle that can envelope a shopping centre when retailers exit, customers become dissatisfied at the retail offer, elect to shop elsewhere, which then further impacts the range and quality of the retail offer as more retailers exit or choose not to move into the centre. Unconnected to the redevelopment proposals, retailers continue to close units within the shopping centre reflecting the changes and pressures of the retail market. As identified by the 2019 Retail Study, Maidenhead has a theoretical oversupply of retail accommodation.

8.8.2 The NQD will represents a significant investment in the area, the benefits of which will be considerable to the economic, social and environmental wellbeing of the Borough. The key benefits of the scheme are:

- Bringing forward much needed regeneration in a highly sustainable location on previously developed brownfield land, replacing a failing covered shopping centre and building on the district role of Maidenhead and the introduction of Crossrail to the town;
- Significant investment in Maidenhead representing a vote of confidence and encouraging ongoing growth and investment, fulfilling aspirations for the town centre to become a place to live, work and play;
- Delivering modern retail accommodation, sized and configured to meet the needs of existing and forecast operators and users, specifically those living in, working in and visiting Maidenhead, complimenting and enhancing the rest of the town centre. This will result in promoting Maidenhead and bringing new retailers to the town;
- Delivery on the need for much needed new homes, providing a range of apartment types and sizes in a centrally located sustainable town centre location, meeting identified need and assisting in meeting RBWM's housing targets;

- Provision of high-quality senior living accommodation in a central, highly accessible location, close to important existing and new amenities, which is well suited to meeting identified needs for senior living accommodation;
- Providing significant new high quality landscaping and public realm, including a new public town square for those living in, working in and visiting Maidenhead and introducing new pedestrian routes and permeability improvements through Maidenhead town centre linking the town centre, station and surrounding public parks;
- Re-provision of a new and improved town centre car park, serving Maidenhead's existing and proposed retail and services offer and incorporating cycle parking and electric vehicle charging to promote more sustainable modes of travel as well as introducing new public transport infrastructure to increase accessibility;
- Provision of a new museum and community centre, celebrating Maidenhead's history and diversity;
- Creation or accommodation of approximately 2,700 new jobs across a variety of uses with considerably more jobs created during the construction and fit out period, and significant economic benefits associated with these new opportunities;
- Building upon the highly accessible location with an existing and planned excellent level of public transport, pedestrian and cycle accessibility and introducing design measures including site layout, design and management to encourage enhanced accessibility and inclusivity and a sustainable scheme;
- Delivering modern, energy and carbon efficient accommodation which meets current design and building control standards. The development will utilise green roofs to encourage ecological diversity and provide a sense of wellbeing.

8.8.3 The Development includes the following sustainability measures:

- The use of low and zero carbon technology within the site in the form of heat pumps, PV panels and minimum 'A' rated appliances so to reduce energy use within the site;
- The targeting of all office space above 500 sq. m. being delivered to a BREEAM rating of Excellent under the 2018 regulations;
- Delivering water use efficiency through utilising low water use sanitary ware and leak detection devices;
- The inclusive of biodiverse roofs, wildlife friendly planting and climbing plants against the wall of the multi-storey car park;

- Facilities to store 803 bicycles to help promote cycling;
- Increasing the number of trees across the site from 4 to 173;
- Installing 125 electric vehicle charging points.

8.8.4 The Development is also intended to provide an excellent quality of design that integrates with and improves the existing urban fabric of the town. The Design South East Design Review Panel has been engaged with during the application process and has stated::

*“The applicant and design team are commended for their aspiration for a major town centre scheme in Maidenhead.”*

*“The proposal has achieved a comfortable sense of scale, height and massing that builds up to the landmark tower at the south of the site.”*

*“The overall layout is sensible, providing well-resolved and connected spaces that promote permeability throughout”*

*“The proposal for finer grain development at the north east of the site, named ‘The Yards’, is an interesting concept that works well with the more formal structure of the rest of the development”.*

8.8.5 Overall it is clear that the Development is capable of delivering tangible benefits that will contribute to the achievement of the promotion and improvement of the economic, social, and environmental well-being of the Council's area in line with the Scheme objectives. The intensification of development on a sustainable, previously developed and centrally located site together with the introduction of a mix of uses will help re-establish the function of the town centre and allow it to sustain itself as a viable town centre into the future.

#### 8.9 **The potential financial viability of the Scheme, general funding intentions and the timing of available funding and that there is a reasonable prospect of the Scheme going ahead**

8.9.1 The Nicholsons Shopping Centre is a covered mall constructed in the 1970s, providing 55 shop units that no longer meets the requirement of modern retail formats. The Shopping Centre was acquired from Administration by the Developer, in March 2019 for £25m. The property was purchased with the intention of redevelopment, with the Centre no longer able to fulfil its role as a viable retail destination, as evidenced by the fall in value from the sale in 2007 for £85m, followed by a sale in 2015 for £37m and thereafter for £25m in March 2019. The fall in value is reflective of the lack of occupier demand for accommodation, which has resulted in falling rental values and greater investor risk. Despite the fall in rental levels, the centre is not considered a viable trading location by a number of high street national retailers due to expected trading performance.

- 8.9.2 Since the purchase in March 2019, seven occupiers have vacated the centre at their choice and Tesco, an anchor store, vacated in September 2020. Of those tenants remaining in occupation there are a number that are in occupation on a concessionary rent basis. High Streets across the UK have been in decline for several years and this has been further accelerated by Covid-19. The decline of the Nicholson's Shopping Centre is apparent and if the redevelopment were not to proceed it would not be possible to attract occupiers into the Centre on viable financial terms.
- 8.9.3 It was in recognition of the need for intervention and the re-purposing of the shopping centre so it could achieve its full potential that the Developer purchased the shopping centre.
- 8.9.4 The Developer is a collaboration between Tikehau Capital and Areli Real Estate. Tikehau Capital are an asset management and investment group which has c. £9 Billion of real estate assets under management across Europe. The business invests in various asset classes, including real estate, and a key emerging element of its portfolio is investing in UK shopping centres such as the Nicholson's Shopping Centre, Maidenhead and the Walnuts Shopping Centre, Orpington which offer regeneration opportunities to deliver long-term placemaking.
- 8.9.5 Areli Real Estate is a UK based urban regeneration specialist which works as an operating partner to Tikehau Capital on its redevelopment portfolio in the UK. Areli Real Estate was formed in 2018 to focus specifically upon mixed use, urban regeneration and placemaking, particularly in struggling high streets and town centres which require investment. Whilst a relatively new company, Areli's team has a collective wealth of experience in delivering complex, mixed-use development schemes and the team have secured planning consents for c.40 million sq. ft. of mixed-use development projects. including:
- Battersea Power Station, London – one of London's most challenging redevelopment schemes and at 10 million sq ft, Battersea Power Station remains Central London's largest ever planning permission and created a whole new community providing new homes, shops, bars and restaurants, public realm and new offices, including Apple's 500,000 sq ft UK HQ.
  - Gunwharf Quays, Portsmouth – a redevelopment of a 33 acre derelict naval base to provide a mixed-use development of offices, residential. retail, restaurants, leisure and hotel accommodation
  - Hounslow High Street Quarter, London – a development of c.527 residential units and 10,000 sq. m. of commercial accommodation including a multi-screen cinema, retail and leisure accommodation, located in the centre of Hounslow Town Centre.
- 8.9.6 Areli Real Estate are currently responsible for the delivery of c.10,000 residential units and 3.5 million sq ft of commercial floorspace, across a number of schemes in Greater London and the South East

- 8.9.7 The Developer is committed to the redevelopment of the Nicholsons Shopping Centre. It was with this intention that it purchased the property in 2018 and why it has committed significant funds in the region of c.£4M to advancing the redevelopment in respect of planning, design and other professional fees.
- 8.9.8 The proposed development will be delivered on a phased basis with the Developer taking a long term approach to the investment and deliverability of the scheme. The Developer is confident that the underlying economic and property fundamentals are robust and that the scheme can be delivered within a reasonable timescale, allowing for a sufficient level of return.
- 8.9.9 The returns generated from the development also need to be contrasted against the depreciating value of the asset if there is no intervention: the significant changes in the retail market, which are forecast to be expedited following the Covid-19 pandemic and the further shift in shoppers behaviour towards online shopping, means that the underlying value of the shopping centre and the rental returns that can be generated may be further eroded. In short, in order to secure longevity of value for its asset the Developer has a vested interest in carrying out the Development. The full application elements of the Development (if permitted) will allow the Developer to commence development once the necessary land assembly has taken place. The anticipated programme for delivering the development is summarised below:

[To be Updated]	Start	End
Enabling and Demolition Works	July 2021	February 2022
MSCP (Zone 4),	March 2022	September 2023
Residential (Zone 5)	March 2022	January 2024
Commercial (Zone 2)	March 2022	September 2023
Commercial (Zone 3)	August 2022	January 2024
Commercial (Zone 1)	February 2023	February 2025
Residential (Zone 6)	August 2023	March 2026

- 8.9.10 A Stopping Up Order is required for some small areas of public highway that fall in close proximity to the existing shopping centre as noted at [11.3] under s.247 TCPA 1990 to facilitate the Development. The extent of the highway being stopped up was considered in the context of the planning application



and the Council considers that it will be able to demonstrate a strong case for the confirmation of the Stopping Up Order.

8.9.11 The Council considers there are no impediments to the delivery of the Scheme.

8.10 **Whether the purposes for which the proposed Order Land is to be acquired could reasonably be achieved by any other means within a reasonable timeframe.**

8.10.1 In light of the number of existing tenants with whom agreement needs to be reached for the variation of their lease, together with the extent of land over which new rights are required in order to allow the development to be constructed, it is considered that the only sure way of securing development of the Scheme within a reasonable time period is for a Compulsory Purchase Order to be made.

8.10.2 Single ownership and control of the Order Land is necessary to enable the Scheme to proceed. Given the number of third party interests identified in the Schedule to the Order it is unlikely that the Council or the Developer will be able to acquire all of the necessary interests by agreement within a reasonable timescale.

8.10.3 The Council has therefore made the Order to ensure that the significant benefits of the Scheme can be brought forward in a reasonable timescale. Whilst the Council's approach is to negotiate the purchase of all interests wherever possible by agreement, given the fragmented nature of the Order Land, confirmation of the Order is required in order to use compulsory purchase powers where necessary.

8.10.4 Whilst alternative locations for development exist within Maidenhead, this site, as evidenced by its inclusion within the BLPSV, is important in respect of the delivering social, economic and environmental improvements to the town centre. The opportunities for the town centre presented by the proposed redevelopment of the site are considerable.

8.10.5 The site is unique in its ability to improve accessibility and permeability through the town centre through the creation of a new public access connecting the train station to the south-west and the High Street to the north. Whilst delivering development on other sites contributes to housing numbers, this site has been recognised as an important contributor to meeting the Council's vision for the town centre.

8.10.6 The Developer is the main freeholder/long leaseholder of the majority of the development site and is therefore well placed to bring forward the Development in a comprehensive and coherent manner, delivering the social, economic and environmental benefits anticipated by the planning policy objectives. Part of the development site is owned by the Council and a separate commercial agreement has been entered into with Denhead to allow the land to be made available as part of the Development.

- 8.10.7 Consideration has been given as to whether the scheme could be delivered in the absence of the acquisition of the interests outside of the Council and Developer's control. In the Council's opinion this is impossible: the redevelopment of the shopping centre requires the demolition of the majority of the existing shopping centre which in turn requires vacant possession, crane oversailing rights are required over a significant number of properties to allow for construction, and access rights and rights of use interfered with.
- 8.10.8 The support of a CPO and the use of the Council's appropriation powers will be required to deliver the Scheme. Without this it is very likely that the Scheme objectives may never be achieved.

## **9 NEGOTIATIONS WITH THOSE OWNING INTERESTS IN THE ORDER LAND**

- 9.1 The Nicholsons Shopping Centre comprises 55 retail units and 3 concession stands. Since Areli Real Estate purchased the centre in March 2019, it has actively engaged with tenants through its letting agents (Jackson Criss) to secure, where required, variations to leases so to provide increased flexibility in respect of securing vacant possession so the redevelopment can be progressed. The strategy employed has been a successful one, agreements have been reached with a number of tenants but it is also noteworthy that some tenants are vacating accommodation on their own volition, exercising break options on account of poor trading performance unrelated to the proposed redevelopment of the centre.
- 9.2 At present there are 7 tenants who occupy retail accommodation with whom an agreement has not been completed to vary their lease terms. Negotiations are ongoing, led by Jackson Criss where there is an existing relationship, or where it is clear that negotiations will centre on compensation entitlement under the compensation code, Newsteer Real Estate Advisors. In accordance with paragraph 2 of the CPO guidance, financial terms discussed have been based on the compensation entitlement of the tenant if the property was acquired under a confirmed Compulsory Purchase Order. Where requested, assistance has also been offered to occupiers in sourcing suitable relocation properties.
- 9.3 There are a number of tenancies in which an in-principle agreement has been reached with the occupier and is with the respective legal advisers to formalise. Whilst there is constructive dialogue with most occupiers who have not yet agreed lease terms, in some instances there is a notable difference of opinion as to the level of payment due to secure varied lease terms. In other instances, retailers have not yet proactively engaged despite appointing surveyors to lead discussions.
- 9.4 There are number of properties that have the benefit of rights across the Nicholson's Shopping Centre, including rights of servicing, car parking and refuse, with discussions active with all parties to extinguish the existing rights and provide both temporary and permanent rights through legal Undertakings and Deed of Easements.
- 9.5 Discussions will continue with the owners of the relevant interests who are willing to modify their lease terms or sell their interest by agreement. However, it is recognised that there is no guarantee that

these attempts will be successful and accordingly, without the Order, there is no certain prospect of the Scheme proceeding.

- 9.6 The use of the Council's compulsory purchase powers is therefore necessary to ensure that vacant possession of the retail accommodation can be secured within a reasonable timescale and allow the proposed redevelopment to proceed.

## **10 OTHER MATTERS**

### **10.1 Human rights**

- 10.1.1 The Human Rights 1998 came into force on the 2 October 2000. This incorporated the European Convention on Human Rights into English Law. Human Rights must be considered by acquiring authorities when considering utilising compulsory purchase powers. As outlined in the Human Rights Act, public authorities are prohibited from acting in a way which is incompatible with the European Convention in Human Rights.
- 10.1.2 The Council has duly considered the rights of property owners under Article 1 of the First Protocol of the Convention, which provides for the peaceful enjoyment of possessions. Article 1 further provides that no one shall be deprived of possessions except as provided for by law or where it is in the public interest. It is considered that the Order will strike a fair balance between the private loss of property and the public interest in securing the implementation of the Scheme.
- 10.1.3 Article 6 of the Convention provides that everyone is entitled to a fair and public hearing in the determination of their civil rights and obligations. It is considered that the statutory procedures, which give the right to object and provide for judicial review, are sufficient to satisfy the requirements of this Article.
- 10.1.4 The Council has also considered the rights contained in Article 8 of the Convention. This provides that everyone has the right to respect for their private and family life and that there shall be no interference by a public authority with the exercise of this right except in accordance with the law, where there is a legitimate aim and where it is fair and proportionate in the public interest. It is considered that any interference caused by the Order will fall within these exceptions having regard to the public benefit which will accrue from the Scheme.
- 10.1.5 The Council have been conscious of the need to strike a balance between the rights of the individual and the interest of the public. The Council acknowledge that the effect of the Order will be to dispossess persons of their rights in the Order Land, but the Council has concluded that there is a wider compelling case in the public interest for the acquisition of the land as this will bring benefits to both residents and businesses of the borough that could not be achieved by agreement or without the exercise of compulsory purchase order making powers.

10.1.6 In considered Human Rights the Council has decided that in light of the significant public benefit that would arise from the Scheme and the nature of the Order Land, it is in the interest of the wider community to make the Order over and above the interests of any individuals affected. Any interference with the Convention rights is considered to be justified in order to secure the economic, social, physical and environmental regeneration that the Scheme will bring. Appropriate compensation will be available to those entitled to claim it under the relevant statutory provisions.

10.1.7 This compulsory purchase order follows existing legislative provision in respect of the making and confirming of Compulsory Purchase Order and the payment of compensation and, as such the Council considers these to be compatible with the convention.

## 10.2 **Consultation**

10.2.1 The Developer has been committed to public engagement from the outset of the development process and as summarised below a significant level of engagement has been undertaken:

- a Community Planning Weekend (CPW) was held between 22 and 26 March 2019, including presentations, exhibitions, walkabouts, dialogue workshops and hands-on planning design groups to consider the issues;
- The CPW team summarised the outcomes of the workshops and discussions and drew up an illustrative vision which was presented back to the community at a Report Back event on 26 March 2019;
- The Developer's consultancy team took part in the Council's Community Drop-in days, providing an update on emerging proposals as part of a wider town engagement event (13<sup>th</sup> September 2019);
- A Community Stakeholder Update Exhibition to preview the emerging proposals to invited local key stakeholders was held on 10 October 2019;
- A Community Update Exhibition was held on 11 and 12 October 2019 to review the emerging proposals with the local community;
- The Developer took part in the Maidenhead United FC Business Networking Event on 29 October 2019 to discuss the emerging proposals with local businesses;
- Presented updates on the emerging proposals to the Disability & Inclusion Forum on 6 January 2020 and 11 September 2020
- Following submission of the planning application, in May 2020, leaflets outlining the proposals were distributed to 27,500 households, together with the creation of a project

website and app. To date 1,600 responses have been received with 82% supportive of the application.

### 10.3 **Related Orders**

10.3.1 A stopping up order will be required in respect of four small areas of public highway at the following locations:

- (i) A small parcel of adopted highway relating to the footpath adjacent to 51 King Street where the new development extends into the existing footpath;
- (ii) A small part of the adopted highway at Nicholson Lane where the footprint of a new building sits within the road;
- (iii) A slither of public adopted highway located to the north of the shopping centre's entrance between 75 – 77 High Street on account of the new development moderately extending forward;
- (iv) A small triangular parcel of land at the junction between Brock Lane and Bankside.

10.3.2 Each of these areas is a small parcel of land which once stopped up will not interfere with access to neighbouring properties. The Order will be advanced under s.247 TCPA 1990 to facilitate the Development. The extent of the highway being stopped up was considered in the context of the planning application and the Council considers that it will be able to demonstrate a strong case for the confirmation of the Stopping Up Order.

### 10.4 **Conservation area and listed buildings**

10.4.1 There are no listed buildings or Scheduled Ancient Monuments within the Order Land. The Order Land also falls outside the Conservation Area. There is a nil return certificate for protected assets.

### 10.5 **Public Sector Equalities duty**

10.5.1 In formulating and promoting the Order, the Council has had regard to its statutory duties and obligations under the Equality Act 2010 and in particular its obligations under Sections 149 and 150 of the said Act in taking into account the differential impact the Order will have on various groups of persons with different characteristics.

10.5.2 An Equalities Impact Assessment has been undertaken. The assessment has not identified any adverse equalities impacts from exercising the Council's CPO powers in order to facilitate the development scheme.

## 11 CONCLUSION

- 11.1 The CPO Guidance sets out guidance for acquiring authorities regarding the making and confirmation of CPOs. This includes key policy tests which the Secretary of State will expect to be satisfied before a CPO is confirmed.
- 11.2 The Order is made under It is s.226(1)(a) TCPA 1990 on the basis that a CPO is required to facilitate the redevelopment of the Order Land; the Council is satisfied that acquisition of the Order Land will result in economic, environmental and social wellbeing benefits both for the immediate environs of the Order Land and more widely the Borough. It is considered that the tests to be considered by the Secretary of State when deciding whether to confirm the Order are fully satisfied.
- 11.3 In respect of the Planning Framework test (Test 1), the BLPSV introduces planning policy in respect of the Nicholsons Shopping Centre which reflects the changes in the retail market and the changing requirements of town centres to ensure their vitality and viability. Whilst reduced weight can be applied to the BLPSV as it is still going through the examination and adoption process, it is clear that the MTCAAP is outdated in respect of its policy towards the shopping centre, advocating a significant extension to the retail provision rather than a re-purposing of existing retail accommodation to meet current requirements. This is illustrated by the Retail Study Update (2019) reporting that Maidenhead town centre has an immediate overprovision of comparison retail space.
- 11.4 It is clear that the proposed scheme delivers upon the majority of planning objectives for the site: the scheme is of an exceptional design; maintains a high quality retail environment with a focus on a mix of retail uses and animated frontages at ground floor level; significantly improves permeability through the site and connectivity with other parts of the town centre; delivers modern car and cycle parking; provides a significant increase to public open space; and is sensitive to the conservation area and neighbouring residential properties. [The Local Planning Authority's resolution to grant permission also demonstrates that the scheme aligns with the planning framework].
- 11.5 The Scheme delivers significant Economic, Social and Environmental Wellbeing benefits (Test 2) and The NQD will deliver significant improvements to the town centre, helping to ensure its future viability and vitality.
- 11.6 As to the third consideration (other means of achieving the Council's purpose in acquiring the land), the purposes for which the land is to be acquired could not be achieved by any alternative means. All of the Order Land is required for the proposed development. The regeneration of the Order Land will not be achieved without the use of compulsory purchase powers, but the powers will only be used where the required land and interests cannot be acquired by negotiation. As such, the use of compulsory purchase powers is proportionate.

- 11.7 The Developer has the necessary expertise to deliver the Development proposals. It is already a key freehold owner of part of the Order Land, acquired with the intention to enhance its asset based on a long-term approach to investment.
- 11.7.1 The site is unique in its ability to deliver a significant change to the town centre. A poorly performing shopping centre will be replaced with a significant quantum of development, introducing differing forms of development into the heart of the town centre which will improve the viability and vitality of the town centre. The design of the new development will improve accessibility and permeability through the town centre through the creation of a new public access connecting the train station to the south-west and the High Street to the north. Whilst delivering development on other sites contributes to housing numbers, this site has been recognised as an important contributor to meeting the Council's vision for the town centre.
- 11.8 Paragraph 13 of the CPO Guidance advises that it will be difficult to show conclusively that the compulsory acquisition of land is justified in the public interest if the acquiring authority cannot show that all the necessary resources are likely to be available to achieve that end within a reasonable time-scale. The Developer is committed to delivering the Scheme; it purchased the shopping centre with the ambition of redevelopment, has spent significant sums advancing design, planning and land assembly, and has a long-term objective to realising the redevelopment of the site. It is confident that the underlying economic and property fundamentals are robust and that the scheme can be delivered within a reasonable timescale, allowing for a sufficient level of return.
- 11.9 Whilst affected parties have been engaged and negotiations are ongoing, it is clear that unless the Order is confirmed, the Council would be unlikely to be able to assemble the land and interests needed within a reasonable timescale. Therefore, unless the Order is confirmed, the process of land assembly will inevitably delay the delivery and progression of the Scheme.
- 11.10 Accordingly, the Council considers that the tests to be applied when considering whether to confirm a CPO made under section 226(1)(a) TCPA 1990 are met, the criteria in the CPO Guidance is satisfied and that there is a compelling case in the public interest for the confirmation of the Order.

## **12 CONCLUSION**

For the reasons explained above, the Council therefore considers there to be a compelling case in the public interest for the confirmation of the Order.

## **13 ADDITIONAL INFORMATION**

- 13.1 Information about the Scheme and copies of the CPO documents are available at the Council's website [\[add reference\]](#)

## **14 LIST OF DOCUMENTS IN THE EVENT OF AN INQUIRY**

14.1 In the event of a public inquiry, the Council would intend to refer to or put in evidence the following documents

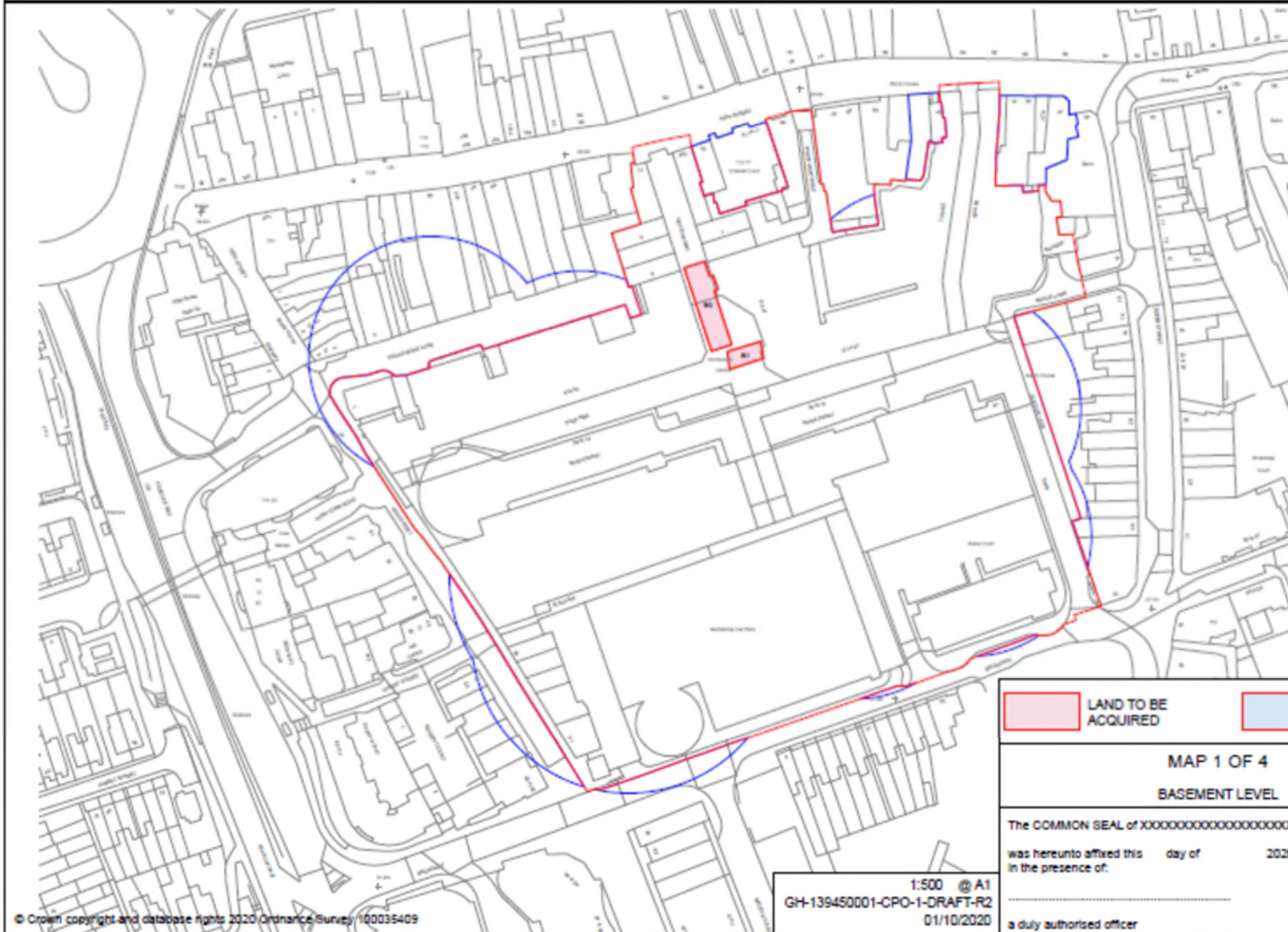
No	Document Name
1	Guidance on Compulsory purchase process and The Criche Down Rules for the disposal of surplus land acquired by, or under the threat of, compulsion" issued by the Department for Communities and Local Government (July 2019)
2	Royal Borough of Windsor and Maidenhead Local Plan (June 2003)
3	Maidenhead Town Centre Area Action Plan (September 2011)
4	Borough Local Plan 2013-2033 Submission Version Incorporating proposed changes (October 2019)
5	National Planning Policy Framework (NPPF) (July 2019)

14.2 The Council reserves the right to introduce such additional documents as may be relevant to any public inquiry in respect of the Order and will endeavour to notify the public inquiry and any statutory third parties of any such documents as soon as possible prior to the opening of such public inquiry



**Appendix C – Plans of Interests to be Acquired**

MAP REFERRED TO IN THE XXXXXXXXXXXXXXXXXXXXXXXX (XXXXXXXXXXXX)  
COMPULSORY PURCHASE ORDER 2020



LAND TO BE ACQUIRED      NEW RIGHTS TO BE ACQUIRED

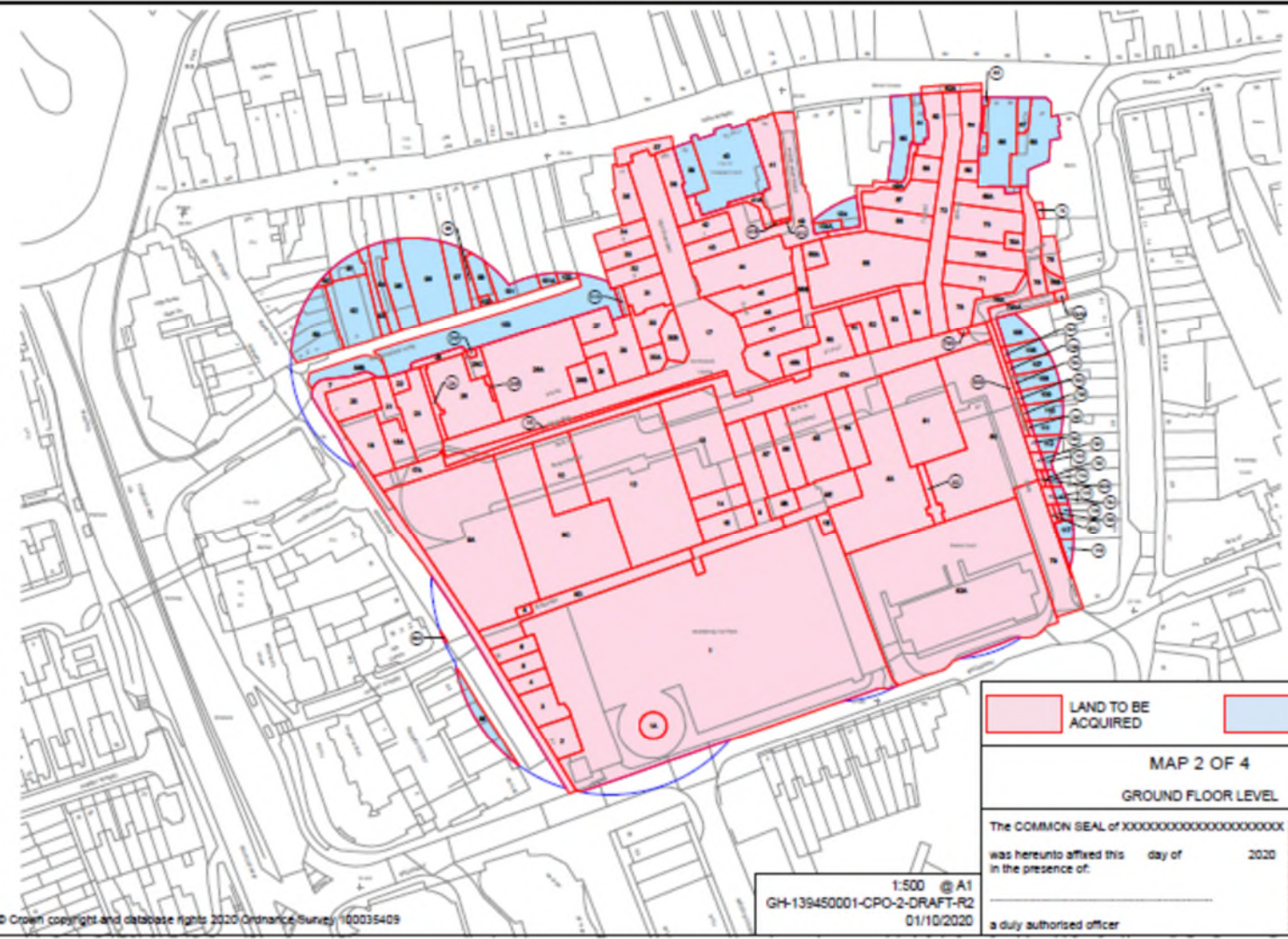
MAP 1 OF 4  
BASEMENT LEVEL

The COMMON SEAL of XXXXXXXXXXXXXXXXXXXXXXXX  
was hereunto affixed this      day of      2020  
in the presence of: \_\_\_\_\_  
a duly authorised officer

**DRAFT**

1:500 @ A1  
GH-139450001-CPO-1-DRAFT-R2  
01/10/2020

MAP REFERRED TO IN THE XXXXXXXXXXXXXXXXXXXX (XXXXXXXXXX)  
COMPULSORY PURCHASE ORDER 2020



LAND TO BE ACQUIRED      NEW RIGHTS TO BE ACQUIRED

MAP 2 OF 4  
GROUND FLOOR LEVEL

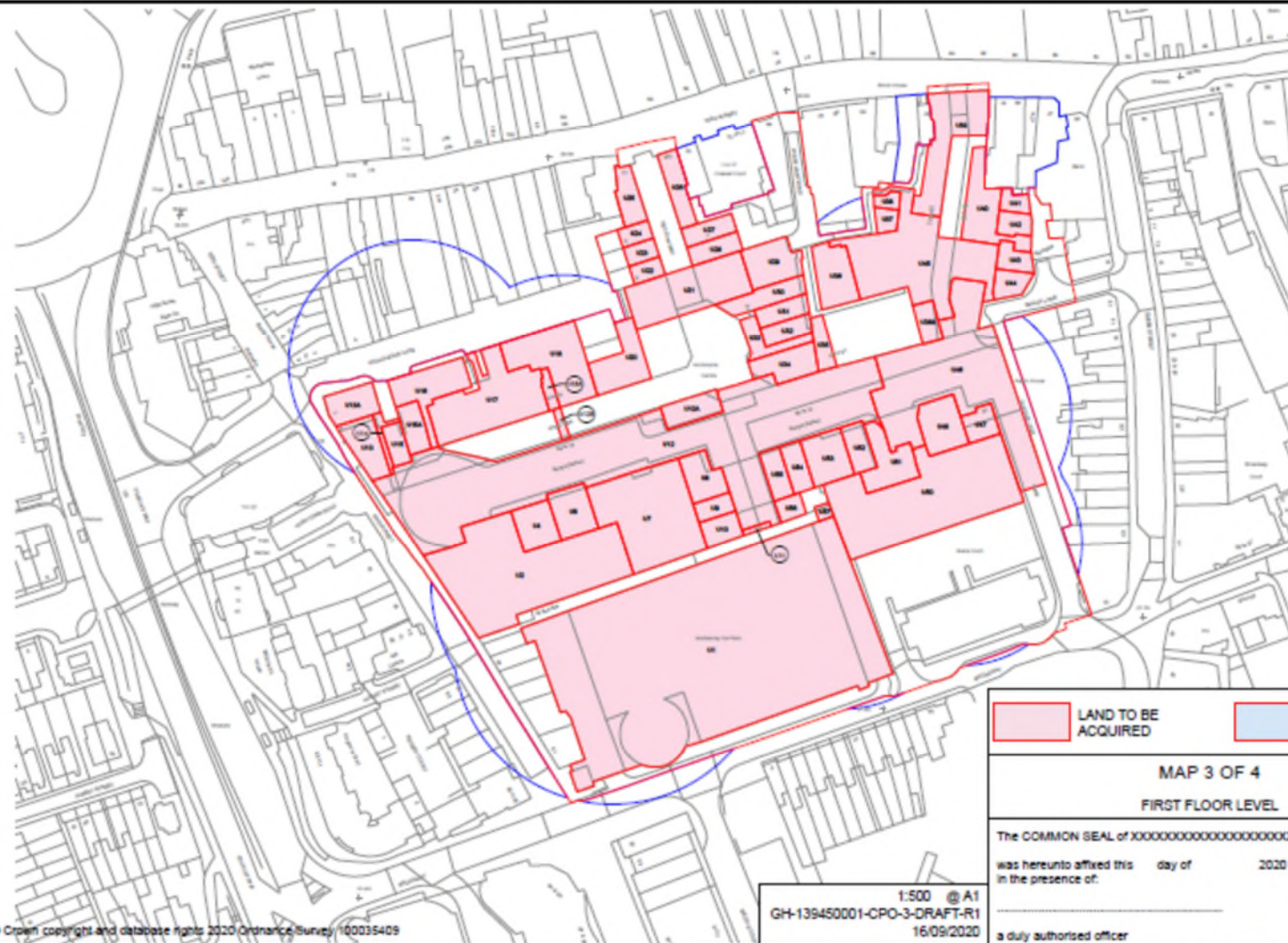
The COMMON SEAL of XXXXXXXXXXXXXXXXXXXXXXXX  
was hereunto affixed this      day of      2020  
in the presence of: \_\_\_\_\_  
a duly authorized officer

**DRAFT**

1:500 @ A1  
GH-139450001-CPO-2-DRAFT-R2  
01/10/2020



MAP REFERRED TO IN THE XXXXXXXXXXXXXXXXXXXX (XXXXXXXXXX)  
COMPULSORY PURCHASE ORDER 2020



LAND TO BE ACQUIRED      NEW RIGHTS TO BE ACQUIRED

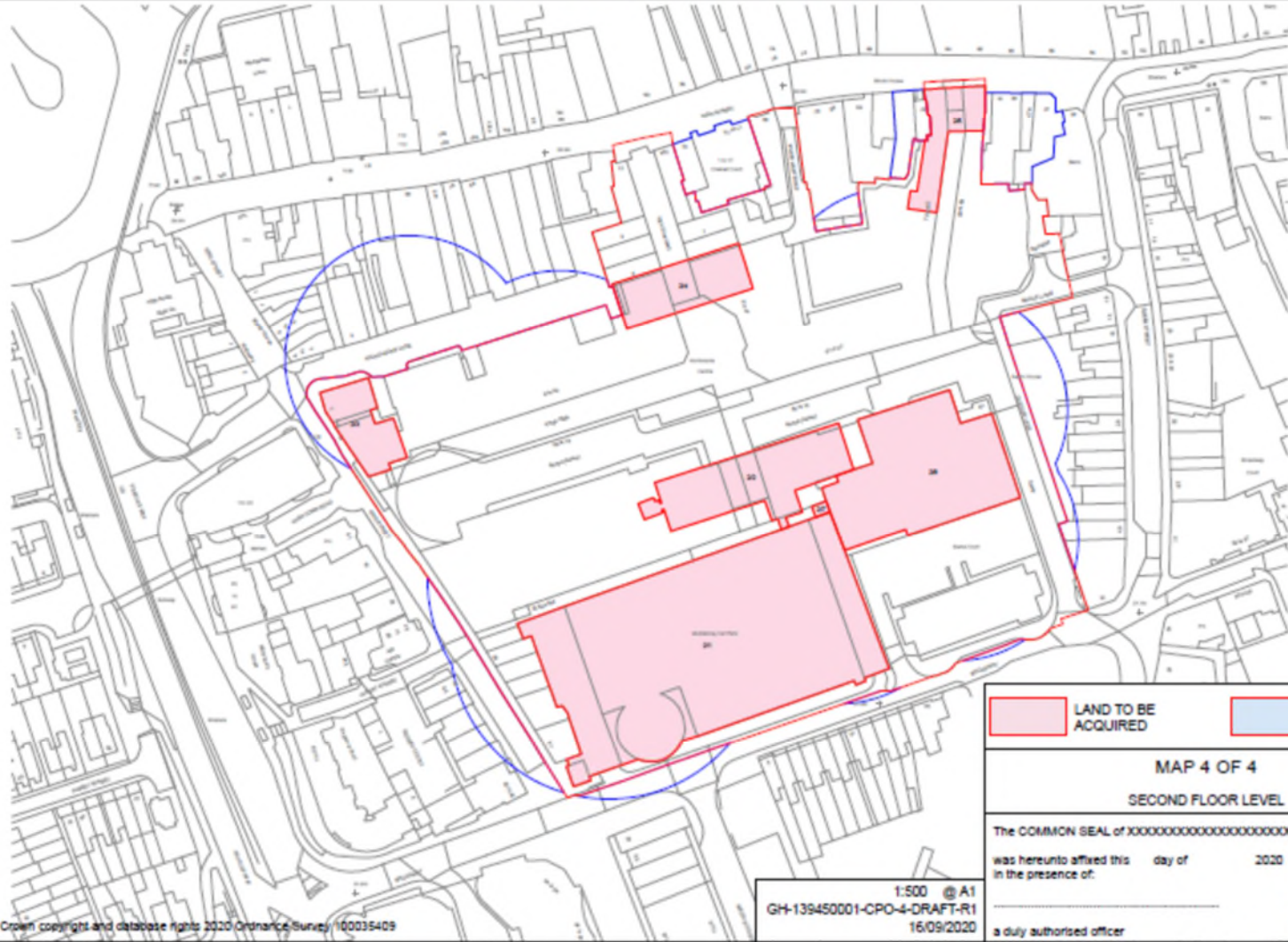
MAP 3 OF 4  
FIRST FLOOR LEVEL

The COMMON SEAL of XXXXXXXXXXXXXXXXXXXXXXXX  
was hereunto affixed this      day of      2020  
in the presence of:  
\_\_\_\_\_  
a duly authorised officer



1:500 @ A1  
GH-139450001-CPO-3-DRAFT-R1  
16/09/2020

MAP REFERRED TO IN THE XXXXXXXXXXXXXXXXXXXX (XXXXXXXXXX)  
COMPULSORY PURCHASE ORDER 2020



LAND TO BE ACQUIRED      NEW RIGHTS TO BE ACQUIRED

MAP 4 OF 4  
SECOND FLOOR LEVEL

The COMMON SEAL of XXXXXXXXXXXXXXXXXXXXXXX  
was hereunto affixed this      day of      2020  
in the presence of:

**DRAFT**

1:500 @ A1  
GH-139450001-CPO-4-DRAFT-R1  
16/09/2020

a duly authorised officer

This page is intentionally left blank

Report Title:	<b>Finance Update: March 2021</b>
Contains Confidential or Exempt Information	No - Part I
Lead Member:	Councillor Hilton, Lead Member for Finance and Ascot
Meeting and Date:	Cabinet – 25 March 2021
Responsible Officer(s):	Andrew Vallance, Head of Finance and Deputy S151 Officer
Wards affected:	All

www.rbwm.gov.uk



## REPORT SUMMARY

- 1.1 This report sets out the financial position of the Council in respect of the 2020/21 financial year as at the end of Month 10.
- 1.2 The report reviews the various elements of the Council's financial position including the revenue budget and its funding, the capital programme, and the Council's financial reserve position.
- 1.3 The report reviews the main areas of financial risk impacting on the revenue and capital budgets and in respect of these risks sets out the assumptions that underpin the forecast position for the year.
- 1.4 At the end of Month 10 there is sufficient underspend to finance the earmarked reserve required to carry forward to 2021/22 to balance the budget, as reported in the Budget Papers approved by Council in February. The General Reserve is also projected to be above the minimum level required at 31 March 2021.

## 1. DETAILS OF RECOMMENDATION(S)

**RECOMMENDATION: That Cabinet:**

- i) **Notes the report including:**
  - a. **The Council's projected revenue and capital position for 2020/21; and**
  - b. **The budget movements.**
- ii) **Agrees the capital variances and notes the slippage which will be recommended to Council for formal approval.**

## 2. REASON(S) FOR RECOMMENDATION(S) AND OPTIONS CONSIDERED

### Options

**Table 1: Options arising from this report:**

Option	Comments
Cabinet are requested to note the Council's financial position.	<b>This is the recommended option</b>

### 3. KEY IMPLICATIONS

- 3.1 RBWM faces considerable financial risks that can have a potentially significant and immediate impact on its finances. To mitigate and smooth the impact on the budget, reserves and a contingency budget are held. However, these are currently at, or close to, the minimum levels required to protect the Council from these financial risks as well as potential service risks that it may also face.
- 3.2 Across the Medium-Term Financial Plan, the assumption is that RBWM will identify sustainable savings and therefore remain above the minimum level of reserves identified by the S151 Officer.

**Table 2: Key Implications**

Outcome	Unmet	Met	Exceeded	Significantly Exceeded	Date of delivery
General Fund Reserves Achieved	<£6,370,000	£6,370,000 to £6,500,000	£6,500,001 to £16,900,000	> 16,900,000	31 May 2021

### 4. FINANCIAL DETAILS / VALUE FOR MONEY

- 4.1 The revenue budget position and projected outturn for 2020-21 as at 31 January 2021 shows favourable movement of £775,000 from Period 8 on reported service variances as shown in **Table 3** below. These projected service variances mainly arise as a result of increased underspends of £136,000 on Governance and £405,000 across Adults, Health and Commissioning. The overspends have reduced by £137,000 on Leisure services and £185,000 on Property Services, and there has been an additional release of Contingency budget of £276,000. These favourable variances are partly offset by an increased adverse variance of £207,000 for Housing. Further details on all the variances are given in the relevant service narrative starting at **Section 5**.
- 4.2 The current projected outturn position for the Council is a positive variance of £460,000 in 2020-21; this is an adverse movement of £279,000 since the January Cabinet report. This is mainly as a result of £775,000 of favourable movement in service variances as described in **paragraph 4.1** above, offset by adverse non-service movements of £1,054,000. These include the allocation of £748,000 to capital for Covid-19 costs resulting in loss of capital funding, a £485,000 increase to the Covid-19 reserve as described in **paragraph 4.3**, £173,000 reduction in projected Covid-19 Funding for December to March and reduced borrowing costs of £37,000 as described in **paragraph 12.9**. The outcome is that the Covid-19 projected costs of £14,172,000 are being fully mitigated by Government Covid-19 funding and the £485,000 of surplus tranche funding will be carried forward into 2021-22 to cover on-going Covid-19 costs.
- 4.3 The general fund reserve outturn will be £6,473,000 after applying £3,485,000 to the Covid-19 reserve. As is usual best practice, we will take the opportunity to review our reserves and provisions to ensure that any positive variance is properly applied to manage our risks for future years to improve our financial sustainability. This will be undertaken over the coming weeks and feed into future monitoring reports.



- 4.4 The projected Covid-19 costs of £14,172,000 have reduced by £685,000 since the January Cabinet report. This is mainly due to the reduced projected loss of income on commercial properties.
- 4.5 The first sales, fees and charges Covid-19 compensation scheme return of £2,434,000 has been approved and the full funding was received during November 2020; this is reflected in **Appendix A**.
- 4.6 As the service Covid-19 projections include the sales, fees and charges loss of income to 31 March 2021 a projected compensation scheme value of £2,486,000 is included in **Appendix A** to cover the income loss for the period August 2020 to November 2020. The claim for this period was submitted to MHCLG on 18th December 2020; however, to date we do not know the outcome of that claim. A further £2,989,000 is projected for future Covid-19 funding for the period December 2020 to March 2021. This income loss is predominantly in Car Parking and Leisure and will be included in the final compensation claim at the end of the financial year.
- 4.7 The service budgets of £86,548,000 project an adverse variance of £12,259,000 including Covid-19 costs of £14,172,000 resulting in a pre Covid-19 projected favourable service variance of £1,913,000.
- 4.8 Non-service budgets of £8,129,000 are projecting a favourable variance of £12,719,000. This includes £7,326,000 of Covid-19 grant (from a total of £9,153,170 of which some was applied to costs and loss of income in 2019/20), £2,434,000 of Covid-19 sales, fees and charges compensation which is now received and a projection of £5,475,000 for sales, fees and charges compensation for the period of August to March 2021. This results in a reduced favourable variance on non-service budgets of £1,054,000 since the month 8 finance update cabinet report as described in **paragraphs 4.2 to 4.6** above.
- 4.9 As approved in the 2020-21 budget, £1,519,000 is transferred to general fund reserves from the Business rates volatility reserve leaving £750,000 in that reserve to fund future business rates risk when required.
- 4.10 The underspend of £162,000 on pension deficit recovery arises as a result of the Council prepaying its annual pension deficit payment and receiving a discounted rate for doing so.
- 4.11 A full breakdown of variances against each service area is attached at **Appendix A** and the reconciliation of the projected variance to that included in the Budget Report 2020/21 that went to Council on 25 February 2020 is set out in the table below:

**Table 3: Summary Revenue budget position**

Directorate	Current Budget £000	Forecast Outturn £000	Forecast Outturn Variance £000	Change from Month 8 £000
Managing Director	2,905	2,675	(230)	(168)
Adult Health and Commissioning	47,607	53,739	6,132	(405)
Resources Directorate	7,595	8,709	1,114	3
Place Directorate	2,430	8,036	5,606	(159)
Children's Services	23,179	25,106	1,927	230
Contingency and Corporate	2,832	542	(2,290)	(276)

Directorate	Current Budget £000	Forecast Outturn £000	Forecast Outturn Variance £000	Change from Month 8 £000
<b>Total Service Expenditure</b>	<b>86,548</b>	<b>98,807</b>	<b>12,259</b>	<b>(775)</b>
Non service expenditure	8,129	(4,590)	(12,719)	4053
<b>Net Revenue Budget</b>	<b>94,677</b>	<b>94,217</b>	<b>(460)</b>	<b>3278</b>
Special Expenses	(1,217)	(1,217)	0	0
<b>Budget Transfers from Balances</b>	<b>0</b>		<b>0</b>	<b>0</b>
Transfer to / from Reserves	0	460	460	(3278)
<b>Gross Ctax Requirement</b>	<b>93,460</b>	<b>93,460</b>	<b>0</b>	

**Table 4: Significant service variances over £1,000,000 to 31 January 2021.**

SIGNIFICANT VARIANCES OF £1,000,000 ACROSS ALL DIRECTORATES		
SERVICE	Month 8 Actuals £,000	Month 10 Actuals £,000
	<b>£,000</b>	<b>£,000</b>
Children's Service Achieving for Children contract	2,415	3,425
Parking Services	6,536	6,450
Adult Social Care Income	(1,181)	(1,111)
Corporate Management and Contingency	(2,014)	(2,290)
Housing and Environmental Health	1,207	1,414
Communities including Leisure	3,337	3,200
Property Service	1,143	958
<b>TOTAL SIGNIFICANT VARIANCES</b>	<b>11,443</b>	<b>12,046</b>

4.12 A summary of the significant variances to January 2021 is shown in Table 4 above. Further details can be found in the report as detailed below:

- **Children's services contract adverse variance of £3,425,000** is a result of changes in accounting treatment, a result of lost income, additional staffing and placement costs both during and following the Covid-19 lockdown period, costs transferred to the Dedicated Schools Grant Reserve. Further details are on **page 22-30** of this report.
- **Parking Services adverse variance of £6,450,000** is as a result of lost income from car parking throughout the year. Further details are **on page 13-15** of this report.
- **Adult Social Care Income – favourable variance of £1,111,000** is due to reimbursement from East Berkshire Clinical Commissioning Group for costs incurred in assisting hospital discharge and preventing hospital admission. Further details on **page 6-12** of this report.
- **Corporate Management and contingency – favourable variance of £2,290,000** includes the release of £1,300,000 contingency for unachievable savings that are reported within the appropriate service areas, release of Adult Services demography of £750,000 as well as £75,000 for corporate savings that have arisen due to alternative working arrangements of the workforce, release of Children's demography of £368,000 and £343,000 towards the additional Optalis overheads that are not budgeted for in the service. The expenditure for these items is included in the service's projected outturn where required. In this period a further £276,000 of unallocated contingency is released.

- **Housing and Environmental Health – adverse variance of £1,414,000** is the increase in demand relating to the Covid-19 emergency for homelessness and temporary accommodation costs. Further details are on **pages 20-21** of this report.
- **Communities – adverse variance of £3,200,000** mainly arises as a result of the change in the leisure concession contract and loss of leisure income due to Covid-19. Further details are on **page 21** of this report.
- **Property Service - adverse variance of £958,000** - is mainly the projected shortfall of Commercial property income as a result of unpaid rent due to Covid-19; this has reduced by £185,000 since the month 8 monitoring report. Further details are shown on **page 22** of this report.

#### 4.13 Savings Tracker

The monitoring of built in savings for 2020-21 is shown in the savings tracker attached in **Appendix B**. This shows the projected savings for 2020-21 as £4,709,000 against a savings target of £7,009,000, resulting in unachievable savings of £2,300,000.

The changes in savings targets since the January 2021 cabinet are shown below:-

- £300,000 for management cost savings is now unachievable in 20/21 as the planning application upon which this depends has not yet been submitted.

## 5. MANAGING DIRECTOR'S DIRECTORATE REVENUE POSITION

5.1 The Directorate is forecasting an underspend of £230,000 (Month 8 - £62,000) for the year 2020/21 as shown in **Table 5** below.

**Table 5: Managing Director Revenue budget position**

Managing Director	Current Budget £000	Forecast Outturn £000	Forecast Outturn Variance £000	Change from Month 8 £000
<b>Management and Legal</b>				
Managing Director	277	311	34	12
Legal, Magistrates Court	628	578	(50)	(44)
<b>Governance:</b>				
Land Charges Income	(237)	(222)	15	(35)
Elections, Mayoral and Democratic	1,447	1,343	(104)	(15)
Information	177	172	(5)	0
Facilities	613	493	(120)	(86)
<b>Total Managing Director</b>	<b>2,905</b>	<b>2,675</b>	<b>(230)</b>	<b>(168)</b>

### 5.2 Areas of Risk & Opportunity (Significant)

5.2.1 **Managing Director** - one-off senior vacancy recruitment costs of £41,500 are likely to be incurred before the end of the year. This has been mitigated by a

one-off £50,000 saving in the shared legal services contract costs and other small savings in Managing Director of £7,000.

- 5.2.2 **Land Charges Income** - As a result of the suspension of the housing market (Covid-19 pandemic), the demand for land charges services fell during the first quarter of the year. There has been a gradual recovery since the market reopened and the deficit has fallen to an estimated £15,000 for the year (month 8 £50,000)
- 5.2.3 Savings opportunities this year of £229,000 (Month 8 £101,000) are anticipated in **Democratic Services, Information Governance, Elections and Facilities**, of which £130,000 relates to a net reduction in costs due to activity levels relating to Covid-19.
- 5.2.4 **Member's Allowances and Expenses** – not all potential Special Responsibility Allowances positions have been filled individually, and members receive only the highest allowance if they hold more than one position; savings anticipated of £66,000. Savings on other Members' Expenses including travel costs are forecast to be £10,000.
- 5.2.5 Staff working from home has reduced some variable costs within **Facilities** and the Town Hall resulting in a net £33,000 saving. Reduced net rental income from the Desborough Suite is estimated at £28,000. This assumes that the suite will be unavailable to third parties until April 2021 at the earliest.
- 5.2.6 Demand for printing services and stationery has fallen dramatically as a result of Covid-19 restrictions. Savings on costs are now in the region of £115,000 for the year as there are not anticipated to be any large print runs for the remainder of the year, and home working has reduced office printing significantly.
- 5.2.7 **Electoral Services** will be using a new polling station programme for the delivery of next May's elections. The software, called "Digital Poll Clerk" involves hiring tablets to make the voting experience electronic – all checking of the electoral register is carried out digitally without having to print paper copies of registers and other paperwork at the polling station. The software is an innovative solution to the barriers faced to voting in person as a result of the Covid-19 pandemic and will enable the elections team to deliver the elections next year as required by law. The total cost of using the software will be £26,300 of which 50% is due in 2020/21 and has been included in the outturn forecast.
- 5.2.8 This cost is mitigated in year by savings relating to the postponement of parish and by-elections until 2021/22, releasing budgets put aside for that purpose of £27,000.

## **6. ADULTS HEALTH & COMMISSIONING DIRECTORATE REVENUE POSITION**

### **6.1 Director & Support Teams**

The pressure on the Communications & Marketing budget arises from a reduction in income generated both from the Guildhall, and from film and advertising licences, due to the Covid-19 restrictions. Budget pressure in the Coroners service of £27,000 is offset by a number of minor savings in other budgets.

For Adult Social Care Commissioning and Support a pressure was being reported of £610,000 related to potential loss of income, however within this month additional income has been received which has reduced this variation to £15,000

In line with government guidance, the Council supported providers of Adult Social Care to meet the additional costs they were incurring in dealing with the Covid-19 pandemic. Support payments of circa £1,270,000 have been made already and been reimbursed by East Berkshire Clinical Commissioning Group (CCG). A further tranche of funding has now been passed to RBWM to make further payments to Care Homes relating to Lateral Flow testing. The distribution of these additional funds will take place in February and March. These costs are in addition to the specific costs covered by the Infection Control Grant.

**Table 6: Directorate Revenue budget position**

Service Area	Current Budget	Forecast Outturn	Forecast Variance	%	Change from Month 8
	£'000	£'000	£'000		£'000
<b>Director &amp; Support Teams</b>					
Communications & Marketing	439	567	128	29%	0
Transformation & Systems	268	250	(18)	(7%)	3
Director, Procurement & Partnerships	427	435	8	2%	0
Modern Records, Coroners & support	539	585	46	9%	19
Adult Social Care Commissioning & Support	591	606	15	3%	(595)
Government Grant Income	(814)	(814)	0		0
<b>Total – Director &amp; teams</b>	<b>1,450</b>	<b>1,629</b>	<b>179</b>	<b>12%</b>	<b>(573)</b>

## 6.2 Adult Social Care

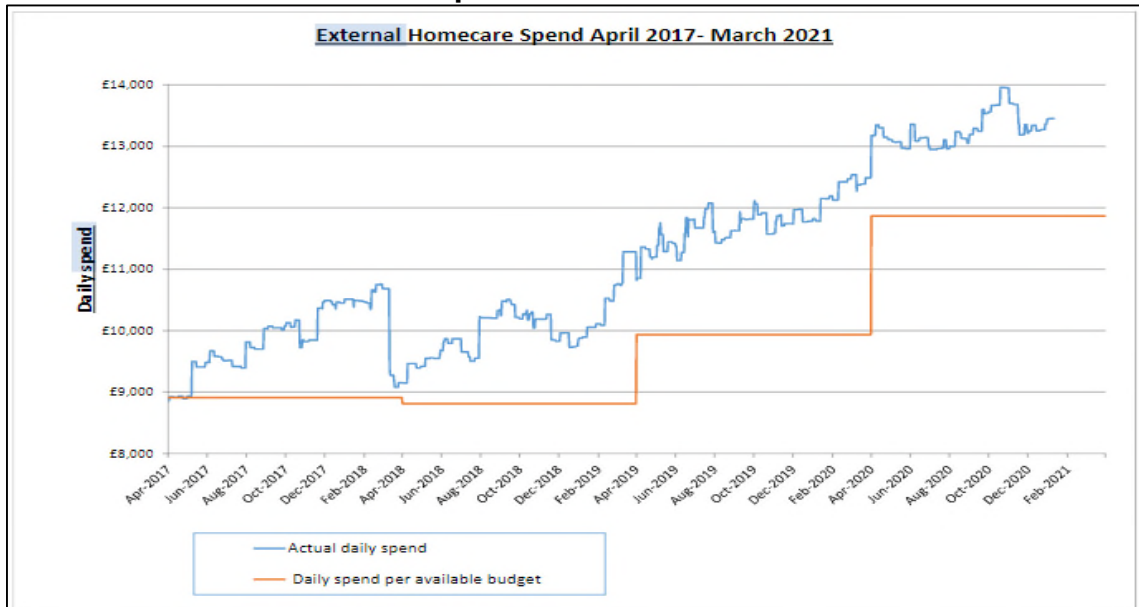
The Adult Social Care net budget for 2020-21 is £35,619,000. The current forecast underspend position is £1,111,000, a positive movement of £70,000 since period 8.

All local authorities nationally have been given the responsibility via the Care Act to manage the Social Care market. A further requirement to both manage and stabilise the provider market during the pandemic has also been required. RBWM has so far provided support to social care providers at a cost of £1,270,000. This figure is included in the overall reported position.

### 6.2.1 Older people & people with a physical disability

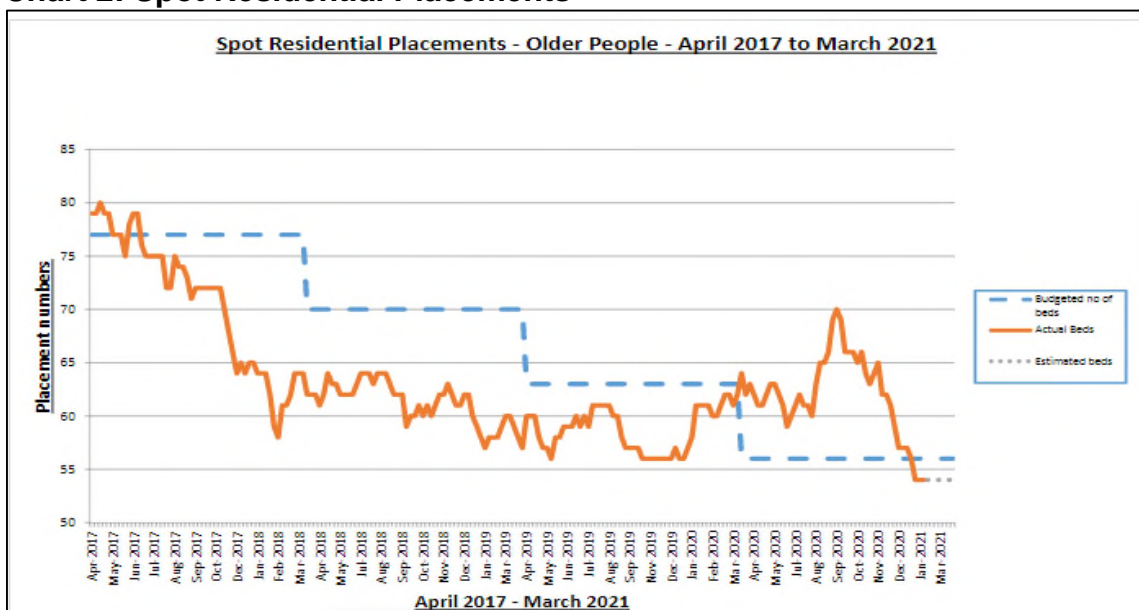
The cost of providing homecare and direct payments is forecast to exceed budget by £864,000 due to increased demand. The pressure on the domiciliary care budget has been offset by additional income from both the Better Care Fund (BCF) and from the East Berkshire Clinical Commissioning Group (CCG). The income received has been provided to facilitate hospital discharge and to prevent hospital admissions. The estimated income receivable from the CCG has increased as the Department of Health and Social Care (DHSC) announced that reimbursements will continue to the end of this financial year. The net underspend after taking into account all income on domiciliary services is estimated at £251,000, a favourable movement of £52,000 since the period 8 Cabinet report.

**Chart 1: External Homecare Spend**



The number of residents supported in long term care in nursing and residential homes has reduced significantly due to the impact of Covid-19. The numbers are expected to remain below budget for the remainder of this financial year. Due to the lower number of residents, gross expenditure for the year on residential and nursing care is expected to be below budget by £139,000, a movement of £48,000 since period 8. With lower placement numbers there will be a reduction in income from contributions estimated at £346,000, giving a net pressure of £207,000, which is a negative movement of £284,000 since period 8. As with domiciliary care, income from the CCG provided to facilitate hospital discharge and to prevent hospital admissions will continue to the end of the financial year and therefore estimates of income from the CCG have increased to £1,010,000. The net forecast underspend in long term residential and nursing care is estimated at £803,000 a movement of £204,000 from Period 8 as shown in **Table 7** below.

**Chart 2: Spot Residential Placements**



## 6.2.2 Learning Disability

Expenditure on Learning Disability (LD) services can vary significantly from budget, as noted below in the “Areas of Risk & Opportunity” section. Nationally the level of acuity for Learning Disabilities clients is increasing. LD services are part of the transformation approach taken by RBWM, which will see less residential packages of care with a further move to more independent care services with improved outcomes for service users. The financial forecast currently is an underspend in this area of £398,000, a movement of £24,000 from the previous Cabinet report. Please see **Table 7** below. It should be noted that we are anticipating a significant pressure in this area for 2021/22; please see Areas of Risk and Opportunity below.

## 6.2.3 Mental Health and other care

Pressures have continued to increase on all the care budgets for people with mental health issues, which was anticipated given the current pandemic and restrictions. Following a detailed review of mental health service users, the forecast pressure has increased to £317,000, a further pressure of £99,000 since the Period 8 report. It has been recognised nationally that the pandemic has led to increased anxiety and mental health issues for residents and there is still some concern that numbers will continue to increase before the end of this financial year. Finance and the service leads are monitoring this position.

Work is also underway on discussing service users who have a S117 after care order. The S117 status arises when clients have been sectioned under the Mental Health Act and should also be in receipt of health services. The consequence to Social Care of a S117 status is that the individual cannot be assessed for an income contribution towards their care package. S117 cases are to be examined to ensure their status remains unchanged, and this work is ongoing.

The cost of delivering best interest assessments in respect of deprivation of liberty and safeguarding (DOLS) has reduced with these assessments being largely delivered online. DOLS assessments requiring a Section 12 doctor’s assessment are also below forecast. For these reasons an underspend of £156,000 is forecast.

Note, in the table below, the “Summary Type” column indicates where the budget line falls into the “Summary Position” section at the foot of this table. Thus lines with a Summary Type “Optalis” will sum to the line “Optalis Contract Total”.

## 6.3 Transformation Savings

The Adult Social Care transformation plan for 2020-21 identified a number of savings. The savings for 2020-21 were a £495,000 saving on Older Adults spot purchased nursing care and a further £120,000 to deliver assistive technology solutions in people’s home thereby reducing the need for Home Care visits. Covid-19 has caused some delays in the delivery of these plans; however, they are currently being worked on. The step up of those transformation savings into 2021-22 now has detailed plans for delivery, which will be closely monitored in the new financial year, as shown in **paragraph 4.13** regarding the savings tracker (**Appendix B**).



**Table 7: Adult Social Care Revenue Budget Position**

	Care Group / Service	Current Budget	Forecast outturn Variance	Previously reported variance	Change from Month 8
		£'000	£'000	£'000	£'000
<b>Older People (OP) &amp; Physical Disabilities (PD)</b>					
Exp	OP Homecare	4,662	956	923	33
Optalis	OP DP	1,162	(92)	(100)	8
Inc	OP Non-residential income	(1,160)	(93)	(50)	(43)
Inc	OP BCF Income		(472)	(472)	
Inc	OP CCG Homecare income		(550)	(500)	(50)
	<b>sub-total</b>	<b>4,664</b>	<b>(251)</b>	<b>(199)</b>	<b>(52)</b>
Exp	PD Homecare				
Optalis	PD DP	742	(19)	(31)	12
Inc	PD Non-residential income	(64)	(26)		(26)
	<b>sub-total</b>	<b>678</b>	<b>(45)</b>	<b>(31)</b>	<b>(14)</b>
Exp	OP Residential block	3,196	(5)	(7)	2
Optalis	OP Residential spot	2,289	336	410	(74)
Optalis	OP Residential respite	215	275	145	130
Inc	OP Residential income	(1,892)			
	<b>sub-total</b>	<b>3,808</b>	<b>606</b>	<b>548</b>	<b>58</b>
Exp	OP Nursing care block	4,881	(127)	(132)	5
Optalis	OP Nursing care spot	4,386	(603)	(603)	
Exp	OP Nursing respite	331	(15)		(15)
Inc	OP Nursing income	(3,962)	346	110	236
Inc	OP CCG Nursing Income		(1,010)	(930)	(80)
	<b>sub-total</b>	<b>5,636</b>	<b>(1,409)</b>	<b>(1,555)</b>	<b>146</b>
Optalis	PD Residential and Nursing	918	(137)	(142)	5
Exp	PD Residential respite				
Inc	PD residential and nursing income	(187)	123	128	(5)
	<b>sub-total</b>	<b>731</b>	<b>(14)</b>	<b>(14)</b>	<b>0</b>
Optalis	Short Term Support and Reablement	2,231	(201)	(249)	48
Optalis	OP and PD Day care	265	43	79	(36)
Optalis	OP and PD Other	1,134	(113)	(129)	16
Exp	Equipment	621	(231)	(210)	(21)
Inc	CCG Income for Equipment and Staff		(130)	(130)	
Optalis	PDOP Care Team and Management	2,589	(114)	(65)	(49)
	<b>sub-total</b>	<b>6,840</b>	<b>(746)</b>	<b>(704)</b>	<b>(42)</b>
	<b>Older People and PD Total</b>	<b>22,357</b>	<b>(1,859)</b>	<b>(1,955)</b>	<b>96</b>
<b>Learning Disability (LD)</b>					
Exp	LD Residential and Nursing block	281	7	7	
Optalis	Residential Provider	1,576	(138)	(89)	(49)
Optalis	Residential and Nursing care - spot	5,506	(82)	(28)	(54)
Exp	LD Supported Living block	1,557	83	49	34
Optalis	Supported Living Provider	1,843	(242)	(255)	13
Optalis	Supported Living	3,698	4	18	(14)
Optalis	Day centres (Provider)	1,175	(47)	(114)	67
Optalis	LD Other services	1,172	(56)	(31)	(25)
Inc	LD Income from charges	(1,463)	139	94	45
Inc	LD Other income	(598)	42	77	(35)
Optalis	LD Care Team and Management	761	(108)	(102)	(6)
	<b>Learning Disability Total</b>	<b>15,508</b>	<b>(398)</b>	<b>(374)</b>	<b>(24)</b>
<b>Mental Health (MH)</b>					
Optalis	MH Residential care	888	111	89	22
Optalis	MH supported accommodation	1,130	57	(16)	73
Optalis	MH other services	424	217	196	21
Inc	MH income	(421)	(60)	(55)	(5)
Optalis	MH Care Team	1,144	(8)	4	(12)
	<b>Mental Health Total</b>	<b>3,165</b>	<b>317</b>	<b>218</b>	<b>99</b>



	Care Group / Service	Current Budget	Forecast outturn Variance	Previously reported variance	Change from Month 8
		£'000	£'000	£'000	£'000
	<b>Other Social Care</b>				
Exp	Transport and Voluntary sector support	501	(127)	(153)	26
Optalis	QA : DOLS	915	(156)	(176)	20
Optalis	Admin and Support (incl SLA)	1,303	307	527	(220)
Optalis	Management	529	120		120
Optalis	Transformation Savings	(495)	495	495	
	<b>Other Social Care Total</b>	<b>2,753</b>	<b>639</b>	<b>693</b>	<b>(54)</b>
	<b>Funding and non-standard items</b>				
Optalis	BCF income Optalis	(4,524)	811	868	(57)
Inc	BCF income RBWM	(3,640)	(621)	(631)	10
	<b>Funding and non-standard items Total</b>	<b>(8,164)</b>	<b>190</b>	<b>237</b>	<b>(47)</b>
	<b>Total Adult Social Care</b>	<b>35,619</b>	<b>(1,111)</b>	<b>(1,181)</b>	<b>70</b>
	<b>Summary Position</b>				
Exp	RBWM Expenditure budgets	16,030	541	477	64
Inc	RBWM Income budgets	(13,387)	(2,312)	(2,359)	47
Optalis	Optalis non-provider Total	28,382	1,087	1,159	(72)
Optalis	Optalis Provider Total	4,594	(427)	(458)	31
	<b>Total Adult Social Care Net Budget</b>	<b>35,619</b>	<b>(1,111)</b>	<b>(1,181)</b>	<b>70</b>

#### 6.4 Public Health and Better Care Fund

The Public Health budget is fully funded by the £4,933,000 ring-fenced Public Health Grant. Underspends on this budget must be carried forward in a public health reserve. A £50,000 underspend was forecast at Month 6 for the year due to vacant posts. For Period 10 the forecast remains unchanged. It should be noted that Public Health have received a further Covid-19 related grant of £1,200,000. The grant conditions and guidance have been received and a detailed plan of spend in line with that guidance has been established. It will be ring-fenced to Public Health priorities.

The Better Care Fund is a budget held in partnership with the CCG and is accounted for in totality in the Council's accounts as a pooled arrangement. Variances to planned spend on individual projects are shown in the service area to which that project relates. All decisions on spend are taken by the Integrated Commissioning Board.

The Better Care Fund is mandated to include the Local Authority's capital income in respect of Disabled Facilities Grant. This income must be spent on items of a capital nature within the purposes for which the grant is allocated. Expenditure on disabled facilities is below budget forecasts due in part to the Covid-19 restrictions and therefore this income will be carried forward within the BCF to the following financial year.

**Table 8: Public Health Grant and Better Care Fund**

Service	Current Budget	Forecast Outturn	Forecast Variance
	£'000	£'000	£'000
Public Health – gross spend	4,933	4,883	(50)
Public Health Grant	(4,933)	(4,933)	0
Better Care fund – expenditure	13,933	13,843	(90)
Better Care fund income	(13,933)	(13,933)	0

## 6.5 Areas of Risk & Opportunity

### People with Learning Disability requiring high level of support

The Council supports adults with a learning disability who are assessed as needing social care support. The support is aimed at increasing independence and enabling the individuals to achieve their outcomes. Services include day opportunities, direct payments, supported living and bedded services.

Support to adults with learning disabilities is increasing in costs per individual due to increased acuity levels. We know this from our 'Forward Look' which aims to forecast the likely impacts on the Adult Social Care budget, from both transition cases from Children's services and reviews of cases from an NHS perspective. The majority of transition cases have learning disabilities, and LD clients historically stay in the service for a significant period.

It should be noted that within the LD Forward Look plan, a potential pressure in this area has been identified for 2021/22 of approximately £1,400,000. The pressure will arise from cases of young people transferring from Achieving for Children Services and from Continuing Care or Continuing Health Care assessments and reviews from our CCG partners into Adult Social care. It is important we have a robust transitions plan to work with people prior to them moving into Adult Services.

The table below shows the numbers of all Learning Disability packages supported by the Council in cost bandings shown by £/week. The number of packages will change for a number of reasons including children transitioning to adults, eligibility for continuing health care (CHC), movements into and out of the borough and changes in the ability of elderly parents to look after their learning-disabled children.

The 2020/21 budget for care services including residential care and supported living services for people with a learning disability is £14,275,000. The numbers of people supported within specific cost bandings are shown in **Table 9** below.

**Table 9: Learning Disability – clients supported shown by cost bandings.**

Placement Band £/week	Average Cost £/week	Budget number	Current number (August)	Change in number from Month 8
0 – 500	184	102	98	(1)
501 – 800	612	27	24	(2)
800 – 1000	907	10	12	3
1,000 – 2,000	1,508	61	58	(2)
2,000+	2,501	25	23	(1)

## 6.6 Commissioning - Infrastructure

- 6.6.1 The Commissioning – Infrastructure budgets include budgets for the provision of the car parking service, highways, street cleaning, transport, grounds maintenance and waste.
- 6.6.2 The service is forecasting an overspend of £7,064,000, a favourable movement of £100,000 since period 8 for 2020/21 as shown in **Table 10** below.

**Table 10: Commissioning Infrastructure**

Infrastructure & Other	Current Budget £000	Forecast Outturn £000	Forecast Outturn Variance £000	Change from Month 8 £000
<b>Commissioning – Infrastructure:</b>				
Parking Income	(10,334)	(3,884)	6,450	(86)
Parking Expenditure including operations	3,277	3,277	0	0
Highways street works income	(722)	(382)	340	(10)
Highways Other	4,729	4,754	25	(200)
Waste	9,354	9,134	(220)	(36)
Other – Public Conveniences and Pooled Vehicles	76	80	4	(6)
Commissioning Team	1,060	1,476	416	249
Supported Bus Services (includes Concessionary fares, Transport & Traffic)	1,868	1,917	49	(11)
<b>Total</b>	<b>9,308</b>	<b>16,372</b>	<b>7,064</b>	<b>(100)</b>

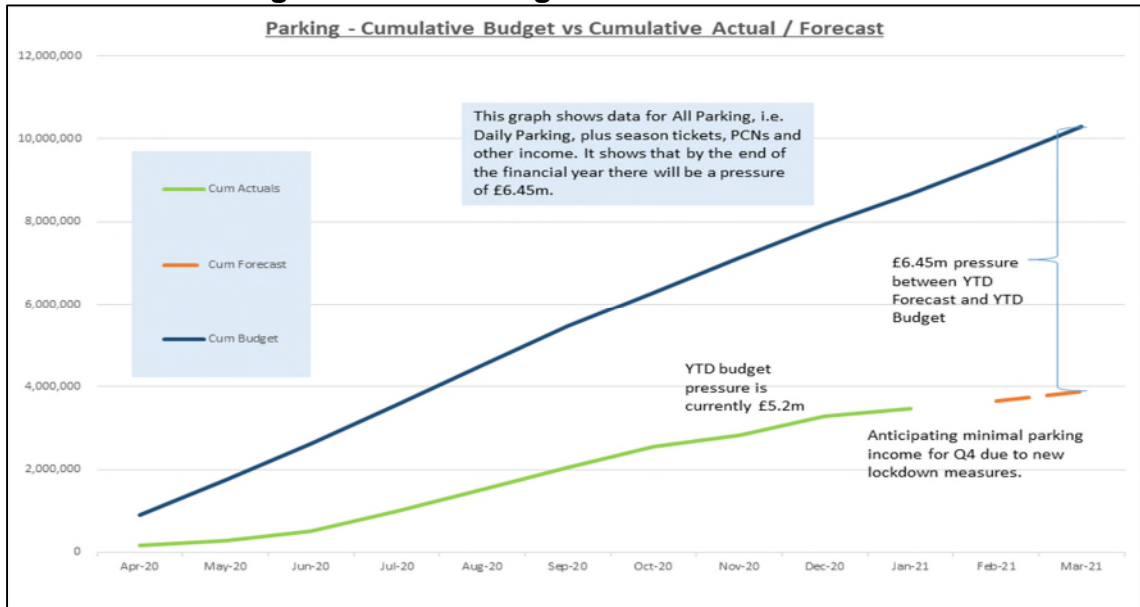
## 6.7 Areas of Risk & Opportunity (Significant)

- 6.7.1 **Car Parking.** Car parking income has been significantly impacted by an unprecedented reduction in demand as a result of the Covid-19 emergency. Savings of £730,000 built into the budget in 2020/21 are now unachievable this year.

The actual adverse variance as at January for all car parking income was £6,536,000. It is anticipated that the full year pressure as a result of Covid-19 will be £6,450,000.

The Council has claimed £3,021,000 of related losses through the LA sales fees and charges lost income scheme for the period from April 2020 to November 2020, of which £1,533,000 was received in November. Further actual losses suffered from December 2020 to March 2021 will also be reclaimed through this process in line with guidance. Based on the claims so far the net pressure is forecast to be £1,760,000.

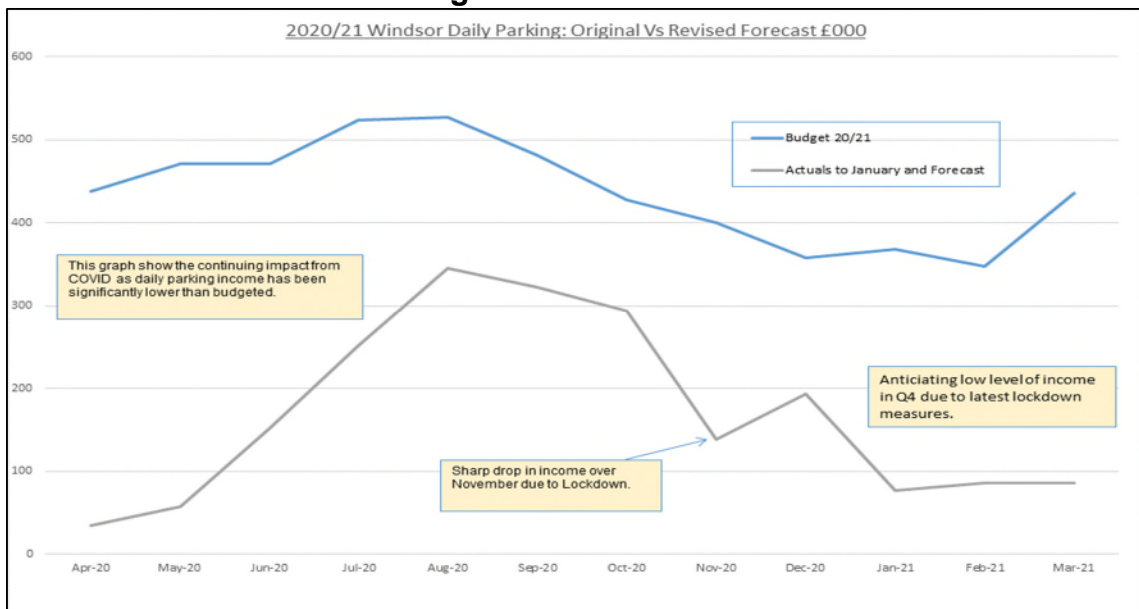
**Chart 3: Parking cumulative budget**



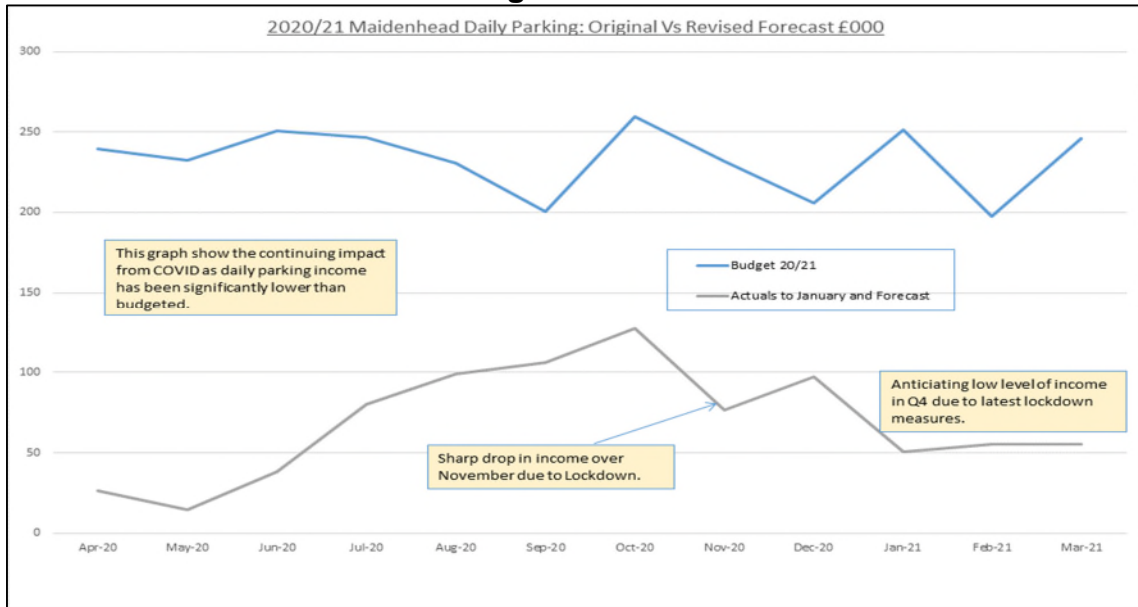
During the year we have modelled and forecast car parking income based on past experience, income to date, anticipated step changes in income as a result of Government Covid-19 ongoing lockdown guidance, and the nature of past demand. Currently it is anticipated that in the remaining two months of the year, income will remain at or about levels seen in January 2021. We have assumed that restrictions will largely remain and suppress income until the end of the year.

The following graphs show the trajectory forecast in car parking ticket sales as they flow through the rest of the current financial year.

**Chart 4: Windsor Car Parking Income**



**Chart 5: Maidenhead Car Parking Income**



Total income for car parking tickets is anticipated to be £2,862,000. Other income including season tickets, penalties and advertising amount to a further £1,023,000. The assumptions will continue to be reviewed but they should not change significantly as we approach the end of the financial year.

Parking season ticket sales – only 40% of expected parking season ticket income has been achieved so far and that is not now expected to recover in 2020-21. Individual season ticket holder demand has reduced as a result of many people working from home, redundancies and other uncertainties. Season ticket income that we have received is predominantly from business customers (last year 70% of season tickets were from businesses).

The parking expenditure pressure included a service charge in relation to the Sainsbury's Rotunda building that has been in excess of budget for a number of years (£72,000). A 12-month trial for additional warden patrols to cover rural areas where there were issues with illegal parking ended in December 2020. This was approved by Cabinet on 29 August 2019. It is anticipated that this will cost £49,000 this year.

6.7.2 **Highways Street works and licencing income** are forecast to be £300,000 below budget. Utility companies delayed street works activities and events (particularly in the early half of the year) which attract fees for use of the public highway. The costs associated with this service relate to fixed establishment costs and so cost reduction is limited.

Other key **Highways** variances consist of an unbudgeted £80,000 contributing towards extra space at Wexham park hospital for death management during Covid-19.

6.7.3 There is a £130,000 adverse variance for **Grounds Maintenance** contract inflation due to late invoicing from the contractor (Tivoli). Inflationary increases are invoiced annually and back dated. The process is under review with the contractor in order to prevent invoicing issues arising in the future.

- 6.7.4 A £100,000 adverse variance as a result of delays in savings initiatives being implemented and a review of **Supported Bus Services** is being partly mitigated by a £50,000 saving in concessionary bus fares and identification of alternative capital funding for bridge works.
- 6.7.5 **Fly tipping** - pressure of £130,000. There have been significant fly tipping costs since the lockdowns, it is believed that tight restriction/ closures at amenity sites have led to increases in fly tipping.
- 6.7.6 **Waste** budgets are projecting a favourable variance of £220,000 mainly due to the increased take up of green waste subscriptions, cost of collection savings and reduced waste disposal costs.

## 7. RESOURCES DIRECTORATE REVENUE POSITION

- 7.1 The Directorate is forecasting an overspend of £1,114,000. This is an unfavourable movement of £3,000 since period 8. The overspends mainly relate to reductions in income for some services as well as additional pressures from managing increasing workloads around an increasingly complex set of interventions to support residents and businesses that the government has introduced this year.
- 7.2 Undeliverable savings within the directorate amount to £100,000 and relate to parking permit income. Delays to savings delivery within Libraries and Residents services have been mitigated from activity related savings in year (£100,000).

Analysis of the overspend follows in **table 11** below:

**Table 11: Resources Revenue budget position**

Resources	Current Budget £000	Forecast Outturn £000	Forecast Outturn Variance £000	Change from Month 8 £000
<b>Director of Resources</b>	<b>210</b>	<b>206</b>	<b>(4)</b>	<b>(4)</b>
R&B Management and Administration	1,067	1,152	85	0
Operational Support incl. Parking and Permits	(180)	(50)	130	(30)
Registrars	(320)	(20)	300	0
Libraries & Residents Services	2,763	2,830	67	(41)
<b>R, B, L&amp;RS Total</b>	<b>3,330</b>	<b>3,912</b>	<b>582</b>	<b>(71)</b>
Housing Benefits	91	667	576	10
HR, Corporate Projects and IT	2,559	2,528	(31)	(1)
Finance	1,331	1,426	95	63
Corporate Management	74	(30)	(104)	6
<b>Total Resources</b>	<b>7,595</b>	<b>8,709</b>	<b>1,114</b>	<b>3</b>

### 7.3 Areas of Risk & Opportunity (Significant)

- 7.3.1 **Revenues and Benefits Management & Administration** – the impact on this service from increased public demand has been significant. The team awarded £26.2m of grants to 1,784 businesses during the first national lockdown and, to date, have awarded £7.2m of grants to 2,354 businesses since the November

lockdown. The value of the current grants available is significantly lower than those previously available with applications necessary each time the Authority moves between Tiers or national restrictions. The administration of this, and benefit changes, has led to increased staffing costs, forecast to be a £115,000 pressure this year.

The team are also required to process applications for the Test and Trace £500 Self Isolation payment, in partnership with an external supplier. Although 958 applications have been made for this support, only 123 customers to date actually fit the eligibility criteria.

Magistrates' courts have recently re-opened but have moved all hearings on-line and limited the numbers of cases they will allow authorities to bring. The previous closure of the courts means that fees charged to help fund the costs of the Council Tax and Business Rates recovery service will be impacted. It is estimated that the income lost, as a result of this, in the current year will be £285,000 based on the actual revenue achieved up to January. Re-profiling of payment arrangements will push any costs recovered into future years.

Helping to mitigate these costs is the receipt of new burdens funding; £170,000 in August and further grant funding of £88,000 above budget in January (total £258,000). Staff savings within the assessment team, and £59,000 higher than budgeted income within the deputyship team has helped to mitigate these costs and result in a significantly reduced overall pressure of £85,000.

- 7.3.2 **Parking and Permits** – lost income as a result of Covid-19 from parking administration (season tickets, removals, suspensions, business permits, visitor vouchers etc.) is anticipated to be £45,000. Higher than expected demand for residents parking permits is reflected in the improved outturn position of £30,000 against the forecast at month 8 of £75,000.

The introduction of charges for residents parking built into the budget at £250,000 is now not fully achievable as permits have been issued over the last 18 months for a period of two years. Thus, there is now a delay to the full implementation of charging. This results in a delay and a pressure this year of £100,000. The saving will be fully deliverable in 2021/22.

Some vacancy savings in the wider team have gone some way to mitigate this overall pressure in year to £130,000.

- 7.3.3 **Registrars** – this service has also been significantly impacted by the Covid-19 lockdown as a significant source of income from weddings has been prohibited or restricted. The knock-on effects will continue into 2021/22 and beyond as postponed and rebooked ceremonies from 2020/21 take up slots available in 2021/22 and 2022/23.

Wedding income – Covid-19 pressure of £274,000. 43% of total 2020/21 ceremonies income (£193,750) has been moved into 2021/22 ceremonies income due to postponements. This leaves £146,000 of ceremonies income achieved in 2020/21 (2019/20 £326,000) - down 55%. Of approximately 550 weddings booked for 2020/21, 210 have been completed, 150 have not rebooked at all yet and 190 have rebooked for 2021/22. A large number may postpone again if restrictions continue into the summer. Statutory fees income has been affected by £21,000 loss in marriage notice fees. Citizenship



ceremonies show an £8,000 pressure on the 2020/21 target due to inability to offer premium, private ceremonies.

- 7.3.4 **Other Library and resident services** – library closures and loss of a tenant as a result of lockdown is having a significant impact on libraries income. Lost income from activities is forecast to be £110,000 in total. Some of this income is likely to be recoverable through the sales, fees and charges compensation scheme. Other service savings have mitigated this pressure in year to £65,000 overall including contract savings of £45,000 relating to moving the Libraries container.

Savings built into the 2020/21 budget for aligning services with demand and increasing use of digital services have been delayed by the library closures; of the £250,000 target only £150,000 is now achievable this year. The remaining £100,000 is being fully mitigated from vacancy and other staff savings in year.

- 7.3.5 **Housing Benefits** – with the suspension of enforcement and closure of the courts, recovering overpaid housing benefit has become more difficult. The longer the recovery process takes, the less likely recovery is. Overpayment mainly results from changes in claimants' circumstances, involving retrospective benefit entitlement reductions. Actual income was significantly down against the expected level. It is anticipated that there will be pressure on this budget until the end of the furlough scheme in April. Current estimates are that there will be a £378,000 pressure based on current recovery rates.

The move to universal credit has seen reducing numbers of housing benefit claimants. Although some client groups remain able to claim housing benefits, the targets built into the budget for recovering overpayments are also impacted by the reduction in volumes of claimants. This pressure is anticipated to be an additional £197,000.

The bad debt provision for housing benefit overpayments is reviewed on a monthly basis. The forecasts above include an increased provision at year end of £477,000. Savings against the rent allowances budget and other small savings here have enabled this increase in provision to be almost fully mitigated in year (£476,000). If the risk of debt being irrecoverable changes this movement in provision may be changed. This will be considered later in the year once we have further information on activity levels.

- 7.3.6 **Finance** – some schools traded services cost centres including business development sit within the finance service. These are reporting an overachievement of income against budget for the year. There are savings relating to reduced demand from schools and an over provision for equipment carried forward from 2019/20. The totals of these favourable forecast variances are £60,000 this year (month 8 £80,000).

Additional resources, cover for vacant posts in accountancy and the pressures of extra Covid-19 works are expected to cost an additional £180,000 this year (month 8 £137,000), of these costs the head of service has identified £51,000 as being directly related to Covid-19 pressures.

Other small savings within finance and unbudgeted income of £25,000, have helped mitigate this pressure in year resulting in an overall pressure of £95,000 (month 8 £32,000).



## 8. CONTINGENCY AND CORPORATE BUDGETS REVENUE POSITION

8.1 The contingency budget is made up of a number of risk-based elements that represent potential, but uncertain, liabilities known at the time the budget is set in February of each year. When these risks become certain costs and liabilities, budgets will be moved either as in-year or permanent virements to the relevant service. Corporate budgets represent those costs not relating to specific services.

Analysis of the contingency and corporate budget movements follows in **Table 12** below.

**Table 12: Contingency and Corporate budget position**

Contingency & Corporate	Current Budget £000	Forecast Outturn £000	Forecast Outturn Variance £000	Change from Month 8 £000
<b>Corporate Contingency:</b>				
Demographic growth Adults	750	0	(750)	0
Adults Contractual	331	0	(331)	(331)
Demographic growth Children's	431	0	(431)	(45)
Savings Delivery	1,300	0	(1,300)	0
Contract costs	0	0	0	100
<b>Total Contingency</b>	<b>2,812</b>	<b>0</b>	<b>(2,812)</b>	<b>(276)</b>
Corporate Budgets	20	542	522	0
<b>Total Contingency and Corporate Budgets:</b>	<b>2,832</b>	<b>542</b>	<b>(2,290)</b>	<b>(276)</b>

### 8.2 Areas of Risk & Opportunity (Significant)

#### 8.2.1 Corporate Contingency – in year movements:

- The Adults demographic budget of £750,000 will not be required this year;
- £1,300,000 was set aside to bridge the gap where savings became undeliverable. It is anticipated that this will be required this year and it has been released to cover unachieved savings within services;
- Children's demographic costs – of the £431,000 set aside for this purpose, £386,000 is required to cover costs arising during the year within the Children's service;
- Contract costs set aside for overhead costs relating to the contact with Optalis will be required this year and is now a confirmed ongoing liability. £400,000 was vired to Adults permanently from contingency to help mitigate this cost in December;
- All remaining specific contingency budgets have been released this month, forecasts for remaining pressures are within relevant service areas.

8.2.2 **Other Corporate Budgets** – it is currently estimated that the provision for bad and doubtful debts that relates to corporate debt may need to be increased at the year-end by £288,000. More details on debt can be found later in the report. Corporate project costs of £254,000 are also charged here.

## 9. PLACE DIRECTORATE REVENUE POSITION

9.1 The Directorate is forecasting an overspend of £5,606,000 for 2020/21 (Month 8 - £5,765,000).

Analysis of the overspend follows in **Table 13** below:

**Table 13: Place Revenue budget position**

Place	Current Budget £000	Forecast Outturn £000	Forecast Outturn Variance £000	Change from Month 8 £000
<b>Executive Director Place</b>	<b>245</b>	<b>199</b>	<b>(46)</b>	<b>(46)</b>
<b>Housing and Environmental Health:</b>				
Housing	1,423	2,926	1,503	246
Environmental Health	913	824	(89)	(39)
<b>Total Housing and Environmental Health</b>	<b>2,336</b>	<b>3,750</b>	<b>1,414</b>	<b>207</b>
<b>Planning</b>	<b>1,110</b>	<b>1,155</b>	<b>45</b>	<b>45</b>
<b>Communities:</b>				
Licencing/Enforcement Team	(444)	(270)	174	15
Leisure Centres Concession Contract	(2,799)	255	3,054	(124)
Communities Other	3,233	3,205	(28)	(28)
<b>Total Communities</b>	<b>(10)</b>	<b>3,190</b>	<b>3,200</b>	<b>(137)</b>
<b>Infrastructure, Sustainability &amp; Transport:</b>				
Visitor Management	88	236	148	(23)
Other Infrastructure, Sustainability & Transport	1,350	1,237	(113)	(20)
<b>Total Infrastructure, Sustainability &amp; Transport</b>	<b>1,438</b>	<b>1,473</b>	<b>35</b>	<b>(43)</b>
<b>Property:</b>				
Industrial and Commercial Estates	(3,211)	(2,476)	735	1
Building control	85	185	100	(20)
Other Property including Development and Regeneration	437	560	123	(166)
<b>Total Property</b>	<b>(2,689)</b>	<b>(1,731)</b>	<b>958</b>	<b>(185)</b>
<b>Total Place</b>	<b>2,430</b>	<b>8,036</b>	<b>5,606</b>	<b>(159)</b>

## 9.2 Areas of Risk & Opportunity (Significant)

9.2.1 **Homelessness** – the pressure on this service has been increasing since before the Covid-19 emergency. The additional government directive to house all homeless in March and to ensure social distancing within temporary accommodation provision has added to the complexity of providing not only accommodation but support services to multiple sites. The chart below shows the growth in demand over the last year.

**Chart 6: Homeless Households**



The increase in demand relating to the Covid-19 emergency can be seen in the trend line in the graph above. At the end of January there were 268 households in temporary accommodation (129 families and 139 singles/couples). This increased demand is forecast to cost the Council an additional £1,257,000 in temporary accommodation costs this year (month 8 £1,192,000).

Regarding outstanding housing debt, although overall levels are not increasing significantly, the age of the debt is increasing and with it the risk to recovery. An additional £100,000 pressure has been added to the forecast as a result.

The Council has bid for and been successful in gaining £145,000 as next steps accommodation funding. This funding will be used for an additional (Covid-19) officer and private sector access officer. These posts will enable us to actively move single homeless through to private sector accommodation.

The Council has also been successful in bidding for £90,000 Cold Weather Funding and unbudgeted funding of £275,000 for the Rough Sleepers Initiative has been received in year. It is anticipated that this will all be spent in 2020/21.

Some legacy invoices relating to temporary accommodation are included in the forecast, these are estimated to be in the region of £100,000.

9.2.2 **Licencing income** – the Covid-19 emergency restrictions has had a significant impact on the taxi industry eliminating demand for new and renewed licences and not all licenced premises have re-opened since the first lockdown in March 2020. It is anticipated that £174,000 of licencing income will not be achieved this year out of a budget of £803,000.

9.2.3 **Leisure centres concession contract** – The impact of the Covid-19 lockdown and closure of leisure centres made the Parkwood contract financially unsustainable. The contract with Parkwood to provide leisure services on behalf of RBWM was therefore terminated on 31 July 2020. Leisure Focus, the new provider, took over the provision of leisure services on 1 August 2020. The pressure in 2020/21 as a result of this change is £2,838,000. Further details can

be found in the Part 2 Cabinet report on Leisure Services – Cabinet 25 June 2020.

Additional support had been required to cover contractor costs associated with the lockdown in November - £82,000. In anticipation of additional support being required for the remainder of the year, a further £86,000 cost has been forecast in Place.

- 9.2.4 **Visitor Management** – the Visitor Management Service, like all tourism and hospitality businesses has been hit hard by the pandemic. The visitor information centre has remained closed since Lockdown 1.0 and therefore no income was achieved over the summer months. The subsequent national lockdowns have also impacted online ticket sales and commissions. The usual annual marketing activity has not happened during this financial year and income through advertising sales has not been achieved. On a positive note, over £55,500 income was achieved against a target of £80,000 in Visit Windsor membership fees from businesses in a position to pay part or all of what they committed for the year.

The overall forecast overspend in this service due to Covid-19 is £148,000.

- 9.2.5 **Industrial and commercial estates** – Covid-19 has had and will have a significant effect on the Council's commercial rent position and how the Council is able to effectively manage rental income collection. Closed businesses, and those that have furloughed staff, have limited ability to generate cash to pay their commercial rent. Payment plans and other arrangements are and have been negotiated with tenants aimed at securing long term recovery of rental income and minimising voids.

The forecast overspend in this service has remained at the same level as month 8 - £735,000.

- 9.2.6 **Other Property** – one-off additional management fees of £300,000 were built into the budget for 2020/21. The planning application to which this relates, has not yet been submitted by the developer. As a result of this delay, the management fee will not be receivable until 2021/22 and is now included in the forecast as a pressure for this year. This has been mitigated in part by £166,000 unbudgeted covenant income receivable in the last quarter of the year.

## 10. CHILDREN'S SERVICES

- 10.1 Since August 2017 Children's Services of the Royal Borough of Windsor and Maidenhead have been provided through the partnership arrangement with Achieving for Children, a community interest company (a not for profit social enterprise). Achieving for Children work across the London Borough of Richmond, the Royal Borough of Kingston and the Royal Borough of Windsor and Maidenhead. Our services in Windsor and Maidenhead are rated as "good" by Ofsted following an inspection in January 2020.

- 10.2 As a social enterprise Achieving for Children strives to achieve excellence in everything we do by putting children and young people first in the design, delivery and evaluation of every service we provide, to ensure that they are supported to live safe, happy, healthy and successful lives. Our broad service

is informed by leading practice and a strong evidence-based approach of what works best. It is guided by our daily work with children and young people and the organisations that work with us to help and support them.

- 10.3 Our focus is always on maximising the use of resources by creating economies of scale and reducing management and overhead costs, so that we can ensure high quality frontline services that really deliver results.
- 10.4 The overall budget for Children’s Services including the Dedicated Schools Grant is £88,172,000 with a net forecast variance of £2,759,000 of which £832,000 is transferred to the Dedicated School deficit resulting in a net overspend on Children’s Services non-Dedicated Schools Grant of £1,927,000. The financial position for 2020/21 is set out in **Table 14**.
- 10.5 The updated reported variance has adversely increased by a net £230,000 compared to the previous position reported to Cabinet on 28 January 2021, there have been a number of material movements as reflected below:
- Employee related costs including release of service wide vacancy factor £144,000
  - Children in Care Placements £246,000 including two high cost placements made January 2021 costing a total of £110,000
  - Reduced cost of provision for Home To School Transport during Winter term relating to impact of Covid-19 (£87,000)
  - Increased delivery of Community Hubs Transformation savings during quarter 3 (£67,000)
  - Additional grant funding to support costs within Social Care and Early Help services (£34,000)

**Table 14: Children’s Services budget position 2020/21**

Service	Current Budget £000	Forecast Outturn £000	Forecast Variance £000	Change from Month 8 £,000
<b>Children's Services non-Dedicated Schools Grant</b>				
* Social Care and Early Help	16,698	18,532	1,834	90
* Business Services	3,042	3,027	(15)	71
* Education	895	1,014	119	(32)
* Operational Strategic Management	295	589	294	11
* Public Health	1,725	1,725	0	2
* Special Educational Needs and Children with Disabilities	3,144	3,035	(109)	122
Children's Services – Retained	(2,617)	(2,812)	(195)	(34)
<b>Total Children's Services Non-Dedicated Schools Grant</b>	<b>23,179</b>	<b>25,109</b>	<b>1,927</b>	<b>230</b>
<b>Dedicated Schools Grant</b>				
* AfC Contract - Dedicated Schools Grant	11,238	12,541	1,303	746
Dedicated Schools Grant – Retained	53,755	53,284	(471)	(302)
Dedicated Schools Grant Income (transfer to DSG deficit)	(64,993)	(65,825)	(832)	(444)
<b>Total Dedicated Schools Grant</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Summary Position</b>				

Service	Current Budget £000	Forecast Outturn £000	Forecast Variance £000	Change from Month 8 £,000
* Achieving for Children Contract	37,039	40,462	3,425	1010
Children's Services – Retained	(2,617)	(2,812)	(195)	(34)
Dedicated Schools Grant – Retained	53,755	53,284	(471)	(302)
<b>Total Children's Services budget</b>	<b>88,172</b>	<b>90,934</b>	<b>2,759</b>	<b>674</b>

\* denotes budget lines that form part of the Achieving for Children contract

10.6 The services included within the Children's Services Directorate are set out below in **Appendix G**.

## 10.7 Areas of Risk & Opportunity

10.7.1 The forecast variance of £1,927,000 consists of the following material variances as set in **Table 15**.

**Table 15: Children's Services material variances**

	Business As Usual £000	Covid-19 £000	Forecast Outturn Variance £000	Change from Month 8 £,000	Note
Total Social Care and Early Help	1,208	626	1,834	90	
Total Achieving for Children Other	469	(180)	289	175	
<b>Total Achieving for Children</b>	<b>1,676</b>	<b>446</b>	<b>2,122</b>	<b>265</b>	<b>1</b>
Children's Services – Retained	(223)	28	(195)	<b>(34)</b>	<b>2</b>
<b>Total Children's Services Non-Dedicated Schools Grant</b>	<b>1,453</b>	<b>474</b>	<b>1,927</b>	<b>230</b>	
AfC Contract - Dedicated Schools Grant	1,303	0	1,303	746	
Dedicated Schools Grant - Retained	(471)	0	(471)	(302)	
<b>Total Dedicated Schools Grant</b>	<b>832</b>	<b>0</b>	<b>832</b>	<b>444</b>	<b>3</b>
<b>Total Dedicated Schools Transfer to Reserve</b>	<b>(832)</b>	<b>0</b>	<b>(832)</b>	<b>444</b>	<b>4</b>
<b>Total Net Dedicated Schools Grant</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Total Forecast Outturn Variance</b>	<b>1,453</b>	<b>474</b>	<b>1,927</b>	<b>230</b>	

### 10.7.2 Total Achieving for Children non-Dedicated Schools Grant (Note 1)

The overspend of **£2,122,000** comprises of service overspends of £1,676,000 including £338,000 of incremental costs within the Achieving for Children Contract matched by an increased receipt of grants within Children's Services retained:

- Covid-19 Winter Grant Fund £236,000
- Covid-19 Wellbeing for Education Grant £26,000
- School Improvement £76,000

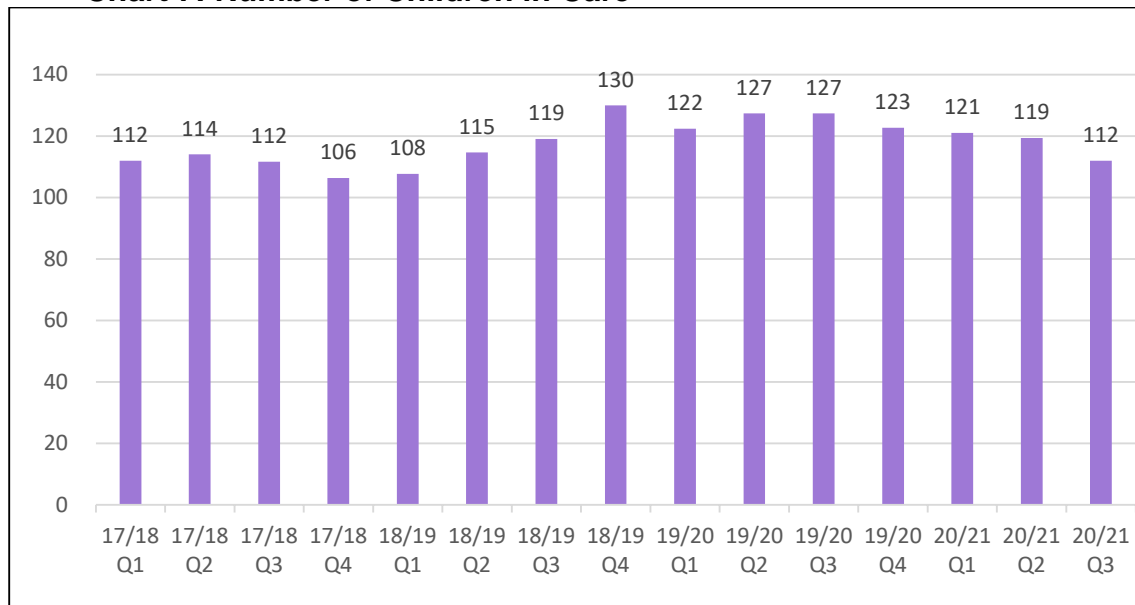
Additional pressures include:

- Children in Care Placement change in accounting treatment resulting in drawdown not to be made between RBWM and Achieving for Children resulting in an adverse impact on Achieving for Children reported position of £368,000
- Children in Care Placements £246,000 including two high cost placements made January 2021 costing a total of £110,000
- Employee and operational related costs including the increased contribution to the Local Government Pension Fund and other staffing costs £661,000
- The legal services contract is projecting an overspend due to increased complex cases of £129,000; this forecast reflects the revised reduced contract rates agreed in quarter 3 2021
- Reduced spend on Home to School Transport as a result of re-commissioned contracts (£100,000)
- Others £34,000

These variances total £1,676,000. In addition, table 16 sets out the Covid-19 related pressures of £446,000; total variance £2,122,000.

There are a number of key performance indicators that underlie the demands on the service. The charts below reflect the levels of demand on the service since April 2018.

**Chart 7: Number of Children in Care**



Since 2017/18 quarter 1 there has been a steady increase in the number of Children in Care with a peak of 130 in 2018/19 quarter 4. The average number of Children in Care across the entire period is 118; the average for the last 12 months has been 119. Most recently there has been an increase in the requirement for specialist placements for children with more complex needs.

Recent research by the Department of Education shows that the national number of children in care has gone up by 28% in the past decade.

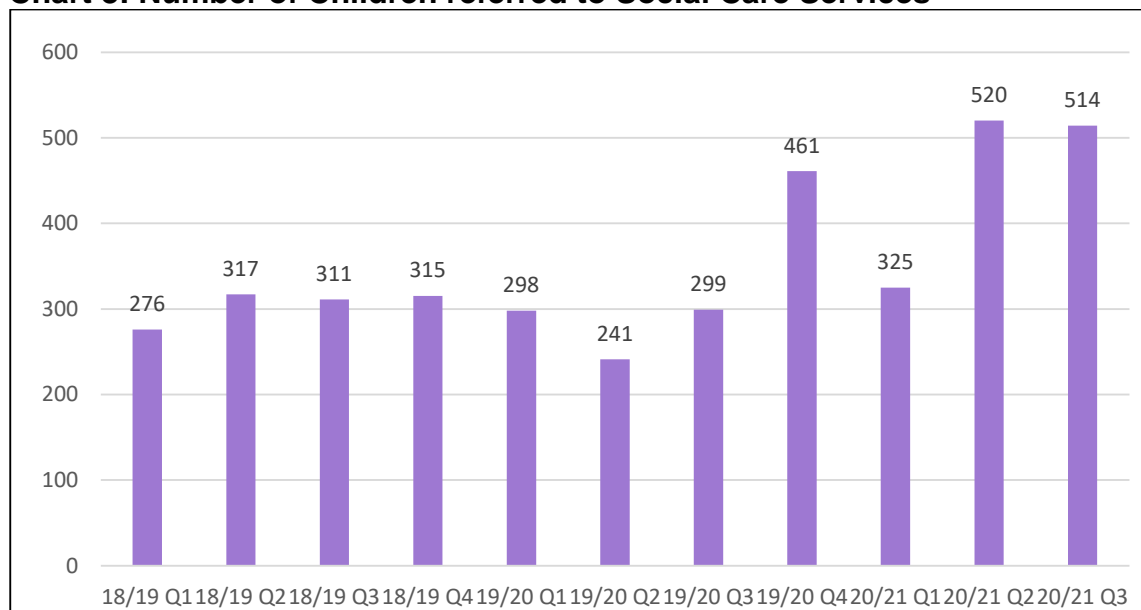
The latest national published data per 10,000 population is set out below:

**Table 16: National Published Data of Children in Care per 10,000 population**

	2018/19
National (2015/16 60)	65
Mean All England	69
Highest All England	101
South East	53
RBWM	35

The national average of Children in Care for 2018/19 per 10,000 population of 65 has increased from 60 since 2015 representing an 8% increase. RBWM has seen the rate of Children in Care increase due to better identification, assessment and intervention in order to keep children and young people safeguarded and their welfare promoted. The RBWM rate remains comparatively low.

**Chart 8: Number of Children referred to Social Care Services**

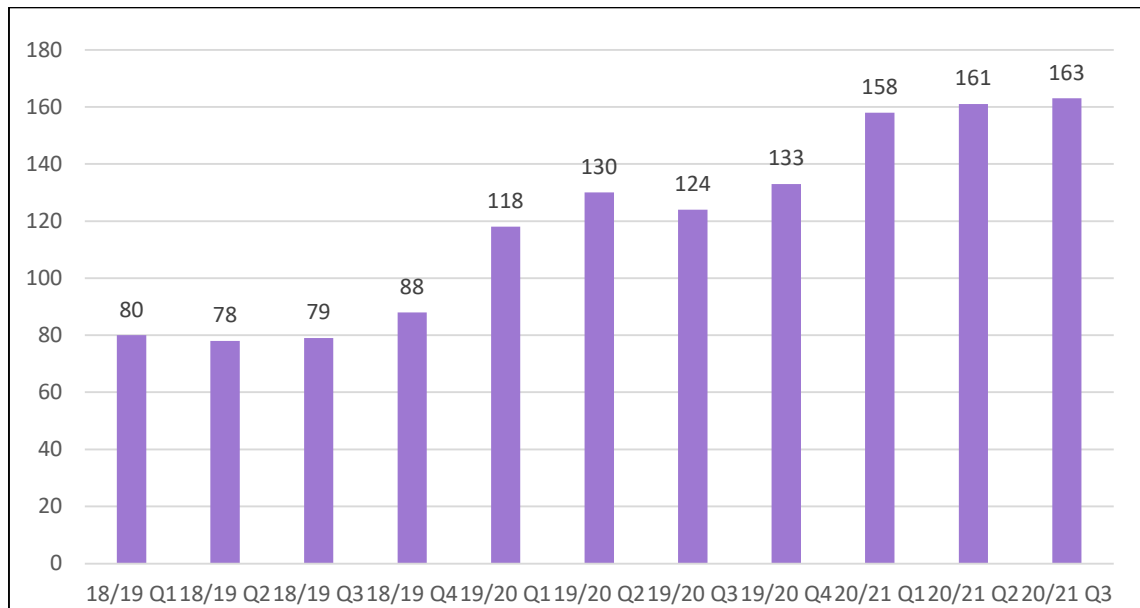


For 2018/19 the number of children referred to Social Care Services was fairly stable. During 2019/20 the volume of referrals initially reduced across the first half of the year, however, there was a significant increase in the final quarter. For 2020/21 quarter 1, as expected due to Covid-19 restrictions, the number of referrals reduced back in line with 2019/20 levels, however, in the most recent quarters there has been a sharp increase of 60%. It has been assessed within this cohort of children that the level of complexity and need is more significant than previous referrals. It is expected this increase in volume and complexity will continue over the coming months.

Extensive work has been undertaken with the multi-agency partnership to increase their awareness of the referral process and when they should be making a referral. The spikes in contacts are evident after multi-agency workshops have taken place. The rate of referrals can also vary depending on the national and local issues of the day. For example, after a published case review into the death or serious injury of a child, spikes will regularly be seen, as professionals are more likely to be cautious and refer a child.



**Chart 9: Number of children subject to a Child Protection Plan**



The number of children subject to a Child Protection Plan has increased by 80% between 2018/19 quarter 1 and 2020/21 quarter 2. This position is in line with national data and statistical neighbours.

Historically, RBWM has been below the national average rate for Child Protection Plans, therefore, in 2018/19 analysis was undertaken leading to the introduction of enhanced systems, processes and the undertaking of quality improvement work with staff. From April 2019, an increase in the Child Protection Plan rate could be seen bringing RBWM in line with statistical neighbours. Achieving for Children and its partners are now more confident that there is appropriate safeguarding of our most vulnerable children and young people.

Additionally, the financial impact on the service of Covid-19 has been estimated relating to the increased demand on the service and the impact on our current business delivery model. These variances total £446,000. The estimated forecast financial impact is summarised as follows:

**Table 17: Achieving for Children forecast financial impact of Covid-19**

Classification	£000	Explanation
Staffing	351	Increased demand on service requiring additional staffing and Personal Protective Equipment
Placements	180	Increased demand on service and impact on placements requiring additional levels of care
Savings	89	Delays in ability to implement placement and premises related efficiencies and savings
Income	237	Loss of income in from lettings, fees and charges for the Youth Service, Children's Centres and Outdoor Education Activities; Restriction on the ability to charge for unauthorised school absenteeism
Operational	(411)	Reduced Home to School Transport costs during lockdown and whilst the "new normal" is embedded; increased underspend following further lockdown restrictions and impact on schools
<b>Total</b>	<b>446</b>	

### 10.7.3 Children's Services – Retained non-Dedicated Schools Grant (Note 2)

The underspend of £195,000 comprises of service underspends of £223,000 mainly relating to the receipt of the following additional grants which are matched by incremental costs within the Achieving for Children Contract:

- Covid-19 Winter Grant Fund (£236,000)
- Covid-19 Wellbeing for Education Grant (£26,000)
- Intensive Family Support Grant of (£171,000)
- School Improvement (£76,000)

The additional grants are partly offset by the following pressures:

- Reduced grant as a direct result of the re-aging of a number of Unaccompanied Asylum-Seeking young people resulting in a 75% reduction in Home Office funding, £210,000
- Adverse impact on the revenue budget of a change in accounting treatment of some items previously reported as capital expenditure, £54,000
- Historical complex case review settlement £50,000
- Others (£28,000)

These variances total £223,000. In addition, **Table 18** sets out the Covid-19 related pressures of £28,000.

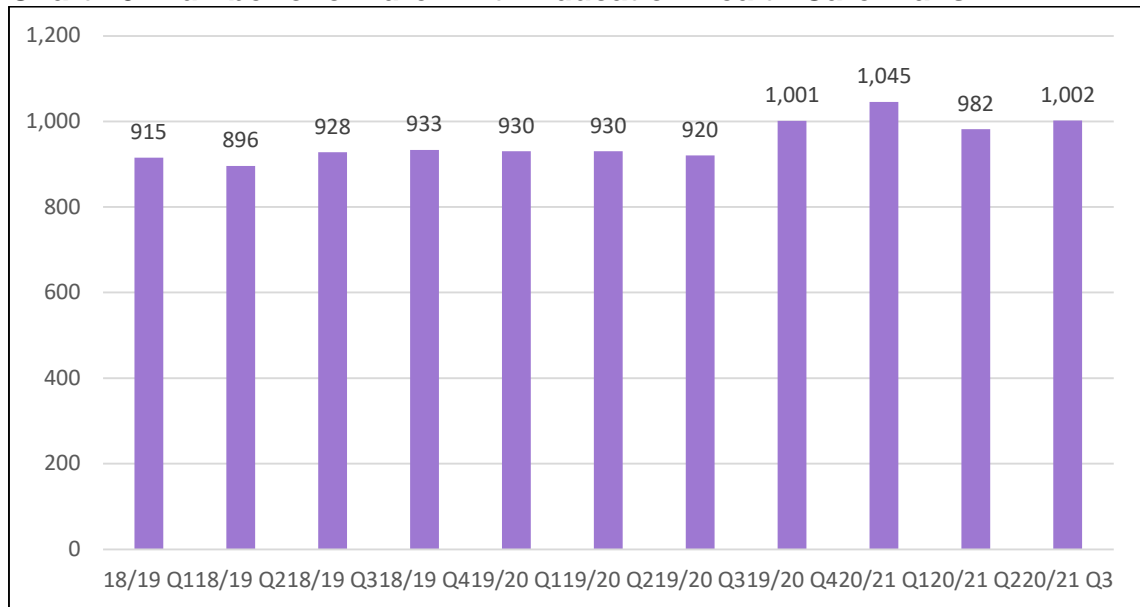
**Table 18: Children's Retained forecast financial impact of Covid-19**

Classification	£000	Explanation
Operational	28	Extension of the contract of a previously identified communication tool to ensure robust communications with schools
<b>Total</b>	<b>28</b>	

### 10.7.4 Total Dedicated Schools Grant (Note 3)

The overspend of £832,000 consists of High Needs Block pressures of £1,686,000 including Pupil Top Up funding, other direct support packages for the autumn and spring term. The increase in allocations paid to schools include changes to the Special Educational Needs funding matrix, re-assessments and new plans. The indicative block funding for 2020/21 does not meet the increase in pressures. The High Needs Block overspend is partly offset by the Schools Growth Fund underspend due to lower levels of pupil growth than funded (£459,000); Central Services Schools Block underspends of £302,000 relating to staff vacancies and one-off release of unused historic DSG provisions. Early Years Block Private, Voluntary & Independent Nurseries clawback settlement 2019/20 (£93,000) due to lower levels of take-up. These variances total £832,000.

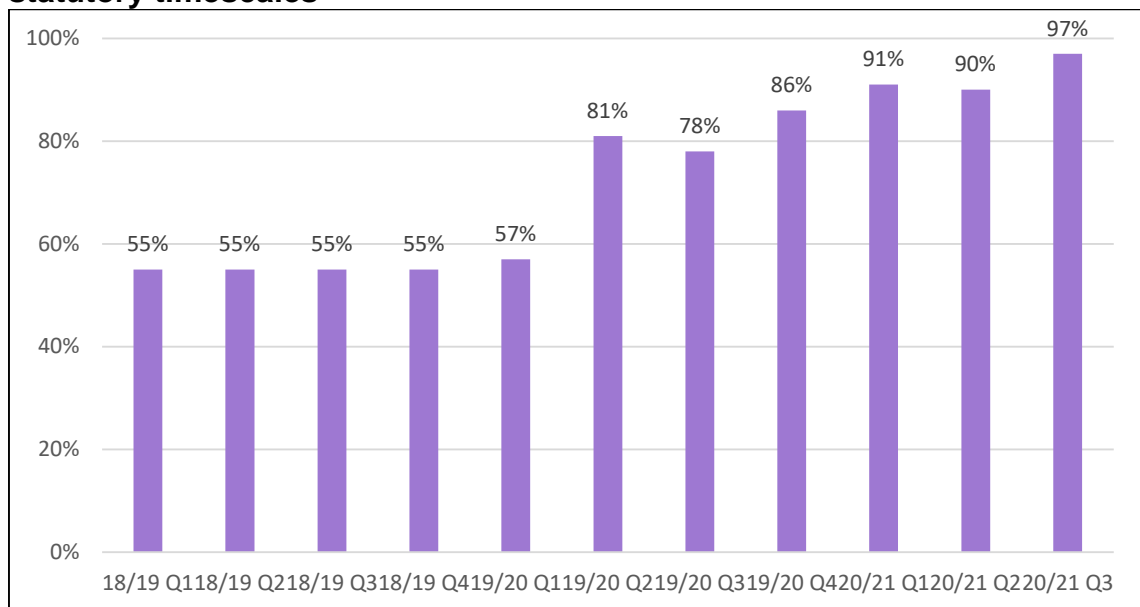
**Chart 10: Number of children with Education Health Care Plans**



The number of children with an Education, Health Care Plan has remained constant over the period to 2019/20 quarter 3, however, from 2019/20 quarter 4 and peaking in the following quarter there was a comparable increase of 14%. As seen in previous year's trend data, 2020/21 quarter 2 demonstrated a reduction in numbers due to the turnover of pupils between the academic years, this has been followed by an anticipated increase in quarter 3.

Nationally, authorities are reporting an increase in Education, Health Care Plans. The Department of Education's review of the detail shows that numbers in secondary schools continue to decline with the rise occurring mainly in primary and special schools.

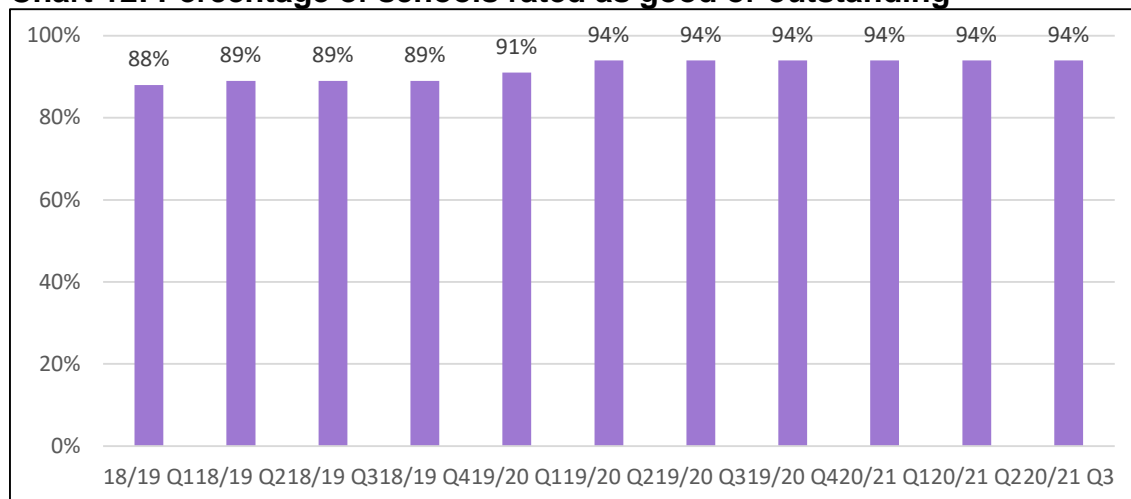
**Chart 11: Percentage of Education, Health Care Plans agreed within statutory timescales**



Since 2019/20 quarter 2 there has been a significant increase in the percentage of children with an Education, Health Care Plan agreed within statutory

timescales. This trend has steadily improved with a high in 2021 quarter 3 of 97% completed within timescales.

**Chart 12: Percentage of schools rated as good or outstanding**



The percentage of schools rated as good or outstanding has remained constantly high, since 2019/20 quarter 2 the level of success is 94%. This provides education for 95% of the pupils attending school within the Borough.

#### 10.7.5 Total Dedicated Schools Transfer to Reserve (Note 4)

To fund the in-year forecast overspend the negative variance of £832,000 reflects the transfer of the net in-year deficit to the Dedicated Schools Grant reserve. The estimated deficit carry forward as at 31st March 2021 of £1,857,000 represents a 1.50% cumulative deficit.

All local authorities that have a cumulative Dedicated Schools Grant deficit are required to submit a recovery plan outlining how they will bring their deficit back into balance within a reasonable time frame. Achieving for Children have been in discussions with the DfE and a detailed deficit recovery plan will be presented to Schools Forum seeking their agreement.

## 11. OTHER REVENUE BUDGET ISSUES

### 11.1 Collection Fund

11.1.1 The majority of Council spending relies on collecting Council Tax and Business Rates. The Council's budgeted share of these two precepts is £88m in 2020/21. Collection rates are therefore closely monitored.

11.1.2 At the end of January 2021 £89.87 million, equating to 93.43% of Council Tax had been collected against a target collection rate of 94.8%. Business Rate collection was £46.02 million equating to 89.55% against a target collection rate of 92.00% as shown in **Table 19** below.

11.1.3 As a result of Covid-19, Government introduced two new forms of Business Rate Relief i.e. Nursery Relief and Expanded Retail Relief. To date £664k has been awarded to qualifying Nurseries and £38.69m to businesses qualifying for the Expanded Retail Relief, reducing the Business Rates bill of these premises to £0 for 2020/21.

11.1.4 In addition, several Grant schemes were also announced by Government. £26.8m has been awarded in cash grants for businesses qualifying for the Small Business, Retail, Hospitality and Leisure Grant Fund and £1.9m has been awarded under the Discretionary Grant Scheme. A further £7.8m has been awarded to businesses as a result of the national lockdowns and Tiered restrictions since November but claims continue to be received and assessed.

**Table 19: Collection Fund income**

<b>COLLECTION FUND INCOME 2019-20 TO 2020-21</b>							
	<b>Total Collectable for Current year</b>	<b>Total Collected to date for Current Year</b>	<b>Total Collected this month for current year</b>	<b>% Collected for current Year</b>	<b>% Collected same period last year</b>	<b>Set target</b>	<b>Current year balance Outstanding</b>
<b>CTAX</b>	£	£	£	£	£	£	£
<b>2019-20</b>							
B/F April 2019	91,823,170	11,071,693	11,071,693	12.06%	11.66%	11.6%	80,751,477
C/F March 2020	91,913,932	90,343,171	1,352,888	98.29%	98.05%	98.5%	1,570,761
<b>2020-21</b>							
Apr-20	96,457,722	11,105,447	11,105,447	11.51%	12.06%	11.6%	85,352,275
May-20	96,424,469	20,099,148	8,993,700	20.84%	21.75%	21.5%	76,325,321
Jun-20	96,403,074	29,151,407	9,052,259	30.24%	30.98%	30.6%	67,251,667
Jul-20	96,481,165	37,932,989	8,781,582	39.32%	40.10%	39.8%	58,548,176
Aug-20	96,137,557	46,507,642	8,574,652	48.38%	49.13%	48.9%	49,629,916
Sep-20	96,183,710	55,185,267	8,677,626	57.37%	58.28%	58.2%	40,998,443
Oct-20	96,148,343	63,814,439	8,629,171	66.37%	67.53%	67.5%	32,333,905
Nov-20	96,122,890	72,364,308	8,549,870	75.28%	76.60%	76.5%	23,758,582
Dec-20	96,153,445	81,316,187	8,951,878	84.57%	85.90%	85.7%	14,837,258
Jan-21	96,195,138	89,876,953	8,560,766	93.43%	94.86%	94.8%	6,318,185
<b>CTAX SUPPORT</b>							
<b>2020-21</b>							
Apr-20	950,876	102,203	102,203	10.75%	11.49%	10.8%	848,674
May-20	954,790	169,317	67,115	17.73%	18.96%	18.7%	785,472
Jun-20	951,071	235,407	66,090	24.75%	26.42%	26.2%	715,664
Jul-20	954,054	302,666	67,259	31.72%	34.54%	34.1%	651,388
Aug-20	840,715	361,846	59,180	43.04%	41.88%	41.5%	478,869
Sep-20	845,146	402,594	40,748	47.64%	49.86%	48.3%	442,552
Oct-20	843,274	456,720	54,126	54.16%	57.80%	56.2%	386,554
Nov-20	839,684	513,439	56,719	61.15%	64.74%	63.4%	326,245
Dec-20	836,022	568,786	55,347	68.03%	72.39%	71.1%	267,236
Jan-21	832,366	621,595	52,810	74.68%	79.74%	78.5%	210,771
<b>NNDR</b>							
<b>2019-20</b>							
B/F April 2019	93,494,227	9,515,703	9,515,703	10.18%	11.94%	12.0%	83,978,524
C/F March 2020	89,651,398	88,061,488	78,545,785	98.23%	96.92%	98.3%	1,589,910
<b>2020-21</b>							
Apr-20	55,685,160	5,960,082	5,960,082	10.70%	10.18%	12.0%	49,725,077
May-20	54,208,499	10,831,149	10,831,149	19.98%	19.90%	20.0%	43,377,350
Jun-20	53,732,223	18,849,149	8,017,999	35.08%	31.84%	31.0%	34,883,074
Jul-20	53,846,869	22,994,146	4,144,997	42.70%	41.12%	41.0%	30,852,723
Aug-20	54,115,373	26,473,401	3,479,255	48.92%	49.39%	49.0%	27,641,972
Sep-20	53,586,200	31,139,042	4,665,641	58.11%	57.09%	58.0%	22,447,157
Oct-20	52,795,944	35,426,867	4,287,825	67.10%	66.36%	66.7%	17,369,077
Nov-20	52,006,679	38,993,051	3,566,184	74.98%	76.20%	75.0%	13,013,629
Dec-20	51,802,174	43,073,275	4,080,224	83.15%	83.20%	83.5%	8,728,898
Jan-21	51,396,013	46,027,620	2,954,345	89.55%	90.91%	92.0%	5,368,393

## 11.2 Outstanding Sundry Debts

11.2.1 The current level of outstanding sundry debts is £7,494,000 as at 31 January 2021; this is a reduced level of debt of £2,000 since period 8. The age of the debts is shown in **Table 20** below.

11.2.2 The table also shows the debt currently outstanding; up to 6 months old is higher than would normally be expected due to Covid-19 and the restraints on our debt collection procedures.

11.2.3 A provisional increase in the corporate bad debt provision of £288,000 has been included in the corporate revenue outturn forecast, this is for corporate debts including highways, leisure and commercial property and is shown in **Table 20** below:-

**Table 20: Outstanding Sundry Debts**

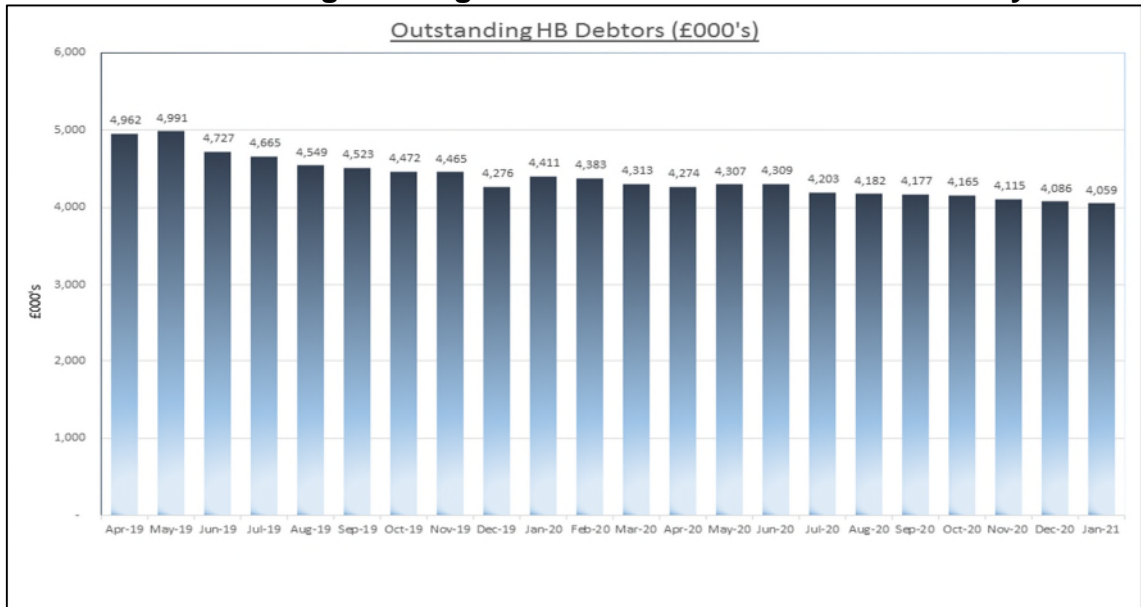
OUTSTANDING DEBTS AND PROJECTED BAD DEBT PROVISION REQUIREMENT AS AT 31ST JANUARY 2021											
SERVICE	2019/20		2020/21								
	Debt Outstanding	Bad Debt Provision	Debt Outstanding as at Month 10	<1 month	>1 mth and < 6 months	> 6 months < 1 year	1 to 2 years	> 2 years	Projected Bad Debt Provision for 2020/21	Projected Bad Debt Provision change at Month 10	Remissions
	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000	£,000
Education, Youth and Foster Schools	33	21	90	7	2	1	10	71	76	55	634
Housing Loans	0	0	168	144	20	0	0	4	6	6	0
Temporary Accommodation - bed & bfast	313	215	344	0	1	2	11	330	253	38	0
Adult Social care	358	80	282	33	112	40	71	26	76	(4)	1
Adult deferred payments	3,371	1,046	4,102	606	1,651	506	758	581	1,232	186	381
Corporate including Highways and Leisure	684	0	833	34	159	95	219	326	0	0	0
Commercial Property**	2,236	194	781	366	153	132	31	99	223	29	
	0	0	894	17	592	253	11	21	259	259	1,067
<b>TOTAL DEBT</b>	<b>6,995</b>	<b>1,556</b>	<b>7,494</b>	<b>1,207</b>	<b>2,689</b>	<b>1,030</b>	<b>1,111</b>	<b>1,458</b>	<b>2,126</b>	<b>570</b>	<b>2,083</b>
<b>% of outstanding debt</b>				<b>16%</b>	<b>36%</b>	<b>14%</b>	<b>15%</b>	<b>19%</b>			

\*\* Commercial Property has only been identified seperately since 1st April 20

## 11.3 Outstanding Housing Benefit Debtors

11.3.1 Outstanding Housing benefit debtors as at 31 January is shown below. This debt has reduced to £4,059,000 compared to £4,465,000 in the same period of 2019-20.

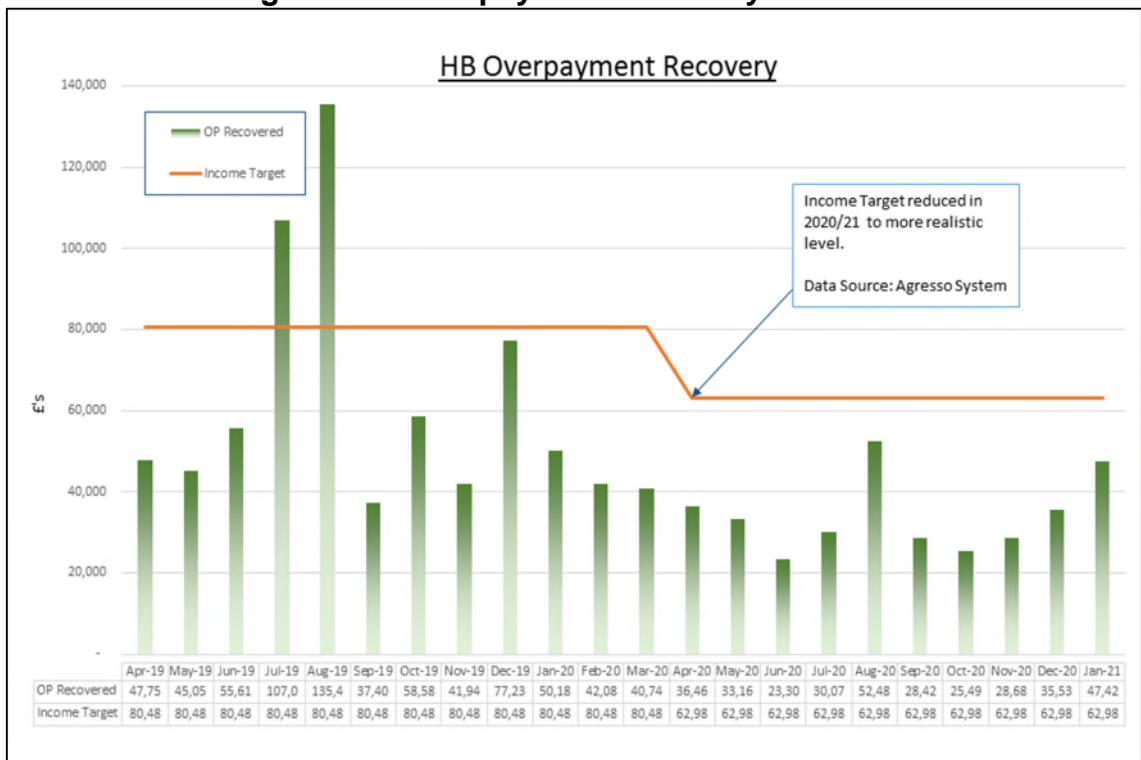
**Chart 13: Outstanding housing benefit debtors as at the 31 January 2021**



**11.4 Housing Benefit Overpayment Recovery**

11.4.1 Housing benefit overpayment recovery rates are shown below. The income target was reduced in the 2020/21 budget build to make it a realistic target based on the 2019/20 projected outturn.

**Chart 14: Housing Benefit Overpayment Recovery**



**11.5 Revenue Budget Movements**

11.5.1 Any movements to the revenue budget are monitored and reported to Cabinet each month; there is a movement of £2,000 since the January 2021 Cabinet report; this is as a result of the change of severance funded by the general fund as shown in **Table 21** below.

**Table 21: Revenue budget movement to 31 January for 2020-21**

Revenue Monitoring Statement 2020-21					
	Funded by the General Fund (1)	Funded by Provision (2)	Included in the original budget (3)	Total	Approval
	£'000	£'000	£'000	£'000	
<b>Original Budget</b>				<b>86,506</b>	
Severance	6	34	0	42	Feb 2020 Council
<b>Changes Approved</b>	<b>6</b>	<b>34</b>	<b>0</b>	<b>42</b>	
<b>Approved service budget March 2021 Cabinet</b>				<b>86,548</b>	

If additional budget is approved but no funding is specified, the transaction would, by default, be funded from the General Fund Reserve. Transactions in column 1 are funded by the General Fund.

A provision of £19,000 is held for revenue severance costs. This has been used to part fund the additional budget in services for the costs of redundancy that have been incurred this year.

## 11.6 Funding

11.6.1 Additional Covid-19 funding has been received since 11 March 2020. The grants are included in the service Covid-19 projections in **Appendix A**. The funding announcements and details as known to date are detailed in **Appendix I**.

11.6.2 The Council has now received a total of £120,907,000 of Covid-19 grant funding for different purposes across the Council; to date we have spent or committed £103,867,000. Income from the sales, fees and charges compensation scheme of £5,475,000 is currently unfunded, however the expectation is that we will receive funding for all of the fees and charges compensation scheme. The payment of £2,434,000 for the first sales, fees and charges compensation claim was received in November 2020 in full.

## 11.7 Revenue Reserve

11.7.1 At 31 March 2020, the Council had general fund reserves of £8,231,000. As at 31 January 2021, these reserves are forecast to be £6,473,000 at year end. Usable and unusable reserves as well as provisions are shown in **Appendix H**.

11.7.2 The current £460,000 projected underspend which includes £14,172,000 of Covid-19 costs results in a general fund reserve of £6,473,000 which is £103,000 above the minimum level approved by Council. It does need to be recognised this is on the basis of receiving all of the SFC income.

11.7.3 The NNDR31 reserve of £31,021,000 shown in **Appendix H** includes the Councils 49% share of the £36,900,000 S31 grant received for the Covid-19 expanded business rates retail relief scheme as shown in **Table 22**. This reserve will be released at the beginning of 2021/22 to cover RBWM's share of



the loss of business rates income in the collection fund as a result of the payment of these reliefs.

11.7.4 As is usual best practice, we will take the opportunity to review our reserves and provisions to ensure that any positive variance is properly applied to manage our risks for future years to improve our financial sustainability. This will be undertaken over the coming weeks and feed into future monitoring reports.

**Table 22: General Fund reserve projection**

<b>General Fund Reserve Projection at 31.01.2021</b>	<b>£000</b>
Opening Balance 01.04.2020	8,231
One-Off contribution from reserves	(2,218)
	<b>6,013</b>
Year-end underspend	460
<b>Current Projected Balance at 31.01.2021</b>	<b><u>6,473</u></b>

## 11.8 Medium Term Financial Strategy

11.8.1 The MTFP assumptions will be reviewed over the next few months particularly given the evolving impact of the global pandemic on the Council.

## 11.9 Borrowing Projection

11.9.2 Throughout the year the Council's borrowing levels are updated based on cash-flow and spending on the capital programme as shown in **Appendix C**. Currently the Council is borrowing temporarily pending anticipated capital receipts in future years and short-term interest rates remain low. The details of the current borrowing are shown in **Table 23** below.

11.9.3 The reduction in the forecast year-end net borrowing position is due to capital expenditure previously expected to take place in the current financial year now due to be incurred in the following year. We are currently projecting to hold balances of approximately £31m on behalf of the LEP at the year-end which will reduce the amount required to be borrowed from other local authorities.

11.9.4 The graph in **Appendix F** shows the actual and forecast end of month gross borrowing levels for the year. These are the actual amounts borrowed. In the table below the Council's investment balances are offset against the gross amount borrowed to give the net borrowing position.

**Table 23: Total Borrowing**

<b>Borrowing Type</b>	<b>Actual Start Start of Year £000</b>	<b>Actual Reported at January Cabinet £000</b>	<b>Actual Current Month £000</b>	<b>Year End Forecast Previously Reported £000</b>	<b>Year End Forecast Current Month £000</b>
Long Term	57,049	57,049	57,049	57,049	57,049
Short Term – Local Authority	134,000	65,000	66,000	156,000	107,039
Short Term – LEP	33,521	68,392	59,884	0	30,961
Investments	(51,726)	(23,313)	(27,458)	(20,000)	(20,000)
<b>Net Borrowing</b>	<b>172,844</b>	<b>167,128</b>	<b>155,475</b>	<b>193,049</b>	<b>175,049</b>

## 12. CAPITAL PROGRAMME

12.1 The forecast gross capital expenditure for the current financial year 2020/21 is shown in **Table 24**. This summarises the projected outturn position by directorate including reported slippage to 2021/22 and any known variances from budget. It is projected that the Council will spend £49,796,000 on capital projects in the current financial year. Additional slippage of £9,917,000 has been identified this month, mainly relating to further Local Enterprise Partnership scheme, Highways, Schools and Property scheme slippage. Detail on the funding of the capital programme is shown in **Table 26**.

**Table 24: Capital Programme projections.**

Directorate	Revised Gross Budget 2020/21	Forecast Gross slippage to 2021/22	Current year variances	Projected Gross Outturn 2020/21
	£'000	£'000	£'000	£'000
Managing Director	439	0	0	439
Place Directorate	42,391	(22,440)	300	20,251
Adults, Health & Commissioning	27,324	(6,636)	200	20,888
Childrens Services	7,074	(360)	(14)	6,700
Resources	3,518	(1,781)	(219)	1,518
<b>Total</b>	<b>80,746</b>	<b>(31,217)</b>	<b>267</b>	<b>49,796</b>

12.2 Further detail on the 2020/21 budget is shown in **Appendix D**. Budget movements to arrive at the revised budget are detailed in **Appendix E**.

12.3 The movement in projections from January Cabinet and slippage reported to February Council by directorate are outlined as follows.

### 12.4 Place

12.4.1 Property services report an additional £1,505,000 of slippage this month; mainly relating to the re-profiling of Affordable Housing schemes due the delays caused by the pandemic.

### 12.5 Adults, Health & Commissioning

12.5.1 A £300,000 adverse variance on Maidenhead Station is confirmed this month as a result of scheme changes to the project.

12.5.2 Local enterprise projects report further slippage of £2,601,000. As reported last month, this element is funded by the Local Enterprise Partnership where grant is paid to the Borough as scheme stages complete and will have nil impact on the Council's borrowing for 2020/21. The match funded element of these schemes is funded by CIL income and the projects are forecast to complete by March 2022.

### 12.6 Children's Services

12.6.1 A number of schemes have completed this month resulting in a net saving of £406,000. Fully funded schemes totalling £924,000 have slipped to 2021/22 with no overall impact on the Council's borrowing. The most significant are the Dedworth & Furze Platt resource bases at a total slippage value of £400,000. These schemes will complete during 2021/22.

## 12.7 Resources

12.7.1 There are no significant changes to report this month.

12.7.2 A list of variances and slippage is detailed in **Appendix E**.

## 12.8 Capital Expenditure Financing

12.8.1 The £36,972,000 projected capital expenditure will be funded by the income streams as set out in **Table 25**. It is projected that £21,633,000 of corporate funding is required for the financial year of which £482,000 will be sourced from projected capital receipts. In addition, it is planned that a £300,000 revenue contribution to capital will be used to partly fund the modern workplace project. The balance of £20,851,000 will be funded by short term borrowing at a rate of 0.37% at an estimated cost of £77,000.

**Table 25: Capital Programme financing**

<b>Capital Programme funding</b>	<b>£'000</b>
Government Grants	(10,511)
Developers' Contributions (s106 & CIL)	(3,873)
Other Contributions	(955)
Corporate funding	(21,633)
<b>Total</b>	<b>(36,972)</b>

**Table 26: Capital programme status**

	<b>February 2021</b>
<b>Number of schemes in programme</b>	<b>236</b>
Yet to start	3%
In progress	62%
Completed	17%
Ongoing programmes e.g. Disabled Facilities Grant	18%

## 12.9 Transformation Plan funded from flexible reserves

12.9.1 The second year of the transformation plan for 2020/21 has a one-off budget of £1,000,000, funded from flexible capital receipts; this was approved by Council within the budget in February 2020. There is slippage from the 2019/20 transformation plan of £347,091 resulting in £1,347,091 of available budget for transformation in 2020/21.

12.9.2 We have now received confirmation that the flexible use of capital receipts opportunity continues into 2021/22, the remaining budget of £1,347,091 has now been slipped to 2021/22 as shown in the capital monitoring. This results in £556,000 of transformation funding for project costs and £791,000 for staff severance costs during 2021-22.

12.9.3 To 31 January 2021, the Council has received £1,347,000 of capital receipts that can be allocated to the transformation plan. Further details are shown below in **Table 27**.

**Table 27: Transformation Plan actuals and commitments to 31<sup>st</sup> of January 2021.**

<b>TRANSFORMATION CAPITAL SUMMARY 2020-21</b>			
	<b>PROJECT COSTS</b>	<b>STAFF SEVERANCE COSTS</b>	<b>TOTALS</b>
	<b>£,000</b>	<b>£,000</b>	<b>£,000</b>
Budget brought forward	56	291	347
Budget 2020-21	500	500	1,000
<b>TOTAL BUDGET 2020-21</b>	<b>556</b>	<b>791</b>	<b>1,347</b>
Actual spend to 31 January 2021	0	0	0
Commitments	0	0	0
<b>TOTAL SPEND and COMMITMENT 2020-21</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>UNALLOCATED BUDGET</b>	<b>556</b>	<b>791</b>	<b>1,347</b>
<b>TRANSFORMATION FUNDING</b>			
Capital receipts received as at 31 January 2021			1,347
<b>TOTAL FUNDING REQUIRED</b>			<b>0</b>

### **13. LEGAL IMPLICATIONS**

13.1 In producing and reviewing this report the Council is meeting its legal obligations to monitor its financial position.

### **14. RISK MANAGEMENT**

14.1 The projected variance will require mitigation to reduce it during the financial year.

### **15.. POTENTIAL IMPACTS**

15.1 **Equalities** – none

15.2 **Climate change/sustainability** – none

15.3 **Data Protection/GDPR** – none

### **16. CONSULTATION**

16.1 **None.**

### **17. TIMETABLE FOR IMPLEMENTATION**

17.1 Implementation date if not called in: **Immediately.**

### **18. APPENDICES**

18.1 This report is supported by eight appendices:

- Appendix A Revenue Monitoring Statement
- Appendix B Savings Tracker 2020-21
- Appendix C Capital budget summary
- Appendix D Capital monitoring report
- Appendix E Capital budget movements
- Appendix F Borrowing forecast
- Appendix G Children's variance analysis
- Appendix H Reserve and provisions
- Appendix I Covid-19 funding summary

## 19. BACKGROUND DOCUMENTS

19.1 This report is supported by one background document:

- Budget Report to Council February 2020.

## 20. CONSULTATION (MANDATORY)

Name of consultee	Post held	Date sent	Date returned
Cllr Hilton	Lead Member for Finance and Ascot	1/3/21	5/3/21
Duncan Sharkey	Managing Director	15/3/21	15/3/21
Adele Taylor	Director of Resources/S151 Officer	1/3/21	2/3/21
Kevin McDaniel	Director of Children's Services	15/3/21	
Hilary Hall	Director of Adults, Health and Commissioning	15/3/21	16/3/21
Elaine Browne	Head of Law	15/3/21	
Emma Duncan	Deputy Director of Law and Strategy / Monitoring Officer	15/3/21	
Nikki Craig	Head of HR Corporate Projects and IT	15/3/21	
Louisa Dean	Communications	15/3/21	
Karen Shepherd	Head of Governance	15/3/21	

## REPORT HISTORY

Decision type:	Urgency item?	To follow item?
For information	No	No

Report Author: Andrew Vallance, Head of Finance
---

Revenue Monitoring Statement 2020/21						
Original Budget	SUMMARY	Revised Budget	Projected Variance including COVID 19 costs	Previously reported Variance as at Jan cabinet	COVID 19 costs	Change from Jan 21 cabinet
£000		£000	£000	£000	£000	£000
	<b>Managing Director</b>					
364	Management & Legal	905	(16)	16	(7)	(32)
2,675	Governance	2,000	(214)	(78)	(115)	(136)
<b>3,039</b>	<b>Total Managing Director's Directorate</b>	<b>2,905</b>	<b>(230)</b>	<b>(62)</b>	<b>(122)</b>	<b>(168)</b>
	<b>Children's Services</b>					
(79)	Director of Children's Services	(79)	0	0	0	0
36,934	Achieving for Children Contract	37,039	3,425	2,415	446	1,010
52,640	Children's Services - Retained	51,212	(667)	(330)	28	(337)
(66,310)	Dedicated Schools Grant - Income	(64,993)	(832)	(388)	0	(444)
<b>23,185</b>	<b>Total Children's Services Directorate</b>	<b>23,179</b>	<b>1,927</b>	<b>1,697</b>	<b>474</b>	<b>230</b>
	<b>Adults, Health and Commissioning</b>					
1,353	Director, Support Teams & Provider support	1,450	179	752	1,368	(573)
7,228	Highways and other Commissioned Infrastructure	7,011	834	812	698	22
9,365	Waste	9,354	(220)	(184)	(108)	(36)
(7,043)	Parking Services	(7,057)	6,450	6,536	6,270	(86)
35,398	Adult Social Care	35,619	(1,111)	(1,181)	(810)	70
13,288	Better Care Fund - Spend	15,286	(462)	(198)		(264)
4,657	Public Health - Spend	4,933	0	0		0
(16,713)	Grant & BCF Income	(18,989)	462	0		462
<b>47,533</b>	<b>Total Adults, Health &amp; Commissioning Directorate</b>	<b>47,607</b>	<b>6,132</b>	<b>6,537</b>	<b>7,418</b>	<b>(405)</b>
	<b>Resources</b>					
210	Executive Director of Resources	210	(4)	0		(4)
2,271	Library & Resident Services	2,263	497	568	395	(71)
1,076	Revenues & Benefits	1,067	85	85	194	0
90	Housing Benefit	91	576	566	378	10
2,574	Human Resources, Corporate Projects & IT	2,559	(31)	(30)	12	(1)
2,805	Corporate Management	74	(104)	(110)	0	6
1,352	Finance	1,331	95	32	39	63
<b>10,378</b>	<b>Total Resources Directorate</b>	<b>7,595</b>	<b>1,114</b>	<b>1,111</b>	<b>1,018</b>	<b>3</b>
	<b>Place</b>					
245	Executive Director of Place	245	(46)	0		(46)
2,362	Housing & Environmental Health	2,336	1,414	1,207	1,261	207
1,110	Planning Service	1,110	45	0	0	45
(5)	Communities including Leisure	(10)	3,200	3,337	3,146	(137)
1,335	Infrastructure, Sustainability & Transport	1,438	35	78	152	(43)
(2,676)	Property Service	(2,689)	958	1,143	825	(185)
<b>2,371</b>	<b>Total Place Directorate</b>	<b>2,430</b>	<b>5,606</b>	<b>5,765</b>	<b>5,384</b>	<b>(159)</b>
0	<b>Contingency and Corporate Budgets</b>	2,832	(2,290)	(2,014)	0	(276)
<b>86,506</b>	<b>TOTAL EXPENDITURE</b>	<b>86,548</b>	<b>12,259</b>	<b>13,034</b>	<b>14,172</b>	<b>(776)</b>

Original Budget	SUMMARY	Revised Budget	Projected Variance including COVID 19 costs	Previously reported Variance as at Jan cabinet	COVID 19 costs	Change from Jan 21 cabinet
£000		£000	£000	£000	£000	£000
<b>86,506</b>	<b>Total Service Expenditure</b>	<b>86,548</b>	<b>12,259</b>	<b>13,034</b>	<b>14,172</b>	<b>(776)</b>
						<b>0</b>
(2,218)	Contribution to / (from) Reserves	(2,218)	300	300		<b>0</b>
0	Contribution to/(from) Covid-19 reserve	0	3,485	3,000	315	<b>485</b>
0	Funding of capital from the Covid-19 funding	0	748	0	748	<b>748</b>
0	Contribution from NNDR volatility reserve	0	(1,519)	(1,519)		<b>0</b>
4,217	Pensions deficit recovery	4,217	(162)	(162)		<b>0</b>
0	Projected COVID-19 funding for December to March 2021	0	(2,989)	(3,162)	(2,989)	<b>173</b>
0	COVID 19 Sales, Fees and Charges Compensation projected for August to November	0	(2,486)	(2,486)	(2,486)	<b>0</b>
0	COVID 19 Sales, Fees and Charges Compensation as per September claim	0	(2,434)	(2,434)	(2,434)	<b>0</b>
0	COVID 19 MHCLG funding	0	(7,326)	(7,326)	(7,326)	<b>0</b>
0	COVID 19 MHCLG funding c/f	0	(315)	0	0	<b>(315)</b>
(1,767)	Provision for Business rates release	(1,767)	(654)	(654)		<b>0</b>
1,767	Collection fund deficit	1,767	654	654		<b>0</b>
0	Transfer from provision for redundancy	(42)	750	750		<b>0</b>
162	Environment Agency levy	162	0	0		<b>0</b>
6,010	Capital Financing inc Interest Receipts	6,010	(770)	(733)		<b>(37)</b>
<b>94,677</b>	<b>NET REQUIREMENTS</b>	<b>94,677</b>	<b>(460)</b>	<b>(738)</b>	<b>0</b>	<b>279</b>
(1,217)	Less - Special Expenses	(1,217)	0			
0	Transfer to / (from) balances	0	460	738		
<b>93,460</b>	<b>GROSS COUNCIL TAX REQUIREMENT</b>	<b>93,460</b>	<b>0</b>	<b>0</b>		
	<b>General Fund</b>					
	Opening Balance	8,231				
	Contribution to / (from) Reserves	(2,218)				
	Budget Transfers (from) Balances	0				
		<b>6,013</b>				
	Transfers (from) Balances, Variance	460				
	Budget General Fund Outturn	<b>6,473</b>				



## RBWM SAVINGS 20/21

		General Information						Financials					If savings impacted as a result of COVID when will the full-year savings be achieved			
Savings Ref / FYE	Directorate	Service	MTPF Savings Title	How will savings be achieved?	Lead Officer	Finance Lead	Month		Overall Performance RAG	Explanation of Current Savings Forecast and Remedial Action planned to address underperformance and Mitigation Strategies <i>(must be completed for all savings that have an amber or red overall performance RAG)</i>	Actual saving to 31st Oct £000	Savings Forecast £000	Yes / No Covid impact	2020/21	2021/22	Saving not achievable at all
							2020/21 Savings Target £000	% of target full year forecast								
Savings per Budget 20/21																
1	B4	Optalis Contract	Review of posts in Optalis	Staffing	Lynne Lidster	David Trim	31	100%	GREEN	Completed - saving achieved.	31	31	No	No	No	No
2	B4	Commissioning & Support	Review of posts in commissioning function	Staffing	Dan Brookman	Tracy Watkins	20	100%	GREEN	Completed - saving achieved.	20	20	No	No	No	No
3	B2	AFC Contract - LA Funded	Transform youth and early years services to be targeted at the most vulnerable	Staffing	Kevin McDaniel		450	16%	AMBER	Loss of income in Youth Service, Children's Centres and Outdoor Education Activities due to COVID19 £206,000. RBWM Property Company have identified delays in achieving property related savings in light of COVID19 £70,000. Following Cabinet April 2020 there was a subsequent decision to "call in" the proposed transformation of the community hubs. This will lead to a delay in implementation, now planned as 01-04-21 resulting in additional non achievement of planned savings £151,000.	20	73	Yes	No	Yes	No
4	B4	Adult Social Care - Spend	Optimise the provision of carers services	Contracts	Lynne Lidster	Tracy Watkins	75	100%	GREEN	Completed - saving achieved.	75	75	No	No	No	No
5	B4	Adult Social Care - Spend	Optimise the delivery of the supported employment service by integration with council-owned services	Contracts	Lynne Lidster	David Trim	166	100%	GREEN	Completed - saving achieved.	166	166	No	No	No	No
6	B4	Adult Social Care - Spend	Deliver befriending service in a new and different way	Contracts	Lynne Lidster	Tracy Watkins	35	100%	AMBER	Decision to extend the befriending service for three months in the light of Covid-19 and requirement for more befriending services for residents to deal with the current crisis.		35	Yes	No	Yes	No
7	B4	Adult Social Care - Spend	Deliver adult social care transformation programme	Contracts	Hilary Hall	Margaret Ashton-Gray	495	0%	RED	The savings could not be achieved in 2020-2021 due to the impact of the pandemic. Detailed plans are now in place to realise this saving in 2021/2022(see main report).		-	Yes	No	Partial	No
8	B4	Adult Social Care - Spend	Optimise the delivery of the Recovery College	Contracts	Anna Richards	Tracy Watkins	35	100%	GREEN	Completed - saving achieved.	35	35	No	No	No	No
9	B4	Adult Social Care - Spend	Implement technology enabled care across adult services	Contracts	Dan Brookman	Margaret Ashton-Gray	120	0%	AMBER	Some savings were achieved in 2021-2022 but detailed plans are now in place to deliver the full saving in 2021/2022.		-	No	No	No	No
10	B2	AFC Contract - LA Funded	Optimise costs of placements for children in the care of the local authority	Other	Kevin McDaniel		700	116%	GREEN	Total budgeted saving of £700,000 exceeded by further savings of £115,000 generated from earlier moves than planned and improved pricing, however, recognition there may be some slippage in further movements as Public Health England continues to restrict conditions for movement.	392	815	Yes	Yes	Yes	No
11	B4	Adult Social Care - Spend	Optimise the delivery of health checks	Other	Anna Richards	Tracy Watkins	10	100%	GREEN	Completed - saving achieved.	10	10	No	No	No	No
12	B4	Adult Social Care - Spend	Allocation of Public Health reserve to meet current needs	Other	Anna Richards	Tracy Watkins	46	100%	GREEN	Completed - saving achieved.	46	46	No	No	No	No
13	B4	Adult Social Care - Spend	Introduce an online financial assessment for adults to calculate financial contributions for care and support	Other	Hilary Hall	Margaret Ashton-Gray	-		RED	Initial work will be completed this year and savings may be achievable in 2020-2021.		-	Yes	No	Partial	No
14	B2	AFC Contract - LA Funded	Remove additional local authority support for school improvement in Academy schools	Other	Kevin McDaniel		20	100%	GREEN	Work with Academy schools to ensure fully aware of changes in support. Savings delivered.	10	20	No	No	No	No
15	B2	AFC Contract - LA Funded	Recruitment drive to improve Social Worker workforce stability and outcomes	Staffing	Kevin McDaniel		100	100%	GREEN	Implementation of new service structure with vision to reduce reliance upon interim social workers due to changes in practice and as a direct result of OFSTED; Social Worker recruitment expected to achieve saving in full; status is "succeeding" based on recent recruitment offers and agency staff conversions.	33	100	Yes	Yes	Yes	No
16	B2	AFC Contract - LA Funded	Legal savings in Achieving for Children	Staffing	Kevin McDaniel		25	0%	RED	Due to issues with contractual charging rates it was agreed not to move to the proposed new supplier, therefore, saving are not going to be delivered in 2020/21. Current provider contract extended from 01-04-20 with ongoing discussions relating to increased contract efficiencies with the expectation that savings will be delivered for 2021/22.		-	No	No	No	Yes
17	B2	AFC Contract - LA Funded	Operational efficiency within the Achieving for Children finance team	Staffing	Kevin McDaniel		25	100%	GREEN	Savings delivered.	25	25	No	No	No	No
18	B2	AFC Contract - LA Funded	Delete a vacant post in the Achieving for Children Management team	Staffing	Kevin McDaniel		110	100%	GREEN	Savings delivered.	110	110	No	No	No	No
19	B5	Community, Protection & Enforcement Services	Re-focus Community Wardens on problem solving, achieving staff savings	Staffing	David Scott		180	100%	GREEN	Restructure being implemented wef 6 April, full saving will be in place until 1st June so 10 month saving should be achieved.		180	No	No	No	No
20	B6	Library & Resident Services	Focus customer service in Windsor at Windsor Library Increase the use of 24/7 digital options on the council website Align Library opening hours to service demand Align call centre opening hours to service demand	Staffing	Angela Huisman		220	55%	AMBER	The changes to make the following savings have already been implemented: York House £75K, Digital Channel Shift £20K, Contact Centre reduction in opening hours £25K. £100K is due to be made by reducing opening hours at libraries. The Public Consultation has been delayed by Covid-19 and will now be concluded in April 21. The savings unachieved will be mitigated fully in year from staff vacancies. To achieve them in 21/22, opening hours will need to be formally reduced.		120	Yes	Yes	Yes	No
21	B5	Community, Protection & Enforcement Services	Removal of PCSO funding	Staffing	David Scott		74	100%	GREEN	Notice given. Expect saving to be achieved in full.		74	No	No	No	No
22	B5	Community, Protection & Enforcement Services	WAM Get Involved support	Grants	David Scott		33	100%	GREEN	SLA ends in June so saving should be delivered.		33	No	No	No	No
23	B5	Community, Protection & Enforcement Services	STRIVE	Grants	David Scott		8	100%	GREEN	Completed - saving achieved.	8	8	No	No	No	No
24	B4	Communications	Deliver system efficiencies through the new customer relationship management system	Contracts	Louisa dean		25	100%	GREEN	CRM and CMS project have started with a project plan. Target date for completion is August 2020		25	No	No	No	No
25	B3	Communities, Enforcement and Partnerships	Review grant payments in line with developing voluntary sector funding strategy	Grants	Karen Shepherd	Karen Reader	100	100%	GREEN	Grants offered now based on reduced budget	100	100	No	No	No	No
26	B5	Communities, Enforcement and Partnerships	Citizens Advice Bureau grant	Grants	David Scott		16	100%	GREEN	Will be achieved		16	No	No	No	No
27	B5	Infrastructure, Sustainability & Transport	Reduce the current grant provision for The Old Court, Windsor from September 2020.	Grants	Suzie Parr	Karen Reader	8.50	100%	GREEN	Savings from September 20		9	No	No	No	No
28	B5	Infrastructure, Sustainability & Transport	Reduce the current grant provision for Norden Farm from September 2020	Grants	Suzie Parr	Karen Reader	17	100%	GREEN	Savings from September 20		17	No	No	No	No
29	B6	Revenues & Benefits	Cease the provision of the GROW service with residents being signposted to alternative forms of assistance.	Staffing	Louise Freeth		63	102%	GREEN	Staff redundant wef 31.03.20.		64	No	No	No	No
30	B3	Law & Governance	Cease support for the One Stop Shop in Datchet	Grants	Karen Shepherd	Karen Reader	1	100%	GREEN	Relate to things we simply won't do next year.		1	No	No	No	No
31	B6	IT	Rationalise the council's current mobile phone usage to reduce operating costs	Contracts	Nikki Craig		10	100%	GREEN	Whilst maybe not from reduction in mobile phone line rental, this will be achieved through telephony savings.		10	No	No	No	No



		General Information						Financials Month					If savings impacted as a result of COVID when will the full-year savings be achieved			
Savings Ref / FYE	Directorate	Service	MTFP Savings Title	How will savings be achieved?	Lead Officer	Finance Lead	2020/21 Savings Target £000	% of target full year forecast	Overall Performance RAG	Explanation of Current Savings Forecast and Remedial Action planned to address underperformance and Mitigation Strategies <i>(must be completed for all savings that have an amber or red overall performance RAG)</i>	Actual saving to 31st Oct £000	Savings Forecast £000	Yes / No Covid impact	2020/21	2021/22	Saving not achievable at all
<b>Savings per Budget 20/21</b>																
32	B3	Law & Governance	Remove budget for individual members to attend conferences/training	Other	Karen Shepherd	Karen Reader	3	100%	GREEN	Relate to things we simply won't do next year.		3	No	No	No	No
33	B3	Law & Governance	Removal of all refreshments from council meetings, member briefings and member training sessions	Other	Karen Shepherd	Karen Reader	10	100%	GREEN	Relate to things we simply won't do next year.		10	No	No	No	No
34	B6	Revenues & Benefits	No longer print and distribute Council Tax leaflet with bills	Other	Louise Freeth		5	100%	GREEN	Costs end of year		5	No	No	No	No
35	B4	Communications	Optimise use of digital distributing Around the Royal Borough	Other	Louisa dean	Tracy Watkins	23	100%	GREEN	ATRB is being reduced to two issues this year. Due to COVID-19, one has also been removed from the schedule. A newsletter will be delivered to all homes in the next few weeks but this will be less than ATRB costs. However, there is no advertising income being generated		23	No	No	No	No
36	BTL	CTAX Income	Empty Properties Relief - reduction	Income	Louise Freeth		70	100%	GREEN	Collection fund item		70	No	No	No	No
37	BTL	CTAX Income	Review of Council Tax Reduction Scheme Discount levels	Income	Louise Freeth		330	100%	GREEN	Collection fund item		330	No	No	No	No
38	B6	Finance	Vacancy Factor/Recruitment Freeze	Staffing	Adele Taylor		100	100%	GREEN	Allocation to be confirmed by Finance, should be achievable		100	No	No	No	No
39	B6	Library & Resident Services	Charging for Resident's Parking Permits, £50 each and £70 for second permit, £100 for third and subsequent permits. Also apply and increase charges for all visitor vouchers	Income	Angela Huisman		250	60%	AMBER	Delay in implementation, expected savings now reduced for this year		150	Yes	No	Yes	No
40	B5	Property Service	Additional Management Fee from Countryside	Income	Russell O'Keefe		300	0%	RED	The planning application upon which this depends has not yet been submitted, this saving will not be deliverable in 20/21		-	No	No	No	No
41	B5	Community, Protection & Enforcement Services	Post Deletions	Staffing	David Scott		200	100%	GREEN	All actioned in the 20/21 budget build		200	No	No	No	No
42	B4	Commissioning-Infrastructure	Increase green waste annual subscription charge to £65 per annum in line with neighbouring authority charges.	Income	Ben Smith	Abid Hussain	250	100%	GREEN	Savings are dependant upon being able to deliver the full service during the Covid-19 response and recovery and resident behaviours not being adversely affected from modelled projections		250	No	No	No	No
43	B4	Commissioning-Infrastructure	Remove free Saturday garden waste collection	Income	Ben Smith	Abid Hussain	25	100%	GREEN	Contract reduced to remove free Saturday collection		25	No	No	No	No
44	B4	Commissioning-Infrastructure	Remove Advantage Card discounts for parking.	Income	Ben Smith	Abid Hussain	650	0%	RED	Linked to parking model, the achievement of these savings is linked to the outcome of the sales, fees and charges compensation scheme.		-	Yes	No	Yes	No
45	B4	Commissioning-Infrastructure	Advertising on car park tickets/car parks	Other	Ben Smith	Abid Hussain	30	0%	RED	This work will now be low priority and negotiations with potential customers will be delayed until 2021/22.		-	Yes	No	Yes	No
46	B4	Commissioning-Infrastructure	Parking season ticket income	Other	Ben Smith	Abid Hussain	50	0%	RED	Linked to parking model, the achievement of these savings is linked to the outcome of the sales, fees and charges compensation scheme.		-	Yes	No	Yes	No
47	B4	Commissioning-Infrastructure	Review and optimise the number of subsidised bus routes	Other	Ben Smith	Abid Hussain	100	40%	AMBER	Bus Services savings target (2020/21) was previously reported as only achieving £50k of the £100k. The full saving will be unachievable based on Covid-19 government guidance on bus services		40	Yes	No	Yes	No
48	B4	Commissioning-Infrastructure	Traffic signal costs - capital spend	Other	Ben Smith	Abid Hussain	65	100%	GREEN	Completed - saving achieved.		65	No	No	No	No
49	B4	Commissioning-Infrastructure	Efficiency saving from traffic counter machines	Other	Ben Smith	Abid Hussain	15	100%	GREEN	Completed - saving achieved.		15	No	No	No	No
49	B4	Commissioning-Support	Concessionary Fares	Other	Lynne Lidster	Abid Hussain	100	50%	AMBER	Changes to the concessionary fares scheme will not be implemented until later in 2020/21 due to the Covid-19 impact; government direction to support transport operators and awaiting recovery to assess further		50	Yes	Partial	Yes	No
50	B6	HR	Corporate	Staffing	Nikki Craig	Abid Hussain	30	100%	GREEN			31	No	No	No	No
<b>Total Savings Per Budget 20/21</b>							<b>5,824</b>	<b>62%</b>				<b>3,584</b>				
<b>Full Year Effects of savings per Budget 19/20</b>																
51	B4	Commissioning-Infrastructure	Volker highways		Vikki Roberts	Abid Hussain	100	100%	GREEN			100	No	No	No	No
52	B4	Adult Social Care - Spend	BCF mitigation 20/21		Lynne Lidster	Tracy Watkins	166	100%	GREEN	This forms part of the CCG minimum contribution to Adult Social Care for 20/21		166	No	No	No	No
53	B4	Adult Social Care - Spend	LD supported living mitigation		Hilary Hall	David Trim	50	100%	GREEN	FYE of 2019/20 initiative - completed	50	50	No	No	No	No
54	B4	Commissioning-Infrastructure	Windsor coach park rental		Ben Smith	Abid Hussain	11	100%	GREEN			11	No	No	No	No
55	B4	Adult Social Care - Spend	Drugs and Alcohol contract		Anna Richards	Tracy Watkins	64	100%	GREEN	Completed - saving achieved.	64	64	No	No	No	No
56	B4	Commissioning-Infrastructure	Waste contract full year effect		Naomi Markham	Abid Hussain	200	100%	GREEN			200	No	No	No	No
57	B2	AFC Contract - LA Funded	Removal of 19/20 pay reward growth for AFC		Hilary Hall		120	100%	GREEN	Completed	120	120	No	No	No	No
59	B5	Community, Protection & Enforcement Services	Principal enforcement manager		Christopher Nash		11	100%	GREEN			11	No	No	No	No
60	B5	Planning	Planning application fee income		Adrien Waite		100	100%	GREEN	Demand led income, little service can do to generate this demand, income levels kept under regular review.		100	No	No	No	No
61	B5	Community, Protection & Enforcement Services	CPES Lower out of hours prof fees		Christopher Nash		2	100%	GREEN			2	No	No	No	No
62	B5	Community, Protection & Enforcement Services	3 year SLA for sports able		David Scott		12	100%	GREEN			12	No	No	No	No
63	B5	Property Service	New property income		Gary Ellis		225	100%	GREEN			225	No	No	No	No
64	B5	Property Service	Recharges for Energy & Efficiency		Russell O'Keefe		4	100%	GREEN			4	No	No	No	No



	2020/21 Original Budget			New Schemes – 2020/21 Approved Estimate A			Unspent budget from Schemes Approved In Prior Years B			Revised Budget 2020/21 A+B		
	Gross £000's	Income £000's	Net £000's	Gross £000's	Income £000's	Net £000's	Gross £000's	Income £000's	Net £000's	Gross £000's	Income £000's	Net £000's
<b>Capital Programme Portfolio Summary</b>												
<b>Managing Director</b>												
Law & Governance	200	0	200	200	0	200	239	0	239	439	0	439
<b>Total Managing Director</b>	<b>200</b>	<b>0</b>	<b>200</b>	<b>200</b>	<b>0</b>	<b>200</b>	<b>239</b>	<b>0</b>	<b>239</b>	<b>439</b>	<b>0</b>	<b>439</b>
<b>Place Directorate</b>												
Property	19,418	(153)	19,265	7,161	(192)	6,969	16,466	(32)	16,434	23,627	(224)	23,403
Housing	650	(650)	0	150	(150)	0	356	(356)	0	506	(506)	0
Communities & Enforcement & Partnerships	3,767	(39)	3,728	4,857	(641)	4,216	5,410	(1,379)	4,031	10,267	(2,020)	8,247
Planning	410	0	410	377	(87)	290	1,309	(393)	916	1,686	(480)	1,206
Green Spaces & Parks	0	0	0	0	0	0	52	(28)	24	52	(28)	24
Infrastructure, Sustainability & Transport	4	0	4	0	0	0	33	(20)	13	33	(20)	13
<b>Total Place Directorate</b>	<b>24,249</b>	<b>(842)</b>	<b>23,407</b>	<b>12,545</b>	<b>(1,070)</b>	<b>11,475</b>	<b>23,626</b>	<b>(2,208)</b>	<b>21,418</b>	<b>36,171</b>	<b>(3,278)</b>	<b>32,893</b>
<b>Adults, Health &amp; Commissioning</b>												
Head of Commissioning - Infrastructure	7,484	(3,281)	4,203	9,995	(6,487)	3,508	2,033	(227)	1,806	12,028	(6,714)	5,314
Head of Commissioning - People	150	0	150	0	0	0	200	(200)	0	200	(200)	0
Local Enterprise Partner Schemes	18,491	(16,636)	1,855	7,234	(7,234)	0	5,402	(5,062)	340	12,636	(12,296)	340
<b>Total Adults, Health &amp; Commissioning</b>	<b>26,125</b>	<b>(19,917)</b>	<b>6,208</b>	<b>17,229</b>	<b>(13,721)</b>	<b>3,508</b>	<b>7,635</b>	<b>(5,489)</b>	<b>2,146</b>	<b>24,864</b>	<b>(19,210)</b>	<b>5,654</b>
<b>Childrens Services</b>												
Non Schools	0	0	0	(24)	17	(7)	643	(100)	543	619	(83)	536
Schools - Non Devolved	2,987	(1,087)	1,900	269	(1,831)	(1,562)	5,503	(630)	4,873	5,772	(2,461)	3,311
Schools - Devolved Capital	196	(196)	0	206	217	423	486	(909)	(423)	692	(692)	0
<b>Total Childrens Services</b>	<b>3,183</b>	<b>(1,283)</b>	<b>1,900</b>	<b>451</b>	<b>(1,597)</b>	<b>(1,146)</b>	<b>6,632</b>	<b>(1,639)</b>	<b>4,993</b>	<b>7,083</b>	<b>(3,236)</b>	<b>3,847</b>
<b>Resources</b>												
Finance	1,475	0	1,475	1,475	0	1,475	138	0	138	1,613	0	1,613
Technology & Change Delivery	1,000	0	1,000	1,000	0	1,000	232	0	232	1,232	0	1,232
Revenues & Benefits	0	0	0	0	0	0	44	0	44	44	0	44
Library & Resident Services	559	(64)	495	364	(16)	348	265	0	265	629	(16)	613
<b>Total Resources</b>	<b>3,034</b>	<b>(64)</b>	<b>2,970</b>	<b>2,839</b>	<b>(16)</b>	<b>2,823</b>	<b>679</b>	<b>0</b>	<b>679</b>	<b>3,518</b>	<b>(16)</b>	<b>3,502</b>
<b>Total Committed Schemes</b>	<b>56,791</b>	<b>(22,106)</b>	<b>34,685</b>	<b>33,264</b>	<b>(16,404)</b>	<b>16,860</b>	<b>38,811</b>	<b>(9,336)</b>	<b>29,475</b>	<b>72,075</b>	<b>(25,740)</b>	<b>46,335</b>
	(£'000)									(£'000)		
<b>Portfolio Total</b>	<b>56,791</b>									<b>72,075</b>		
<b>External Funding</b>												
Government Grants	(21,400)									(20,749)		
Developers' Contributions	(96)									(3,581)		
Other Contributions	(610)									(1,410)		
<b>Total External Funding Sources</b>	<b>(22,106)</b>									<b>(25,740)</b>		
<b>Total Corporate Funding</b>	<b>34,685</b>									<b>46,335</b>		

## Capital Programme 2020/21 - Variances and Slippage

	Expenditure £'000	Income £'000	Net £'000
Revised Budget	72,075	(25,740)	46,335
Variances	(192)	(292)	(484)
Slippage to 2021/22	(34,911)	10,693	(24,218)
Projected Outturn 2020/21	36,972	(15,339)	21,633

Variances from revised budget	Expenditure £'000	Income £'000	Net £'000	Commentary	
<b>Communities &amp; Enforcement &amp; Partnerships</b>					
CC82	Braywick Compound Works	6	(6)	-	Revised business case
CD25	Public Rights of Ways-Bridge Repairs	(6)	-	(6)	Revised business case
CF08	Ray Mill Island Access Works	3	-	3	Revised business case
CZ75	P&OS-Allens Field Improvements Ph 2	(3)	3	-	Revised business case
CV39	Ockwells Park-Phase 3 Improvements	(30)	-	(30)	Underspend used to offset deficit on CV41 due to additional steel work / structural requirement
CV41	Clewer Memorial Pavilion, Windsor-Modifications	75	(45)	30	Unforeseen costs due to delays in the work schedule and resourcing issues relating to the Covid outbreak. Works to complete 6 weeks behind schedule. £30k additional steel works / structural requirements mitigated by saving on CV39
CZ18	Braywick Leisure Centre	250	(250)	0	Projected overspend due to COVID-19 delays mitigated by CIL income.
<b>Infrastructure, Sustainability &amp; Transport</b>					
CC39	Old Court Improvements	3	-	3	Costs incurred for fire doors at Windsor Arts Centre after prior years slippage budget was removed.
CLB6	MALS Digital Offer	3	(3)	-	Costs incurred for museums Digital Programme after prior years slippage budget was removed. S106 Arts funding available to mitigate cost.
<b>Schools - Non Devolved</b>					
CSGX	Dedworth Middle Expansion	(3)	-	(3)	Scheme saving - project complete
CSHV	Lowbrook - Expansion	(10)	-	(10)	Scheme saving - project complete
CSHW	Secondary Expansion risk contingency	(256)	-	(256)	Scheme saving - project complete
CSHU	Windsor Girls Expansion	(14)	-	(14)	Scheme saving - project complete
CSKF	Maidenhead Nursery Boiler Replacement & Upgrade	(5)	-	(5)	Scheme saving - project complete
CSKD	Sch Water Pipework Rplment-Oakfield & The Lawns	(17)	-	(17)	Scheme saving - project complete
CSKE	Wraysbury Boiler Replacement and Upgrade	(44)	-	(44)	Scheme saving - project complete
CSKJ	Homer - Hall floor replacement	(28)	-	(28)	Scheme saving - project complete
CSJB	Roof Replacement- various schools	(30)	-	(30)	Scheme saving - project complete
CSJF	Structural Works - various	(6)	6	-	Scheme saving - project complete
CSJJ	Windows at Various Schools	(3)	3	-	Scheme saving - project complete
CSGR	Charters Expansion	1	-	1	Scheme complete
<b>Local Enterprise Partnership Schemes</b>					
CD42	Maidenhead Station Interchange & Car Park	300	-	300	Anticipated overspend due to schemes changes
<b>Head of Commissioning - Infrastructure</b>					
CC49	Courthouse Rd/St Marks Rd Junction and Pedestrian	1	-	1	Scheme complete
CC50	Cox Green Road/Brill Close/Norreys Drive Drainage	8	-	8	Scheme complete
CC70	Street Cleansing Maidenhead Town Centre	(14)	-	(14)	Scheme complete
CD17	Replacement Street Lighting	8	-	8	Scheme complete
CD84	Street Lighting-LED Upgrade	16	-	16	Scheme complete
CF03	Braywick Road Crossing	11	-	11	Scheme complete
CF04	Pelican Crossing at Eton Wick	27	-	27	Scheme complete
CN80	CRM Upgrade / Jadu Contract	(50)	-	(50)	Scheme complete
CD54	River Thames Scheme Infrastructure Project	(165)	-	(165)	Current scheme not going ahead; alternative options under exploration.
<b>Technology &amp; Change Delivery</b>					
CA11	Desktop PC Replacement Project	(135)	-	(135)	Revised business case generating savings
CA12	Modern Workplace Project-Phase 2	(75)	-	(75)	Estimated underspend on budget
<b>Library &amp; Resident Services</b>					
CC99	Eton Library – Open Access and Shop Front Repair	(10)	-	(10)	Scheme saving
		(192)	(292)	(484)	

Projected Slippage to 2021/22		Expenditure £'000	Income £'000	Net £'000	Commentary
Slippage reported to February 2021 Council		(24,994)	6,379	(18,615)	See 2021/22 budget report
Additional slippage identified this month is as follows					
<b>Law &amp; Governance</b>					
CM60	Grants - Outside Organisations	(380)	-	(380)	Earmarked for payment in 2021/22 once grant conditions have been met.
<b>Property Services</b>					
CX43	Affordable Housing	(1,355)	-	(1,355)	Reprofiling of budget due to COVID-19 delays.
CX67	18-20 Ray Mill Rd East-Family Centre Relocation	(150)	-	(150)	Project now due to complete 2021/22
CX61	Fire Compartmentalisation Works-Maintained Schools	0	53	53	Project now due to complete 2021/22
<b>Communities &amp; Enforcement &amp; Partnerships</b>					
CV39	Ockwells Park-Phase 3 Improvements	(30)	-	(30)	Project now due to complete 2021/22
CV40	Battlemead Common- Phase 1 Infrastructure Enabling	(24)	-	(24)	Project now due to complete 2021/22
CC60	Hostile Vehicle Mitigation Measures for Windsor	(465)	-	(465)	Project now due to complete 2021/22
CC6B	Hostile Vehicle Mitigation Measures-Windsor Ph 1B	(25)	25	0	Project now due to complete 2021/22
CE08	Air Quality Monitoring	(75)	74	(1)	Project now due to complete 2021/22
CX64	Windsor Coach Park Lift Upgrade	(35)	-	(35)	Project now due to complete 2021/22
CX65	Goswell Hill-Night Time Economy Measures / ASB	(50)	-	(50)	Project now due to complete 2021/22
CX66	Oak Processionary Moth Treatment	(4)	-	(4)	Project now due to complete 2021/22
CY09	Superfast Broadband in Berkshire	(20)	-	(20)	Project now due to complete 2021/22
CY20	Community Warden Vehicles	(49)	-	(49)	Project now due to complete 2021/22
<b>Planning</b>					
CI32	Borough Local Plan-Examinations / Submissions	(68)	-	(68)	Project now due to complete 2021/22
CI43	Ascot High Street Public Realm & Highway Imps	(8)	-	(8)	Project now due to complete 2021/22
CI47	Neighbourhood Plan-Consultation/Exams/Referendums	(49)	-	(49)	Project now due to complete 2021/22
CI56	Design Quality – Planning Service	(111)	-	(111)	Project now due to complete 2021/22
CI57	Joint Minerals and Waste Plan	(80)	-	(80)	Project now due to complete 2021/22
CI59	Traveller Local Plan	(163)	-	(163)	Project now due to complete 2021/22
CI64	Planning Policy-Evidence Base Updates Ongoing Prog	(13)	-	(13)	Project now due to complete 2021/22
CI67	Wider Area Growth Study	(84)	-	(84)	Project now due to complete 2021/22
CI69	Supplementary Planning Documents-SPDs	(12)	-	(12)	Project now due to complete 2021/22
<b>Head of Commissioning - Infrastructure</b>					
CC51	Datchet Barrel Arch Drainage Repairs	(6)	-	(6)	Project now due to complete 2021/22
CC54	Electric Vehicle Charging Points-Pilot	(120)	90	(30)	Project now due to complete 2021/22
CC86	VMS Support and Maintenance	(20)	20	-	Project now due to complete 2021/22
CC89	Elizabeth Bridge	(1,000)	-	(1,000)	Project now due to complete 2021/22
CC90	Boulton Lock Car Park Extension	(119)	-	(119)	Project now due to complete 2021/22
CC95	Cookham Bridge Refurbishment & Structural Repair	(280)	-	(280)	Surveys, inspections, design development, options appraisal and preliminary works to be carried out in 2020/21. Remaining works to continue in 2021/22.
CD83	Traffic Signal Review	(76)	-	(76)	
CD10	Traffic Management	(100)	100	-	Project now due to complete 2021/22
CD12	Roads Resurfacing-Transport Asset & Safety	(400)	200	(200)	Project now due to complete 2021/22
CD13	Bridge Assessments	(100)	-	(100)	Project now due to complete 2021/22
CD27	Cycling Capital Programme	(16)	16	-	Project now due to complete 2021/22
CD35	Reducing Congestion & Improving Air Quality	(44)	44	-	Project now due to complete 2021/22
CD37	Car Park Improvements	(30)	-	(30)	Project now due to complete 2021/22
CD43	Flood Prevention	(20)	-	(20)	Project now due to complete 2021/22
CD72	Preliminary Flood Risk-Assessments	(15)	15	-	Project now due to complete 2021/22
CD73	Replacement Highway Drain-Waltham Rd,White Waltham	(26)	-	(26)	Project now due to complete 2021/22
CD76	Bus Stop Waiting Areas	(5)	5	-	Project now due to complete 2021/22
CD82	Intelligent Traffic System-Maintenance & Renewal	(44)	44	-	Project now due to complete 2021/22
CD92	Telemetry System Replacement	(45)	-	(45)	Project now due to complete 2021/22
CF02	Emergency Active Travel Measures	(20)	20	-	Project now due to complete 2021/22
<b>Local Enterprise Partnership Schemes</b>					
CD42	Maidenhead Station Interchange & Car Park	(1,600)	1,600	-	Slippage for scheme completion
CC62	Maidenhead Missing Links (LEP Match Funded)	(800)	800	-	Slippage for scheme completion
CD90	Maidenhead LP Housing Site Enabling Works - LEP	(200)	200	-	Slippage for scheme completion
CD91	Windsor Town Centre Package - LEP	(1)	1	-	Slippage for scheme completion
<b>Non Schools</b>					
CKVH	2Yr old capital entitlement	(6)	6	-	Project now due to complete 2021/22
CKVN	IT Software upgrades	(30)	30	-	Project now due to complete 2021/22
CKVR	Youth Centres Modernisation Programme	(40)	40	-	Project now due to complete 2021/22
CKVX	Pinkneys Green Storage Facility	(7)	7	-	Project now due to complete 2021/22
CKVY	Youth Voice Youth Choice	(15)	-	(15)	Project now due to complete 2021/22
CKVZ	Rebuild of Windsor Youth Workshop Garage	(49)	-	(49)	Project now due to complete 2021/22
CT61	AFC Case Management System	(459)	-	(459)	Project now due to complete 2021/22
<b>Schools - Non Devolved</b>					
CSEX	Feasibility/Survey Costs	(224)	224	-	Project now due to complete 2021/22
CSJR	Works to explore expansions for all Schools	(50)	50	-	Project now due to complete 2021/22
CSKC	Boyne Hill School Boiler Conversion & Upgrade	(100)	100	-	Project now due to complete 2021/22
CSKH	Schools-Fire Safety Compliance / H&S Works	(150)	150	-	Project now due to complete 2021/22
CSKS	Dedworth Campus Resource Base	(150)	150	-	Project now due to complete 2021/22
CSKT	Furze Platt Federation Resource Base	(250)	250	-	Project now due to complete 2021/22
<b>Technology &amp; Change Delivery</b>					
CA13	Key Infrastructure Upgrades & Hardware	(50)	-	(50)	Estimate depending on several variables, this may change closer to the time.
		(34,911)	10,693	(24,218)	

<b>Capital Programme Movements 2020/21</b>	<b>Expenditure £'000</b>	<b>Income £'000</b>	<b>Net £'000</b>
<b>Original Budget 2020/21</b>	56,791	(22,106)	34,685
<b>Budget Changes to 28 February 2021</b>			-
Additional Slippage in from 2019/20	25,595	(3,354)	22,241
DFG capital budget alignment to BCF 20-21 plan	(33)	33	-
Wider Area Growth Study - Cabinet July 2020	87	(87)	-
Emergency Active Travel Fund- Cabinet July 2020	140	(140)	-
Design and construction changes to Braywick Leisure Centre- Cabinet July 2020	381	(381)	-
SEND Special Provision- Cabinet July 2020	500	(500)	-
Budget savings - Cabinet July 2020	(2,528)	110	(2,418)
DFG reallocation of funding to revenue due to underspend	(450)	450	-
Larchfield School budget addition - September 2020 Cabinet	110	(110)	-
Allocation of CIL income for infrastructure projects	0	(1,933)	(1,933)
s106 identified funding - schools expansion works	0	(126)	(126)
Budget adjustments & reprofiling of LEP schemes.	(5,602)	5,602	-
Reprofiling of Broadway car park for expenditure that will now be incurred from 2022/23	(6,261)	0	(6,261)
Family Centre Relocation	150	0	150
Dft grant funding for Pothole & Challenge fund	1,537	(1,537)	-
DfT funding for Elizabeth Bridge	1,605	(1,605)	-
S106 funding DFC Furze Platt Junior - Accessible Ramp	10	(10)	-
Affordable Housing-106 Westborough Rd Refurb	42	(42)	-
Roundings	1	(4)	(3)
<b>Revised Budget 2020/21</b>	<b>72,075</b>	<b>(25,740)</b>	<b>46,335</b>

## RESOURCES

Project	Description of Scheme	2021/22 First Estimate			2022/23 First Estimate Indicative			2023/24 First Estimate Indicative		
		Gross	Income	Estimate	Gross	Income	Estimate	Gross	Income	Estimate
		£000	£000	£000	£000	£000	£000	£000	£000	£000
<b>Finance</b>										
CA15	Capitalised Debt Charges	305	0	305	330	0	330	406	0	406
	<b>Total Finance</b>	305	0	305	330	0	330	406	0	406
	<b>Technology &amp; Change Delivery</b>									
CA16	MHR Pension Data Service Implementation	22	0	22	0	0	0	0	0	0
CA17	Delivery of IT Strategy	200	0	200	0	0	0	0	0	0
	<b>Total HR Corporate Projects &amp; IT</b>	222	0	222	0	0	0	0	0	0
	<b>TOTAL RESOURCES CAPITAL PROGRAMME</b>	<b>527</b>	<b>0</b>	<b>527</b>	<b>330</b>	<b>0</b>	<b>330</b>	<b>406</b>	<b>0</b>	<b>406</b>

## Appendix G

### Children's Services

Service	Original Budget	Current Budget	Forecast Outturn Variance	Previously Reported Variance	Change in Reported Variance
	£'000	£'000	£'000	£'000	£'000
<b>Children's Services non Dedicated Schools Grant</b>					
<b>Social Care and Early Help</b>					
* Employee & Operational Related Expenditure	5,878	5,878	824	706	118
* Legal Services	510	510	129	175	(46)
* Inhouse Fostering	1,467	1,467	186	36	150
* Residential, therapeutic & Direct Payments	4,199	4,199	(137)	14	(151)
* Independent Fostering Agencies	1,696	1,696	(333)	(373)	40
* Leaving Care-Care Costs	988	988	875	773	102
* Adoption Allowances	147	147	(57)	0	(57)
* Children-in-Need Care Costs	630	630	36	36	0
* Children's Centre & Youth Services	1,183	1,183	311	377	(66)
<b>Total Social Care and Early Help</b>	<b>16,698</b>	<b>16,698</b>	<b>1,834</b>	<b>1,744</b>	<b>90</b>
<b>Other</b>					
* Business Services	3,042	3,042	(15)	(86)	71
* Education	895	895	119	150	(31)
* Operational Strategic Management	295	295	294	283	11
* Public Health	1,725	1,725	0	(2)	2
* Special Educational Needs and Children with Disabilities	3,144	3,144	(109)	(231)	122
Children's Services - Retained	(2,609)	(2,617)	(195)	(161)	(34)
<b>Total Other</b>	<b>6,493</b>	<b>6,484</b>	<b>94</b>	<b>(47)</b>	<b>141</b>
<b>Total Children's Services non Dedicated Schools Grant</b>	<b>23,191</b>	<b>23,179</b>	<b>1,927</b>	<b>1,697</b>	<b>230</b>
<b>Dedicated Schools Grant</b>					
* AfC Contract - Dedicated Schools Grant	11,135	11,238	1,303	557	746
Dedicated Schools Grant - Retained	55,175	53,755	(471)	(169)	(302)
Dedicated Schools Grant Income	(66,310)	(64,993)	(832)	(388)	(444)
<b>Total Dedicated Schools Grant</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Children's Services and Dedicated Schools Grant</b>	<b>23,191</b>	<b>23,179</b>	<b>1,927</b>	<b>1,697</b>	<b>230</b>
<b>Summary Position</b>					
Achieving for Children Contract	36,934	37,034	3,425	2,415	1,010
Children's Services - Retained	(2,609)	(2,617)	(195)	(161)	(34)
Dedicated Schools Grant - Retained	55,175	53,755	(471)	(169)	(302)
<b>Total Children's Services net budget</b>	<b>89,501</b>	<b>88,172</b>	<b>2,759</b>	<b>2,085</b>	<b>674</b>

\* denotes budget lines that form part of the Achieving for Children contract

### Social Care and Early Help



Since the budget 2020/21 was set a number of Children in Care Placements have been re-categorised which is reflected in the above projected variance, resulting in movements between budget lines. The overall impact is net nil on the budget. There is a review underway to confirm placement classification which has resulted in changes in forecasts within placements.

Costc	Description	20/21 B/F £'000	20/21 Movements in £'000	20/21 Movements out £'000	20/21 Balance as at 09/02/2021 to C/F £'000
<b>USABLE RESERVES</b>					
<b>School Balances</b>					
AK14	Schools Revenue Balances	(1,462)			(1,462)
AK26	General DSG Reserve	1,159			1,159
AK9H	Earmarked DSG Reserve	(134)			(134)
		(437)			(437)
<b>Other Reserves</b>					
AK08	Insurance control account		(902)	346	(556)
AK13	Insurance Fund (Reserve)	(960)	(113)		(1,073)
AK37	Earmarked Capital Grant	(2,191)	(1,556)		(3,747)
AK38	Community Infrastructure Levy	(4,841)	(3,583)	374	(8,050)
AK40	NNDR Contingency Reserve	(2,269)		1,519	(750)
AK48	Better Care Fund Reserve	(1,383)		1,383	0
AK50	Public Health Reserve	(332)			(332)
AK54	Optalis Development Reserve	(81)	(300)		(381)
AK55	Brexit Funding	(299)			(299)
AK63	Cap Rcpts Unapplied Gen Fund	(551)	(1,330)		(1,881)
AL01	Graves In Perpetuity Mtce Fund	(8)			(8)
AL03	Arthur Jacob Nature Rsve Fund	(123)			(123)
AL04	Old Court Maintenance Fund	(34)	(9)	20	(23)
TBC	Covid-19 General Reserve		(3,170)		(3,170)
AL09	NNDR S31 Reserve		(31,021)		(31,021)
AL10	Covid-19 Specific funding reserve(to be refunded)		(116)		(116)
AL11	Redundancy Reserve		(500)		(500)
AK20	Net Revenue General Fund BUDGET OUTTURN	(8,231)	(711)	2,218	(6,724)
	<b>TOTAL USABLE RESERVES</b>	<b>(21,740)</b>	<b>(43,311)</b>	<b>5,860</b>	<b>(59,191)</b>

Costc	Description	20/21	20/21	20/21	20/21
		B/F	Movements in	Movements	Balance as at
		£'000	£'000	out	09/02/2021 to
				£'000	C/F
					£'000
<b>UNUSABLE RESERVES</b>					
AG33	Capital Adjustment Account	(193,414)			(193,414)
AG34	Revaluation Reserve	(227,476)			(227,476)
AK39	Financial Instruments Revaluation Reserve	2,034			2,034
AK25	Pensions Reserve	249,304			249,304
AF22	Collection Fund-NNDR	7,592	(2,244)	67,091	72,439
AF51	Collection Fund - Council Tax	54		27	81
AG36	Accumulated Absences Account	1,934			1,934
	<b>TOTAL UNUSABLE RESERVES</b>	<b>(159,972)</b>	<b>(2,244)</b>	67,118	<b>(95,098)</b>
	<b>TOTAL RESERVES</b>	<b>(181,712)</b>	<b>(45,555)</b>	72,978	<b>(154,289)</b>
<b>PROVISIONS</b>					
AE13	MMI Clawback liability	(242)		3	(239)
AD30	Corporate Bad Debt provision	(946)		749	(197)
AD34	Adult Social care Bad Debt provision	(1,398)		36	(1,362)
AD35	Housing benefit Bad Debt provision	(1,972)			(1,972)
AF53	Appeals provision for Business Rates	(1,024)	(360)		(1,384)
	<b>TOTAL PROVISIONS</b>	<b>(5,582)</b>	<b>(360)</b>	788	<b>(5,154)</b>

Ref:	Category	Name of Funding	Description	Directorate	Received Date	ACTUAL 2019/20 £'000	ACTUAL SPEND 20/21 TO END OF DEC 20 £'000	ACTUAL SPEND MAR 20 TO END OF DEC 20 £'000	Spent & Committed 19/20 AND 20/21 £'000	Received £'000	Receipt to be in 21/22 £'000
1	COVID-19 Unringfenced Tranche Funding	Coronavirus (COVID-19): emergency funding for local government. Tranche 1	Unringfenced funding for local authorities to use to respond to the COVID-19 pandemic.	ALL	27/03/20	1,827	1,156	2,983	2,983	2,983	
2		Coronavirus (COVID-19): emergency funding for local government. Tranche 2	Unringfenced funding for local authorities to use to respond to the COVID-19 pandemic.	ALL	18/05/20		4,149	4,149	4,149	4,149	
3		Coronavirus (COVID-19): emergency funding for local government. Tranche 3	Unringfenced funding for local authorities to use to respond to the COVID-19 pandemic.	ALL	05/08/20		942	942	994	994	
4		Coronavirus (COVID-19): emergency funding for local government. Tranche 4	Unringfenced funding for local authorities to use to respond to the COVID-19 pandemic.	ALL	30/11/20			-	1,027	1,027	
5		Coronavirus (COVID-19): emergency funding for local government. Tranche 5	Unringfenced funding for local authorities to use to respond to the COVID-19 pandemic.	ALL	TBC						3,118
6		Sales, Fees and Charges Compensation scheme 1 (April to July 2020) Tranche 1	Fees and charges lost income compensation	ALL	30/11/20		2,434	2,434	2,434	2,434	
7		Sales, Fees and Charges Compensation scheme 1 (August to November 2020) Tranche 2	Fees and charges lost income compensation	ALL	CLAIMED BUT NOT RECEIVED		2,486	2,486	2,486	-	
8		Sales, Fees and Charges Compensation scheme (1 Dec 20 to March 21) Tranche 3	Fees and charges lost income compensation	ALL	CLAIM NOT YET COMPLETED						2,611
					TOTAL	1,827	11,167	12,994	14,073	11,587	3,118
9	Test & Trace and COMF Funding	Surge Funding / additional Contain Outbreak Management Fund (COMF)	Funding to support local authorities deliver their non-pharmaceutical interventions and to support their Covid response. The funding is a non-recurring payment for the 2020-2021 financial year.	AHC	30/11/2020		0	0	1,212	1,212	
10		Test & Trace Service Support Grant	A grant provided to local authorities in England to develop and action their plans to reduce the spread of the virus in their area.	AHC	19/06/20		212	212	436	436	
11		Test & Trace Discretionary Support Payments		AHC	TBC					20	
					TOTAL	-	212	212	1,648	1,668	-
12	Funding for Adult Social Care	Clinical Commissioning Group (CCG) funding for additional costs associated with COVID-19 including hospital discharge	NHS/CCG funding to help local authorities with COVID 19-associated costs including those relating to hospital discharge and follow-on care.	AHC	Monthly Claims		1,564	1,564	1,564	1,484	
13		Adult Social Care Infection Control Fund (ICF) Tranche 1	The primary purpose of this fund is to support adult social care providers, to reduce the rate of COVID-19 transmission in and between care homes and support wider workforce resilience.	AHC	28/05/20		1,040	1,040	1,125	1,125	
14		Adult Social Care Infection Control Fund (ICF) Tranche 2	The primary purpose of this fund is to support adult social care providers, to reduce the rate of COVID-19 transmission in and between care homes and support wider workforce resilience.	AHC	28/07/2020		982	982	982	1,125	
15		Adult Social Care Infection Control Fund (ICF) Tranche 3	The primary purpose of this fund is to support adult social care providers, to reduce the rate of COVID-19 transmission in and between care homes and support wider workforce resilience.	AHC	02/10/2020		764	764	849	849	
16		Adult Social Care Infection Control Fund (ICF) Tranche 4	The primary purpose of this fund is to support adult social care providers, to reduce the rate of COVID-19 transmission in and between care homes and support wider workforce resilience.	AHC	23/12/2020		581	581	849	849	
17		Workforce Capacity Fund/Covid Staffing	Funding to provide additional care staff where shortages arise, support administrative tasks so experienced and skilled staff can focus on providing care, and help existing staff to take on additional hours if they wish with overtime payments or by covering childcare costs	AHC	03/02/2021						238
18		ASC Rapid Testing Fund (S31 Grant)	Funding to support additional rapid testing of staff in care homes, and to support visiting professionals and enable indoors, close contact visiting where possible	AHC	18/01/21						555
					TOTAL	-	4,931	4,931	5,369	6,225	-
19	Other Government Funding for Local Authorities	Emergency Active Travel Fund	The emergency grant funding supports local transport authorities with producing cycling and walking facilities.	Place	08/07/20		140	140	140	335	
20		Emergency Assistance Grant for Food and Essential Supplies	Payments to food banks for food supplies	AHC	06/08/20		44	44	44	88	

Ref:	Category	Name of Funding	Description	Directorate	Received Date	ACTUAL 2019/20 £'000	ACTUAL SPEND 20/21 TO END OF DEC 20 £'000	ACTUAL SPEND MAR 20 TO END OF DEC 20 £'000	Spent & Committed 19/20 AND 20/21 £'000	Received £'000	Receipt to be in 21/22 £'000
21		Bus Services Support Grant	Operators will propose the services levels they expect to run. They will run up to 100% of scheduled commercial mileage for a typical non-school week excluding public holidays for the period of the scheme. They must consult and agree with the relevant local transport authorities (LTAs) regarding the services that should be provided, having regard to the critical concern of serving key workers such as NHS staff while ensuring that buses are not heavily loaded because of reduced service patterns.  Operators must also take all reasonable steps to respond and comply promptly with reasonable requests from LTAs to amend the services operated and the routes used by those services, hours of operation, vehicles used or levels of provision. They must supply data on <u>service usage and operations during the</u>	AHC	28/05/2020		45	45	45	60	
22		ASC Rapid Testing Fund (S31 Grant)	Payments to Care Homes for Testing	AHC	18/01/21						
23		Integrated Care System (ICS) - Provider support payments		AHC	Reimbursed		1,315	1,315	1,324	1,324	
24		Covid - Health General BN 38701		AHC	09/02/2021					422	
25		COVID Winter Grant Scheme	Funding made available in early December 2020 to support those most in need with the cost of food, energy (heating, cooking, lighting), water bills (including sewerage) and other essentials.	CS	Dec 20		120	120	236	236	
26		Home to School Transport	Funding to create extra capacity and allow more students to use alternatives to public transport, while social distancing measures remain in place.	CS	TBC		-	-	-	116	
27		COVID Mental Health Support for Schools		CS	30/09/2020		26	26	26	26	
28		KS1 Phonics & KS2 Moderation		CS	30/09/2020		-	-	6	6	
29		Self Isolation payment funding	Test and Trace Support payment of £500 will ensure that those on low incomes are able to self-isolate without worry about their finances	RES	30/10/20		21	21	101	101	
30		Self Isolation payment funding	Test and Trace Support payment of £500 will ensure that those on low incomes are able to self-isolate without worry about their finances	RES	25/01/2021					20	
31		Expanded Retail Relief	In response to the coronavirus pandemic, in the Budget on 11 March the Government announced that it would increase the discount to 100% and extend it to include the leisure and hospitality sectors. Following the announcement on 23 March 2020 of further measures to limit the spread of coronavirus, the Government confirmed that some of the exclusions for this relief have been removed, so that retail, leisure, and hospitality properties that will have had to close as a result of the restriction measures will now be eligible for the relief.	RES	Monthly		38,398	38,398	38,398	38,398	
32		Council Tax Hardship Relief	The expectation is that the majority of the hardship fund will be used to provide council tax relief, alongside existing local council tax support schemes.	RES	03/04/2020		434	434	564	564	
33		Business Rates Grants	As part of a raft of unprecedented measures announced by the Chancellor to support those affected by the coronavirus outbreak, eligible properties, including those in the retail, hospitality and leisure sectors, will not pay business rates for the next 12 months. The smallest businesses in these sectors are going to receive one off grants of either £10,000 or £25,000	RES	01/04/2020		26,225	26,225	30,587	30,587	
34		Additional Grant top-up	A discretionary fund has been set up to accommodate certain small businesses previously outside the scope of the business grant funds scheme. This additional fund is aimed at small businesses with ongoing fixed property-related costs	RES	25/06/2020		1,918	1,918	1,948	1,948	
35		New Burdens for Business Grants Support	As above	RES	07/07/2020		-	-	-	170	
36		Local Restrictions Support Grant (Closed) Addendum	The Local Restrictions Support Grant (LRS) (Closed) Addendum supports businesses that have been required to close due to the national restrictions between 5 November and 2 December 2020.	RES	13/11/2020		2,935	2,935	2,935	2,935	

Ref:	Category	Name of Funding	Description	Directorate	Received Date	ACTUAL 2019/20 £'000	ACTUAL SPEND 20/21 TO END OF DEC 20 £'000	ACTUAL SPEND MAR 20 TO END OF DEC 20 £'000	Spent & Committed 19/20 AND 20/21 £'000	Received £'000	Receipt to be in 21/22 £'000
37		Additional Restrictions Support Grant	The Additional Restrictions Grant (ARG) provides local councils with grant funding to support closed businesses that do not directly pay business rates as well as businesses that do not have to close but which are impacted. In addition, larger grants can be given than those made through LRSG (Closed).	RES	13/11/2020		-	-	3,028	3,028	
38		New Burdens for Council Tax Hardship Fund & Business Rates Relief		RES	22/12/2020		-	-		88	
39		ARG Top-Up payment		RES	15/01/21			-		1,345	
40		Closed Business Lockdown Payment		RES	15/01/21			-		8,802	
41		Closed Addendum payment		RES	15/01/21			-		4,402	
42		Additional Restrictions Grant		RES	TBC		-	-	3,031	3,031	
43		New Burdens 2		RES	TBC					77	
44		Open 2/12 - 19/12		RES	TBC					363	
45		Closed 2/12 - 19/12		RES	TBC					31	
46		Christmas Support Package		RES	TBC					90	
47		Next Steps Accommodation Programme (NSAP)	Funding to support local authorities and their partners to ensure that the current provision that has been set up to safeguard people who were taken safely from the streets is able to continue for an appropriate length of time. The funding is for use during 2020-21 only.	Place	16/11/20		145	145	145	145	
48		Reopening High Streets Safety Fund	Funding from the European Regional Development Fund (ERDF) to local authorities to support the safe reopening of high streets and other commercial areas.	Place	Claimed retrospectively to cover costs		54	54	134	134	
49		Compliance and Enforcement Grant	Funding for local authorities to cover compliance and enforcement activity. The funding is ringfenced for C&E activity, including COVID-19 Secure Marshals.	Place	20/11/20		-	-	55	55	
50		Homelessness Prevention Grant 21/22	The purpose of the Homelessness Prevention Grant is to give local authorities control and flexibility in managing homelessness pressures and supporting those who are at risk of homelessness.	Place	April '21						1,483
51		Provisional Rough Sleeping emergency funding	Rough sleepers, or those at risk of rough sleeping have been supported by initial emergency funding if they need to self-isolate to prevent the spread of COVID-19. This funding has been made available to local authorities and reimburses them for the cost of providing accommodation and services to those sleeping on the streets to help them successfully self-isolate.	Place	TBC						
52		Housing Grant	Claim for reimbursement	Place	01/09/2020	30	-	30	30	30	
53		Clinically Extremely Vulnerable Support	Funding to support clinically extremely vulnerable	AHC	Feb 21					97	
54		Fixed penalty Notices Tranche 1	The regulations grant powers to local authorities to make directions which respond to a serious and imminent threat to public health. Any direction must be necessary and proportionate in order to manage the transmission of the coronavirus in the local authority's area. The Regulations contain powers for local authorities to give directions which: - restrict access to, or close, individual premises - prohibit or restrict certain events (or types of event) - restrict access to, or close, public outdoor places (or types of outdoor public places)	Place	17/12/20						2
55		LRSG	Open/Closed/ off-setting payments	RES	Feb 21					1,765	
56		TBC	wating for details	AHC	TBC					606	
57		Getting Building Fund - LEP		LEP			LEP	LEP			
					TOTAL	30	71,820	71,850	82,777	101,427	1,483
					GRAND TOTAL	1,857	88,130	89,987	103,867	120,907	4,601

Report Title:	Achieving for Children Reserved Matter Ownership Decisions
Contains Confidential or Exempt Information	No – Part I
Lead Member:	Cllr Stuart Carroll, Lead Member for Adult Social Care, Health, Mental Health and Children's Services
Meeting and Date:	Cabinet 25th March 2021
Responsible Officer(s):	Kevin McDaniel, Director of Children's Services
Wards affected:	All

## **REPORT SUMMARY**

The Royal Borough of Windsor and Maidenhead owns 20% of Achieving for Children Community Interest Company (AfC) and is responsible for making reserved matter decisions in relation to the strategic direction of the company jointly with the two other council owners. Following a governance review and subsequent constitutional change in late 2020 the responsibility for this decision making moved from a Joint Committee meeting to Cabinet. This report seeks approval of the following reserved matters:

- Approval of the Company's strategic direction through the adoption of the updated Business Plan
- Approval of the Company's budget for 2021/22
- Approval of the Company's arrangements for managing cashflow through the adoption of the Financial Plan (known as the Treasury Plan) for 2021/22
- Approval of arrangements for the appointment / recruitment of Non Executive Independent Board Directors over the coming year

## **1. DETAILS OF RECOMMENDATION(S)**

**RECOMMENDATION:** That Cabinet notes the report and:

- i) Approves the Business Plan including the Business Development Strategy and Medium Term Financial Strategy (Annex A,B,C)**
- ii) Approves the detailed 2021/22 budget (Annex D)**
- iii) Approves the Treasury Plan (Annex E)**
- iv) Agrees to delegate the reappointment / recruitment of Non Executive Independent Directors to the Council's Managing Director in consultation with the Leader of the Council**

## **2. REASON(S) FOR RECOMMENDATION(S) AND OPTIONS CONSIDERED**

2.1 The Royal Borough of Windsor and Maidenhead is a joint owner of Achieving for Children Community Interest Company (AfC). The Royal Borough owns a 20% share of the company together with Kingston who own 40% and Richmond who own 40%. AfC was set up by Richmond and Kingston in 2014 to deliver children's services on behalf of the owning boroughs and Windsor and Maidenhead joined in 2017 as a third council owner. The three council owners retain significant control over AfC and as such are responsible for making a number of key reserved matter decisions.

2.2 The AfC Joint Committee considered and approved a number of changes to the ownership governance of AfC in March 2020. The three council's constitutions have now been updated to reflect those changes. The previous Joint Committee, which was the mechanism used for the councils to make joint decisions about AfC reserved matters, has been repurposed as a dispute resolution mechanism and meetings will be arranged only if required. The reserved matter decisions that would have been previously made by the Joint Committee will now be taken by each of the three owning councils individually as part of their established governance processes. Councillors from each owning council still meet twice yearly via an Ownership Board to discuss strategic direction and performance.

2.3 The following table contains a summary of the reserved matters and the new decision making body:

**Table 1: Reserved Matter Decisions**

<b>Reserved Matters</b>	<b>Band</b>	<b>Decision Making Mechanism</b>
Permit the registration of any New Member of the Company	1	Council / Cabinet
Vary, in any respect, the Articles	2	Chief Exec / Leader
Pass any resolution for the winding up of the Company or present any petition for the administration of the Company, other than where the Company is insolvent.	2	Chief Exec / Leader
Appoint or remove the Chief Executive of the Company in consultation with the AfC Board	2	Chief Exec / Leader
Change the name of the Company	2	Chief Exec / Leader
Form any subsidiary of the Company or acquire shares in any other company or participate in any partnership or joint venture with a view to providing services to third parties without being subject to the Trading Opportunity Evaluation Process as prescribed by the Members.	2	Chief Exec / Leader
Sell or dispose in any way whatsoever, any part of the business of the Company.	2	Chief Exec / Leader
Amalgamate or merge with any other company or business undertaking.	2	Chief Exec / Leader
Enter into any arrangement, contract or transaction resulting in expenditure either with a capital value greater than £10,000 or revenue value greater than £10	3	Cabinet



<b>Reserved Matters</b>	<b>Band</b>	<b>Decision Making Mechanism</b>
million. Any expenditure of such revenue by the Company being less than £10 million shall be subject to the Company's own financial regulations and shall be subject to prior approval within the Business Plan and operating revenue budget, which shall be approved by the Members in accordance with the Reserved Matters.		
Enter into any arrangement, contract or transaction where the Company is providing services to third parties without following the Trading Opportunity Evaluation Process as produced by the Members. Such arrangements, contracts or transactions shall also be subject to prior approval within the Business Plan, which shall be approved by the Members in accordance with the Reserved Matters.	3	Cabinet
Enter into any borrowing, credit facility or investment arrangement (other than trade credit in the ordinary course of business) that has not been approved by the Members under the Financial Plan.	3	Cabinet
Appoint or remove any auditor of the Company.	3	Cabinet
Adopt or amend the Business Plan in respect of each financial year, which for the avoidance of doubt shall include the adoption and amendment of an operating revenue budget for the financial year to which it relates.	3	Cabinet
Adopt or amend the Financial Plan.	3	Cabinet
Enter into any arrangement, contract or transaction within, ancillary or incidental to the ordinary course of the Company's business or is otherwise than on arm's length terms.	3	Cabinet
Deal with any surpluses of the Company.	3	Cabinet
Appoint or remove any Company Directors [from the Achieving for Children Board].	3	Cabinet
Agree any terms for any Directors (but for the avoidance of doubt this does not include the terms and conditions of employment of Executive Directors as defined in the Articles of Association of the Company).	3	Cabinet
Agreeing changes in employment terms and conditions which would be inconsistent	3	Cabinet

2.4 This report seeks approval of the following reserved matters:

- Approval of the Company's strategic direction through the adoption of the updated Business Plan
- Approval of the Company's budget for 2021/22
- Approval of the Company's arrangements for managing cashflow through the adoption of

the Financial Plan (known as the Treasury Plan) for 2021/22

- Approval of arrangements for the appointment / recruitment of Non Executive Independent Board Directors over the coming year

### 3. RESERVED MATTER DECISION 1: APPROVAL OF STRATEGIC DIRECTION VIA THE BUSINESS PLAN

3.1 The AfC Joint Committee approved a five year Business Plan in December 2019. This plan is the overarching strategy for AfC. It describes the organisation’s strategic priorities for the coming years and details non ‘business as usual’ planned activity. The Plan was put together following extensive engagement with council colleagues, partners, staff and young people. The full engagement process was outlined in the December 2019 report. The Plan sits alongside the company’s Medium Term Financial Strategy.

3.2 Both the Business Plan and the Medium Term Financial Strategy have been updated to reflect the changing context in which AfC operates and also emerging priorities. Additional strategic statements have been included to reflect a renewed commitment to Equality and Diversity as well as to the Environment.

3.3 The AfC Board considered and approved the Business Plan in December 2020 and in refreshing the plans AfC officers have sought feedback from:

- AfC Board
- AfC leadership teams
- Council Joint Ownership Board
- Council commissioners
- Council Chief Executive Officers

The council Chief Executive Officers (CEOs) / Managing Director (MD) have specifically asked that AFC better define the organisation’s Business Development Strategy and a specific strategy and associated plan has now been appended to the Business Plan.

### 3.4 AfC Business Plan - Achieving *More For Children*

3.4.1 The updated AfC Business Plan is attached at annex A. The Plan defines AfC's overarching vision as:

“Our vision is to provide children and their families with the support and services they need to live safe, happy, healthy and successful lives.”

3.4.2 The Plan outlines six strategic priorities for the Business Plan period as follows:

**Table 2: AfC Strategic Priorities**

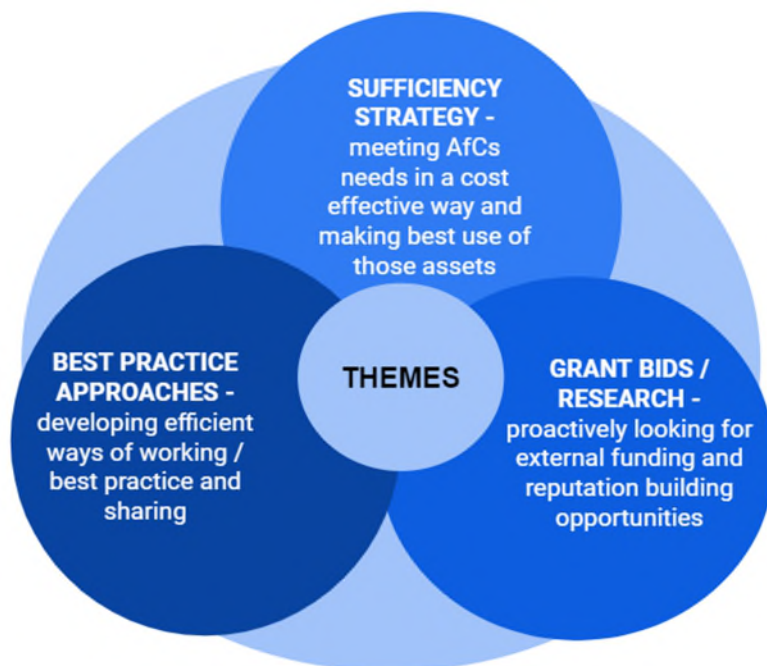
<b>Strategic priority</b>	<b>What we will achieve for children and young people?</b>	<b>Why is this important?</b>
Stronger families	We will have a relentless focus on safeguarding children and young people across all our services. The services we deliver will be high-quality and will protect and promote the wellbeing of children and young people by promoting family resilience. We will work collaboratively with our key partners to ensure we are able to	<i>“Ensuring children and young people are safe from harm is our core business. We want to build resilience in our families and communities so that they are better able to help, support and protect children without the need for statutory intervention. As part of this we want to ensure our relationships with key partners are strong and that our families</i>

Strategic priority	What we will achieve for children and young people?	Why is this important?
	realise the benefits of joint working to support our children, young people and families.	<i>really benefit from collaboration and joined- up working”.</i>
Positive futures	We will invest and work collaboratively to improve our local education, health and care offer to children and young people so that they have access to high quality services, are able to stay close to their families and friends, achieve well, and develop their skills for independence.	<i>“It is crucial that we provide the right support at the right time, this will enable us to help children and young people to develop their independence and prepare for adulthood. Putting in place local provision means children and young people can stay close to their families and essential support networks and they can benefit from our integrated services giving them the best chance for a positive future”.</i>
Excellent workforce	Our workforce will be experienced, talented, empowered and motivated to deliver the best possible services and outcomes for children and young people; we will invest in the recruitment, retention and development of our workforce and reward their achievements.	<i>“Feedback from children, young people and families always emphasises the importance of a consistent, skilled and motivated workforce. We want to make AfC a place where people want to come and work and a company that they are proud to tell their family and friends that they work for.”</i>
Financial stability	The services we deliver will provide excellent value for money and we are trusted by our commissioning Councils to deliver the best possible services within the agreed contract price, including the efficient delivery of our financial savings plans.	<i>“Given the financial context, both nationally and locally, it is essential that we are focused on delivering efficient, cost-effective and financially sustainable services so we are able to support those most in need.”</i>
Commercial success	We will secure the sustainability of the community interest company through contract renewal, business development, fundraising and good growth, so that we are able to reinvest in the services we deliver directly to children and their families.	<i>“Greater commercial success will enable us to generate a profit to reinvest in our services thereby benefiting the children and young people that we support.”</i>
Smarter working	Our business processes will be efficient, cost-effective and supportive to frontline practitioners so that they are able to spend as much time as possible working directly with children, young people and their families to improve outcomes for them.	<i>“Better business processes, and effective use of new digital technologies, will allow our workforce to reduce the amount of time they spend on unnecessary paperwork and bureaucracy, freeing them up to spend more time with the children, young people and families we support.”</i>

- 3.4.3 The Plan contains high level detail in relation to specific programmes which will be progressed over the coming years through a business case and then where viable implementation phase. The programmes are divided into cross company projects and borough specific programmes to support alignment with each council's service and financial priorities.
- 3.4.4 There are a number of key themes that apply to the whole organisation as follows:
- Strengthened approaches to quality assurance and better defining AfC's approach to children's services practice
  - Strengthened approaches to placement commissioning to support improved outcomes and value for money
  - Programmes that support local placement sufficiency and support improved outcomes and value for money
  - Supporting families and young people to reach their potential and live as independently as they are able
  - Developing the organisation's culture and refining support services to improve recruitment/retention and efficiency through digital innovation
- 3.4.5 The Windsor and Maidenhead specific programmes are outlined on pages 32 to 35 of the plan attached in annex A.

### **3.5 Business Development Strategy and Plan**

- 3.5.1 A Business Development Strategy has been developed this year to better define AfC's Business Development ambitions. The strategy and plan are attached at annex B.
- 3.5.2 The Business Development Strategy outlines the organisation's objective to grow as a specialist children's services provider over the coming years. It outlines a structured approach to identifying, evaluating and agreeing which opportunities are right for AfC and our owning councils.
- 3.5.3 At the heart of the strategy is an ambition to improve the lives of children and young people by providing affordable and outstanding children's services support to the young people of Richmond, Kingston and Windsor & Maidenhead. Services may be extended to other organisations supporting children outside of our three AfC boroughs where there are clear ethical, financial or developmental benefits.
- 3.5.4 This strategy complements the main AfC Business Plan and the priority areas for further work and development will be key themes within the overarching five year Business Plan.
- 3.5.5 The strategy outlines three key areas for development as follows:



**SUFFICIENCY STRATEGY** - These projects should emerge from the Sufficiency Strategy and look to address growing business placement and support needs in a cost effective way. AfC will develop more local provision (education, social care, health) and maximise use of this provision. This will improve the quality of local provision and reduce the cost of supporting AfC children. Where there is surplus capacity / a mismatch of short term need to provision, vacancy rates will be managed by selling to other boroughs using a cost plus profit margin model.

**BEST PRACTICE APPROACHES** - Development of internal best practice that can be scaled up and used to generate income. These projects provide an opportunity to improve local services, and generate income as well as contribute to a wider social good. There will be a specific focus on developing and marketing the emerging digital offer over the coming years.

**GRANTS / RESEARCH** - AfC is uniquely positioned to undertake research across three LA areas which puts it in a good position to bid for funding and research grants. This activity not only provides an opportunity to access money for AfC projects and initiatives but also provides an evidence base for developing best practice approaches which can be scaled up to generate income in the future. AfC is also well known as a Partner in Practice and for successfully bidding for grant income to trial / develop innovative practice.

3.5.6 A draft Business Development Plan has also been attached at annex B. The plan outlines the projects that have either already been evaluated and implemented or that will be evaluated over the coming years. Over the next 12 months there will be a specific focus on programmes in two key areas:

- Developing affordable local provision in line with the recommendations of the Placement Sufficiency Strategy and in partnership with the councils. This will support better management of the local placement market and support the control of placement costs, which are the biggest financial risk for the organisation. This is specifically likely to include development of more supported accommodation for care leavers across all three boroughs and development of the Independent Fostering Agency.
- Development of the organisation's digital competence and service offer to both

improve and modernise practice within AfC services and also to generate external income from the sale of this technology and advice.

3.5.7 In the short term the Business Development will be undertaken within existing resources but as projects yield additional income and cost avoidance / savings it is recommended that some of this money is reinvested back into business development activity to grow the potential to achieve greater medium term financial benefits.

### 3.6 Medium Term Financial Strategy (MTFS)

3.6.1 The draft Medium Term Financial Strategy is attached at annex C. The strategy sits alongside the Business Plan and is produced as part of the budget process. It is reviewed and updated at least annually.

3.6.2 The 2021 strategy will continue to focus on achieving financial sustainability for the Company in the context of escalating financial pressure in the specific delivery of children’s and education services as well as in Local Government generally. The organisation will be following three overarching principles:

1. Delivery of value for money services that are low cost and high outcome
2. Maximise resources available to front line services
3. Shared budget responsibility

3.6.3 The strategy prioritises ensuring services are affordable as follows:

- Ensure there is a mutual understanding of what is affordable for each council in terms of funding and quality
- Achieving value for money
- Achieving challenging cost reduction targets
- Generating income to support services
- Ensuring available funding is directed at priority areas
- Ensuring that the financial interest of each owner is safeguarded
- Planning for financial sustainability over a medium to longer term period

3.6.4 The strategy recognises that AfC is achieving good value for money currently but that there is still an affordability gap for services and room to improve particularly in relation to SEND. The next couple of years will be hugely challenging for AfC and the strategy draws out a number of themes and activities from the business plan that will be a key focus to achieve sustainability over the coming year:

**Table 3: MTFS Themes**

<b>PRIORITY ACTIVITY TO CONTROL COSTS</b>	<b>HOW WILL IT BE DELIVERED?</b>
<p><b>DEMAND MANAGEMENT</b></p> <p>Supporting the prioritisation of services to young people most in need and demand management through the application by service teams of consistent thresholds.</p>	<p>Core services have well established threshold guidance that is periodically reviewed both internally and externally through inspections or specific requests for independent review. The Directors of Children's Services are responsible for ensuring there are arrangements in place to monitor compliance and support staff to</p>

	understand the threshold guidance.
<p><b>DEVELOPING LOCAL PROVISION</b></p> <p>Delivering the recommendations of the AfC Sufficiency Strategy at pace in terms of using commissioning opportunities effectively and developing more local provision where it makes financial sense to do so.</p>	<p>The draft Sufficiency Strategy and associated recommendations has been considered by the AfC Board and will now progress through council approval processes. There will be a focus in the coming months to identify those programmes that are likely to have the most positive financial impact and to develop these into business cases for agreement by the councils as appropriate.</p>
<p><b>COMMISSIONING/PROCUREMENT COMPETENCE</b></p> <p>Building commissioning and procurement capacity and competence in the organisation to ensure that placement and other procurement activity is as effective as possible in finding solutions and driving down cost.</p>	<p>The organisation will continue to build competence and capacity within the commissioning team to ensure that the improved practice from the last three years in relation to placement commissioning continues and that we get the best price when undertaking procurement activity. The Director of Commissioning will continue to develop the commissioning strategy to ensure that we are making best use of our market share and where appropriate planning ahead with providers to get preferable rates. We will also continue to link in with commissioning partnership arrangements for SEND and social care.</p>
<p><b>REVIEW</b></p> <p>The effective review of placements, plans and working models is key to ensuring that we are promoting independent, resilient families and that we are prioritising the funding we have in an effective way.</p>	<p>The company has established practices to ensure that plans and placements are periodically reviewed to support the continued alignment of funding and support to the changing needs of young people. It is important that we continue to work to improve these practices particularly in social care and SEND where the financial pressure and scope for changing need is most significant.</p>
<p><b>MODERNISATION OF WORKING PRACTICES</b></p> <p>Review of how we work to ensure that we are making best use of technology, flexible working practices and that support services offer value for money.</p>	<p>The company will reflect on learnings from Covid to ensure we build back better in terms of efficient use of buildings, homeworking, digital technologies and reduced travel / printing.</p> <p>A key priority will also be on improving the current HR arrangements to lead to a more consistent offer across AfC and in time improvements in recruitment and retention.</p>

## FINANCIAL MONITORING & PLANNING

Detailed monitoring of all high risk areas on an ongoing basis and consistent reporting internally, to the AfC Board and to the Councils.

The finance team will continue to monitor budgets and report performance to budget managers, leadership teams, the board and councils regularly. The finance team will also work to further improve budget awareness and confidence in managing budgets across the organisation.

3.7 Cabinet is asked to discuss and approve the AfC Business Plan and associated strategic documents.

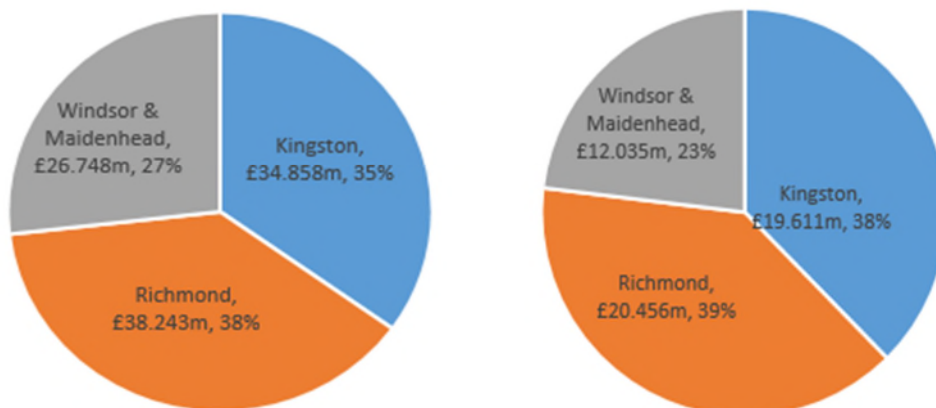
### 4. RESERVED MATTER DECISION 2: APPROVAL OF THE AFC BUDGET 2021/22

4.1 The approval of the AfC budget is a reserved matter decision and provides the three owning councils with a significant amount of control over AfC's finances. Annex D to this report contains a copy of the AfC Budget Report which was considered and approved by the AfC Board in December 2020, subject to final approval by AfC's three owning councils.

4.2 AfC fully engages in the Windsor and Maidenhead budget setting process each year and the proposals outlined that relate to Windsor and Maidenhead mirror the proposals outlined for children's services in the council's own budget paper. This is also the case for Kingston and Richmond.

4.3 A net revenue operating budget of £151,948,400 is proposed for AfC in 2021/22. The following pie charts break that down between the three boroughs and between General Fund and DSG Funding:

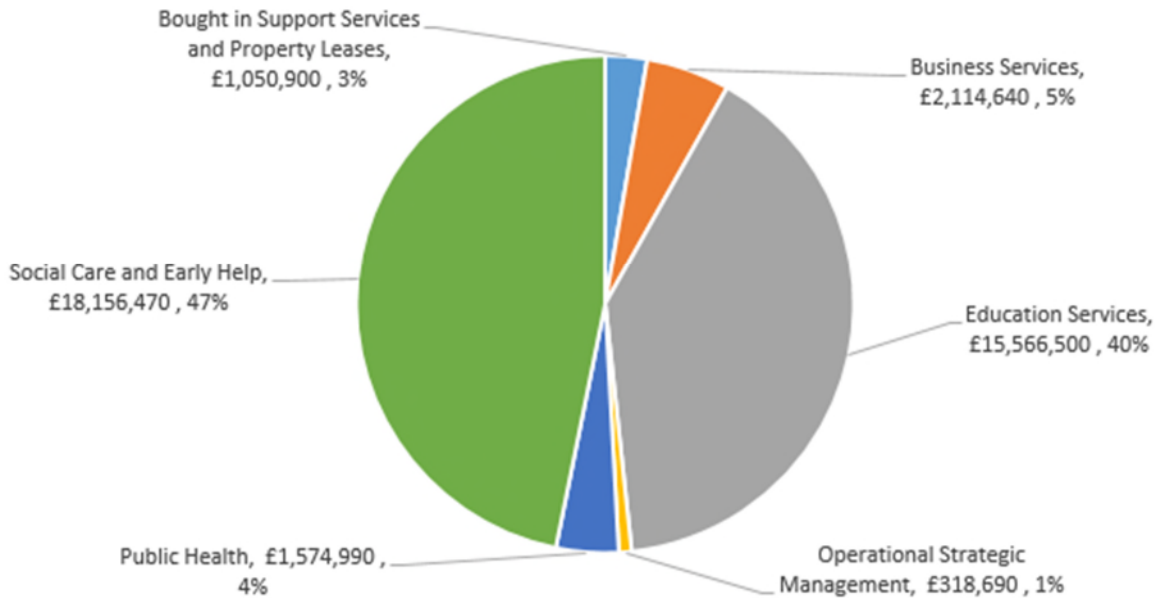
General Fund Budget 2021/22 Dedicated Schools Grant Budget 2021/22



4.4 The budget report contains more detail about how these base contract prices have been agreed. The Windsor & Maidenhead elements are planned to be spent as follows:



## RBWM AFC BUDGETS



- 4.5 The provisional Dedicated Schools Grant (DSG) allocations were released for all three boroughs on 17th December 2020. AfC is responsible for administering the DSG but the income and expenditure forms part of each council's retained budget. Some DSG funding is used to pay for services that are delivered by AfC on behalf of each council and this is the amount included in the pie chart above. The detail of how the grant will be spent is available as part of each council's detailed budget setting papers. The Windsor and Maidenhead paper is available at the following [link](#). The DSG amount within the AfC contract price above relates to high needs and central education funding that either funds teams or support that is commissioned by AfC staff. The DSG not included in the contract price relates to amounts that are passported to education providers in accordance with a pre-determined formula.
- 4.6 Cabinet is asked to approve the AfC 2021/22 budget as part of the council's role as joint owner of AfC.

## 5. RESERVED MATTER DECISION 3: TREASURY PLAN

- 5.1 The approval of the Treasury Plan for AfC is a reserved decision for AfC's three owning councils. The plan is approved annually and when events require a review and was last reviewed and approved by the AfC Joint Committee on 2nd March 2020.
- 5.2 The Treasury Plan outlines how AfC is permitted to borrow and invest for cashflow purposes in the coming year. The Plan also provides assurances to the councils around the procedures in place for banking and treasury management in AfC and for monitoring by the Councils.
- 5.3 The treasury management and banking functions in AfC are overseen by the Chief Operating & Finance Officer and carried out by suitably experienced staff with appropriate training. Treasury transactions are undertaken on the basis of formal proposals and authorisations requiring at least two members of staff and following the current treasury procedures and policies of the Company. Physical transactions are carried out using a secure internet banking system. AfC plans and reviews its treasury activities on a regular basis and longer term plans are reviewed at least annually in line with AfC's business planning process.

5.4 The councils monitor AfC’s borrowing through the formal borrowing and repayment requests and they have access to all AfC’s financial records on request. Proposed changes to the Treasury Plan are agreed at officer level prior to reporting to this meeting. AfC will take advice from the councils on all aspects of its treasury management function and will comply with any instruction or direction from the councils, acting jointly, with regard to its treasury activities and investments.

5.5 The Treasury Plan is attached at annex E.

**5.6 Borrowing**

5.6.1 Although the Inter Authority Agreement (IAA) provides for AfC to seek finance or debt funding from third party sources (subject to agreement by the Councils), the primary funding for AfC is provided by the Councils through the Revolving Credit Facility (RCF) because the cost of any borrowing undertaken directly by AfC will be higher than for the Councils. As AfC is unlikely to seek funding from third parties for the foreseeable future no provision for this is included in the current Plan.

5.6.2 The RCF sets out the terms on which AfC can borrow from the Councils. The total amount of loans made available by the Councils is £45million and the shares are split in accordance with the value of each council’s base contract price. The Revolving Contract Facility should be used to support operational cash requirements in the delivery of children’s services for the three councils. Interest is set at 0.5% above base rate and applies to borrowing in relation to the ‘Qualifying Expenditure’ to comply with State Aid rules. The table below summarises the current RCF borrowing and the recommended % splits for 2021/22:

**Table 4: Borrowing Summary**

<b>Council</b>	<b>Current Borrowing (Dec 20)</b>	<b>Current Borrowing (Dec 20)</b>	<b>Max Borrowing 2021/22</b>	<b>Max Borrowing 2021/22</b>
	<b>£</b>	<b>%</b>	<b>£</b>	<b>%</b>
LB Richmond upon Thames (LBR)	£8,724,000	38.1%	£17,469,000	38.82%
RB Kingston upon Thames (RBK)	£8,221,000	35.9%	£16,106,000	35.79%
RB Windsor and Maidenhead (RBWM)	£5,954,000	26.0%	£11,425,000	25.39%

**5.7 Investment**

5.7.1 There are no specific provisions in the legal documents governing AfC’s activities that deal with investments apart from the reference in the IAA that decisions in relation to investments by AfC are a Reserved Matter.

5.7.2 The only use that AfC has made, and is likely to make, of investments for the foreseeable future, is in relation to treasury management where AfC needs to maintain sufficient funds on deposit and with instant access in order to meet its regular payments. The alternative would be for AfC to borrow from the Councils on almost a daily basis to fund its payments, which is not realistic in terms of the administration and bank costs involved.

5.7.3 The banks that AfC can use to hold deposits, and the amounts that it can hold in each, will require specific approval from the Councils because as ‘guarantors’ for AfC the Councils will ultimately bear the risk of AfC’s investments. Thus AfC will only make investments in banks/institutions that are included in each Council’s list of counterparties and to the

amounts that the Councils advise AfC.

5.7.4 The current Plan includes the following limits:

**Table 5: Investment Limits**

<b>BANK</b>	<b>LIMIT OF INVESTMENT</b>
Barclays Bank	£4,000,000
Nationwide	£3,000,000
NatWest bank	£5,000,000
Svenska Handelsbanken	£2,000,000
<b>Total Investment</b>	<b>£14,000,000</b>

AfC's main operational bank accounts are with NatWest and the limit for this bank includes both the operational current accounts and deposit account.

5.7.5 The Plan allows a degree of flexibility to deal with events that may arise during the course of the year that could impact on the risk of approved banks and investment limits, and provides for the Councils (through their s151 officers or nominated deputies) to agree such urgent actions as required with subsequent reporting to the Cabinet for retrospective amendment to the Plan as a Reserved Matter.

5.8 Cabinet is asked to consider and approve the 2021/22 Treasury Plan.

## **6. RESERVED MATTER DECISION 4: APPOINTMENT OF NON EXECUTIVE INDEPENDENT DIRECTORS**

6.1 The AfC Board of Directors is responsible for ensuring the good governance of AfC as a company, setting the company's strategic aims, supervising the management of AfC as a business and holding the management team to account. The Board is composed of Council Directors, with each owning council eligible to appoint two directors, three Non-Executive Independent Directors (NEIDs), and up to two Executive Directors.

6.2 In March 2020 the Board commissioned a review into the Board's effectiveness with the aim of ensuring that the Board was operating effectively and had good engagement with the three owning Councils. The report made 24 recommendations, the majority of which have now been implemented, with remaining actions relating to the updating of the Board's articles of association and reviewing internal audit arrangements. As a result, over the past six months the relationship between the Board and owning Councils has been strengthened through increased communication and visibility. The Board has appointed a Chair who has provided improved stability and leadership. The Chair has established regular meetings with the Managing Director/Chief Executives, met with Lead Members from each owning Council and voluntary and community sector groups, and led three Board development days. Windsor and Maidenhead have appointed the Council's Director of Children's Services and the Head of HR, Corporate Projects and IT to the Board.

6.3 Each NEID is appointed for up to a three year term and is eligible to serve two terms; with all three NEIDs current terms due to expire in 2021. It is proposed that the owning Councils take this opportunity to review the make-up of the Board to ensure it meets the needs of the company, ensuring that the overall composition of the board is reflective of the community AfC serves, has the broad range of skills and expertise required, and maintains stability of leadership. A recent skills audit completed by the Board showed that the Board lacked diversity with no BAME Directors and no Directors with a declared

disability. Where new NEIDs are required a nomination panel will be established to oversee the recruitment and appointment, with representation from each owning Council.

- 6.4 It is recommended that Cabinet delegates authority to the Managing Director, in consultation with the Leader of the Council and Cabinet Member for Adult Social Care, Children's Services, Health and Mental Health, to appoint NEIDs taking into consideration the recommendations from the nomination panel. This will allow the prompt appointment of NEIDs following the recruitment process and effective coordination between the three owning Councils. Details of those appointed to the Board will be reported to the subsequent meeting of the Cabinet.

## **7. FINANCIAL DETAILS / VALUE FOR MONEY**

- 7.1 The financial implications are detailed in the report and associated annexes. AfC has worked with Council officers to reach a proposed 2021/22 budget and the budget contained within this report is also reflected in the Council's budget that was approved on 23/02/2021. It is clear that there will continue to be significant financial pressures in relation to children's services moving into 2021/22 and it is important that the Council continues to gain assurance on what AfC is doing to proactively manage those pressures.

## **8. LEGAL IMPLICATIONS**

- 8.1 The recommendations concerning approving the Business Plan (including the Business Development Strategy and Medium Term Financial Strategy, the detailed 2021/2022 budget and the Treasury Plan, are band three Reserved Matters which require approval of the Cabinet.
- 8.2 The recommendation with regards to Cabinet delegating to the Managing Director in consultation with the Leader of the Council the reappointment and/or recruitment of Non-Executive Independent Directors is permissible under S101 of the Local Government Act 1972.

## **9. RISK MANAGEMENT**

- 9.1 The specific risks are outlined in the various annexes to this report and the three key risks are highlighted in Table 6.

**Table 6: Key Risks**

<b>Risks</b>	<b>Uncontrolled risk</b>	<b>Controls</b>	<b>Controlled risk</b>
Risk that the strategic direction of AfC becomes misaligned with that of its three owning councils	Medium	The approval of the strategic direction and budget for AfC is a decision reserved for the three owning councils. This governance approach provides the three councils with a mechanism to directly control AfC's strategic direction. In putting the various strategies and plans together AfC has engaged with the Ownership Board which includes representation from all three councils as well as the council's Managing Directors, commissioners and a number of other key council officers. The AfC Board also consists of two representatives from each council who are responsible for representing the views of the council in strategic decision making throughout the year.	Low
Risk that Covid 19 delays implementation of key programmes or causes additional budget pressure	High	AfC will be monitoring progress against the Business Plan and budget throughout the year and will report progress, risks and opportunities to commissioners as part of the monthly contract monitoring meetings. Where pressures arise these will be identified at the earliest possible opportunity so that alternative action can be identified and agreed between AfC and the Council.	Medium
Risk that the cost of delivering services exceeds budget	High	AfC has well established systems to ensure that financial or demand led pressure in one local authority area does not adversely impact on other AfC boroughs. There are plans detailed in the Business Plan and Medium Term Financial Strategy that support the development of placement sufficiency and commissioning strategies to improve AfCs ability to drive value for money and control costs. The budget is monitored on a monthly basis and where needed mitigating actions are discussed within AfC	Medium

<b>Risks</b>	<b>Uncontrolled risk</b>	<b>Controls</b>	<b>Controlled risk</b>
		and with the councils to reduce the scope for overspends and reach a mutually agreed position. The Council also holds a Demography Fund to provide for anticipated growth pressures within demand led budgets as they arise.	

## 10. POTENTIAL IMPACTS

- 10.1 AfC produces an Annual Equalities Report which is published on its website and sets out actions to address any inequalities identified. Equalities Assessments are publicly available at the following link: <https://www.achievingforchildren.org.uk/equality-diversity-documents/>
- 10.2 The updated Business Plan now includes a commitment to the environment and tackling climate change.
- 10.3 AfC follows an Information Governance Framework. The Framework establishes and sets out the roles and responsibilities associated with the management of AfC's information assets. It pulls together all the requirements for information governance so that all information held by AfC is processed lawfully and securely.

## 11. CONSULTATION

- 11.1 In putting together the Business Plan AfC has consulted with a wide range of stakeholders including young people, families, partners, the councils and AfC staff. AfC and the Council will work together to consult on specific proposals in the Business Plan as required as part of the implementation plans for each project.

## 12. TIMETABLE FOR IMPLEMENTATION

- 12.1 The Council is approving the reserved matters in this report jointly with the London Borough of Richmond upon Thames and Royal Borough of Kingston upon Thames. All three councils will be meeting to consider and approve the reserved matters with implementation of the revised documents from 1st April 2021.

**Table 7: Implementation timetable**

<b>Date</b>	<b>Details</b>
4th January 2021	AfC Ownership Board
15th February 2021	Richmond Education and Children's Committee
18th March 2021	Kingston Children and Adults Care and Education Committee
25th March 2021	Windsor and Maidenhead Cabinet
8th April 2021	Implementation

### 13. APPENDICES

13.1 This report is supported by five appendices:

- 1.1 Annex A - Business Plan, Achieving *More* for Children
- 2.1 Annex B - Business Development Strategy and Plan
- 3.1 Annex C - Medium Term Financial Strategy
- 4.1 Annex D - 2021/22 Budget
- 5.1 Annex E - Treasury Plan

### 14. BACKGROUND DOCUMENTS

This report is supported by two background documents:

- AfC Business Plan approval December 2019
- AfC Governance Review

### 15. CONSULTATION (MANDATORY)

Name of consultee	Post held	Date sent	Date returned
Cllr Carroll	Lead Member for Adult Social Care, Health, Mental Health and Children's Services	19/2/21	4/03/21
Duncan Sharkey	Managing Director	19/2/21	23/2/21
Adele Taylor	Director of Resources/S151 Officer	19/2/21	24/2/21
Andrew Durrant	Director of Place		
Kevin McDaniel	Director of Children's Services	8/2/21	18/2/21
Hilary Hall	Director of Adults, Health and Commissioning	8/2/21	12/2/21
Andrew Vallance	Head of Finance	19/2/21	
Elaine Browne	Head of Law	19/2/21	24/2/21
Emma Duncan	Deputy Director of Law and Strategy / Monitoring Officer	19/2/21	
Nikki Craig	Head of HR Corporate Projects and IT	19/2/21	24/2/21
Louisa Dean	Communications	19/2/21	
Karen Shepherd	Head of Governance	19/2/21	23/2/21

### REPORT HISTORY

Decision type:	Urgency item?	To follow item?
Key decision and first entered into the Cabinet Forward Plan: 25 <sup>th</sup> January 2021 Council decision	No	No

Report Author: Lucy Kourpas, Chief Operating and Finance Officer, Achieving for Children CIC





# Achieving for Children's **BUSINESS PLAN** 2020/24

193

Achieving *more* for Children



# CONTENTS

<b>01</b>	<b>Introduction</b>	<b>1</b>
<b>02</b>	<b>About Achieving for Children</b>	<b>3</b>
<b>03</b>	<b>Our business plan</b>	<b>8</b>
<b>04</b>	<b>Our vision and values</b>	<b>10</b>
<b>05</b>	<b>Our ambition</b>	<b>12</b>
<b>06</b>	<b>Our strategic priorities to 2024</b>	<b>14</b>
<b>07</b>	<b>Delivering our strategic priorities in 2020/21</b>	<b>16</b>
<b>08</b>	<b>Our financial plan</b>	<b>36</b>

# 01

## INTRODUCTION

We are delighted to introduce Achieving more for Children - our business plan for 2020/24.

This is an ambitious plan that builds on our success over our first five years of operating, and explains how we will achieve even more for children and young people so that they have the best start in life and are able to have safe, happy, healthy and successful childhoods.

It sets out the projects that the company will deliver over the next four years to meet these aims. A number of these projects will be delivered across Kingston, Richmond and Windsor and Maidenhead because they meet a common need. However, some have been designed to meet specific local challenges and circumstances or to reflect the priorities of each individual council. The business plan does not include our day-to-day business, but we will continue to maintain our attention on providing those early help, education, health and social care services that many families rely on every day.

The programmes in the business plan are based on our conviction that, in order to maintain the quality of our services and achieve the best possible outcomes for children, young people and families within the resources we have available, we must truly focus our work on six important priorities: building resilience in families, creating inclusive local provision to meet increasing need, investing in a skilled and flexible workforce, taking a more commercial approach to service development and innovation, implementing smarter and more agile working practices, and ensuring we deliver excellent value for money in all that we do.



Our plan builds on our achievements over the last five years where we have:

- achieved an Ofsted 'Outstanding' judgement for our children's social care support services in Kingston and a 'Good' judgement in Richmond and in Windsor and Maidenhead
- developed our own local residential provision, including supported accommodation for care leavers, short break care for children and young people with disabilities, and a new residential children's home
- secured over £7 million from the Department for Education as part of the Partners in Practice initiative to develop innovative ways of supporting children and young people on the edge of care
- implemented the Signs of Safety model across all our services which has enabled practitioners to better work in partnership with children and families, building on their family strengths to promote their safety and wellbeing
- become a national leader in the delivery of the Troubled Families programme with over 650 vulnerable families being given the additional support they need to improve the care and support they provide to their children

- established a Staff Council in Kingston and Richmond and Staff Voices in Windsor and Maidenhead to provide staff with a means of influencing the direction of the company and working with senior leaders to make Achieving for Children an employer of choice

All three of our owning councils face challenging financial settlements which means that the company must operate within its budget, including the delivery of planned efficiency savings.

At the same time the need for our services is increasing, predominantly in relation to our need to support children and young people with special educational needs and disabilities, and to deliver our responsibilities for children in care and those leaving care.

Our business plan must focus on ensuring the company is able to better manage demand, meet needs, deliver required efficiency savings and achieve longer-term financial sustainability, balanced with a drive to maintain the quality of those services and support innovation and creative solutions to our challenges.

Since the business plan was developed, we have experienced the COVID-19 pandemic which has had a significant impact on our service delivery. This impact is likely to continue for some time and may result in future changes to our priority projects over the coming years.

For 2021/22, we have reviewed the plan and made some amendments to priority projects and their deadline for completion. Dealing with COVID-19 took precedence over the past 12 months which has meant a number of the projects have been delayed and timescales have been amended to reflect this.

Our response to the pandemic and the impact on our organisation and the children, young people and families we support is set out in Section 3. We have also included a new priority action relating to the whole company to demonstrate the importance we are placing on ensuring we can mitigate the impact of the pandemic as far as is possible.

# 02

## ABOUT ACHIEVING FOR CHILDREN

197

Achieving for Children was created as a community interest company in 2014 and is now owned and commissioned by the Royal Borough of Kingston upon Thames, the London Borough of Richmond upon Thames and the Royal Borough of Windsor and Maidenhead. We now deliver services to more than 120,000 children and young people. We work closely with our local authority owners and local strategic partners, such as schools, the police, health services and voluntary sector organisations, to ensure that the services we provide are relevant and responsive to the differing needs of children and young people in the three local areas, and support the delivery of each council's local strategic priorities. Where it makes sense to scale-up and deliver services across all three areas, we do that in order to achieve better outcomes for children and young people and deliver better value for money.

Our initial seven year contract with Kingston and Richmond councils comes to an end in March 2021. We are delighted that the councils have jointly agreed to extend our contract for a further five years until March 2026. We also have a seven-year contract with the Royal Borough of Windsor and Maidenhead which ends in 2024 with an option to extend for a further five years.

We deliver the full range of children's services for the three councils. Our service offer is based on strong universal provision delivered through our children's centres and youth centres, alongside a targeted early help offer that provides support to families at the earliest opportunity to prevent children's and young people's needs escalating and facilitate family resilience. We expanded our universal services with the addition of health visiting and school nursing when Windsor and Maidenhead joined the company. These public health services complement our specialist nursing and therapy services for children with disabilities and complex health needs. Our statutory offer includes child protection, support for children in care and leaving care, youth justice and services for children with special educational needs and disabilities (SEND). Our final service area is the support we provide to early years settings and schools to deliver high quality teaching and learning. This includes planning school places, school admissions, advice on school improvement and targeted support for vulnerable pupils.

To support the delivery of these services, we employ just over 1,100 professionals from a wide variety of disciplines, including social work, teaching, nursing, occupational therapy, physiotherapy and clinical psychology. Our performance and the quality of our early help, health and social care services are good and this has been recognised by Ofsted and the Care Quality Commission in their service and regulatory inspections. Inspection outcomes for special educational needs services are less positive and are an area for continued improvement.

# Service benefits

Achieving for Children has a single organisational focus on services for children, young people and their families. A single organisation working across three local authorities brings operational efficiency and service resilience through a flexible workforce that is skilled and able to manage peaks in demands for services.

Our larger scale means that specialist expertise, which may have been lost or unaffordable in a single local authority, can be retained and developed.

The joint company model provides increased opportunities for employee engagement and empowerment, enabling cost-efficient decisions to be taken by practitioners working directly with families and reducing the need for more intensive work and interventions further down the line.

The service benefits for Achieving for Children are best seen in three areas.

First, our investment in systemic family therapy to complement social work interventions when working with families with the most complex needs.

Second, our Virtual School where our larger scale has enabled us to retain specialist practitioners focused on improving educational outcomes and destinations for children in care.

Third, the development of a company-wide independent fostering agency (IFA) to lead on the recruitment and retention of a highly-skilled pool of local foster carers. The agency was graded as good by Ofsted at its initial regulatory inspection in 2019.

198

The large majority of our funding comes from contracts with the local authorities that own us and commission us to deliver their children's services. The annual value of these contracts is £148 million. In addition, the company manages the allocation of £413 million in Dedicated Schools Grant to early years providers and schools.

Since 2015, there has been a significant financial pressure on the high needs block of the Dedicated Schools Grant in Kingston and Richmond due to increasing need and complexity of need and the associated costs of school placements for children with special educational needs and disabilities.

There is the same emerging pressure in Windsor and Maidenhead, although not to the same scale.. There has similarly been an increase in children in need of social care support and becoming looked after. Again, this follows a national trend and is placing significant financial pressure on the three local authorities.

One contributing factor to this increased cost has been a lack of local provision to meet the increasing numbers of children needing support and to meet their complexity of needs, leading to a reliance on external and independent provision which is often at a much higher cost.



# Financial benefits

Our company model is designed to be flexible enough to respond to the individual priorities of each of our owning councils, but also to deliver jointly across the two or three partners where this improves outcomes and increases efficiency, resilience and cost effectiveness.

We have a shared corporate management structure and operating model which delivers efficiencies from a single approach to financial management and business services.

This model has reduced central costs by just over £3 million since the company was established.

There have also been financial efficiencies from a more stable workforce and a reduced reliance on more expensive locum and agency workers. This has been achieved through improved recruitment and retention schemes and the increased opportunities for career development and progression available in a larger organisation.

In addition, we have increased our purchasing power for placements for children in care, care leavers and young people with special educational needs and disabilities, and we have invested in developing our own residential provision for children in care and supported accommodation for care leavers to help meet their needs locally at a lower cost. We opened a 17-bed unit offering 24 hours supported accommodation in Kingston in 2017 and are due to open our first children's home during 2020. Overall we have reduced the costs of delivering services for the councils by £12 million since 2014.

One of the reasons Achieving for Children was established as a community interest company was to benefit from increasing our commercial and income-generation opportunities whilst maintaining our social focus on giving children the best start and improving their life chances. In our first five years, we have successfully diversified our income by providing a consultancy offer to local authorities who are considering alternative delivery models, or who require support to improve the effectiveness and impact of their children's services. We have provided in-depth support to eight local authorities in England since 2014 and, as a result of this success, we were named as a Partner in Practice by the Department for Education in 2018 and have successfully provided improvement support to a further five local authorities.

Since 2014, we have also generated income from traded services, trusts and foundations, fundraising and corporate partnerships. This has enabled us to innovate our service offer and implement creative solutions to meet families' needs. Over the next four years, we intend to focus our commercial efforts on this activity and reduce our consultancy offer as this is considered a more sustainable approach for the company.

## Commercial benefits

As a community interest company, Achieving for Children is able to trade its services to other local authorities and public bodies, through management consultancy and the provision of services under contract, in order to create a surplus for reinvestment in frontline services for children, young people and their families.

It also has the potential to expand the range of services provided by the company and to access funding opportunities that are not open to local authorities, such as charitable trusts and foundations and corporate sponsorship that can be used to find or supplement funding for non-statutory services. Since 2014, Achieving for Children has generated £5 million in traded services with schools and from our improvement consultancy offer to twelve local authorities.

We have secured more than £10 million in grant funding to develop our services, including substantial funding from the Department for Education to develop innovative solutions for children experiencing domestic violence, substance misuse and parental mental health issues. This has resulted in the development of a nationally-recognised service which provides a multi-disciplinary approach to building family resilience to prevent children requiring child protection interventions or needing to come into care.

To ensure we take advantage of opportunities, a Business Development Strategy has been developed to sit alongside this overarching Business Plan.

The AfC Business Development Strategy outlines the organisation's objective to further develop as a specialist children's services provider and commissioner over the next five years. It outlines a structured approach to identifying, evaluating and agreeing which opportunities are right for AfC and our owning councils.

At the heart of the strategy is an ambition to improve the lives of children and young people by providing affordable and outstanding children's services support to the young people of Kingston, Richmond, and Windsor and Maidenhead. Services may be extended to other organisations supporting children outside of our three AfC boroughs where there are clear ethical, financial or developmental benefits.

The strategy and plan are appended.

## Environmental aim

**Achieving for Children will minimise the environmental impacts of its own activities to promote a sustainable environment for future generations to enjoy**

AfC is committed to taking proactive steps to minimise the environmental impact of our activities over the plan period. We will have a particular focus on improving our carbon footprint through the use of digital technologies to reduce the use of paper and non sustainable forms of travel. We will seek to deliver services in an environmentally friendly way and consider how this can be improved when developing policy, service delivery models and in procuring assets.



Children's social care services in Kingston were inspected by Ofsted in October 2019 and judged to be '**Outstanding**' in terms of the effectiveness of the support we provide to children in need of help and protection, children in care and young people leaving care.

**91%** of families have improved the care they provide to their children following intensive support from the Strengthening Families service. The service has provided support to **265** families experiencing domestic violence, substance misuse and parental mental health concerns.

More than **1,000** children with disabilities receive short break care, including overnight respite care, from Achieving for Children. **96%** of parents and carers rate the care and activities that their children receive as good or better.

More than **10,000** young people regularly use our youth services to take part in positive activities that develop their interests and talents. More than **1,500** young people complete their Duke of Edinburgh's award each year delivering over **45,000** hours of volunteering to their local communities with a social value of more than **£475,000**.

We have delivered **9,074** additional school places including expanding SEND provision in mainstream schools and co-developing five new free schools. This means that more of our children and young people with special educational needs and disabilities are now educated within their local communities.

**98%** of education, health and care plans (EHCPs) are completed within the statutory timescale of 20 weeks from the request for assessment. This places our services among the best in the country for the timeliness of assessments and plans for children with SEND.

We support **165** schools to deliver high quality teaching and learning. **91%** of schools in our three boroughs are judged to be 'Good' or 'Outstanding' by Ofsted and are at the top of the school league tables for progress and attainment at all key stages.

**89%** of children and young people report improved mental health and emotional wellbeing following support from our emotional health services. Our services include art therapy, clinical psychology and systemic family therapy.

More than **13,000** families attend one of our children's centres each year for health appointments, to access local childcare, and to attend activities that help their children get ready for school. **77%** of children achieve a good level of development in their first year at school which is well above the national average at **72%**.

# 03

## OUR BUSINESS PLAN

202

### What is the business plan?

Achieving 'more' for Children - the business plan for Achieving for Children for 2020 to 2024 is the company's most important strategic document. It articulates our vision for the company together with the most important outcomes that we want to achieve for children in partnership with our owning councils and local strategic partners. It also sets out our objectives for what we want the company to be and how we will change and develop in order to deliver these outcomes. Against each of our strategic outcomes, the business plan sets out priority activities that we will focus on delivering over the next four years. These are the key priorities that will enable us to deliver our vision. Each priority includes targets and milestones so that the three councils, our partners and stakeholders and children and young people can hold us to account. The intention of our business plan is not to capture everything we do as a company. It is a high-level strategic document which provides a clear framework for decision-making about our services and how we prioritise and allocate our resources.

### How we have developed our business plan

The priorities in our business plan are based on a sound understanding of the local needs in each of the three local authority areas. We have developed a strong evidence base for our plan using demographic trends, performance data and the needs analyses produced by the councils in their joint strategic needs assessments to better understand local needs, alongside more qualitative feedback about the effectiveness and impact of our services.

To make sense of all of this information we held a 'Big Conversation' in 2019. This involved a series of listening events with children, young people, parents, carers, partner organisations in the statutory and voluntary sectors, the councils and our own employees. These conversations enabled us to hear about those issues that are most pressing and that should be our highest priority, as well as identifying creative solutions and potential areas for innovation. The 'big conversations' also enabled us to ensure that our plan is aligned with the strategic priorities of our owning councils in their corporate plans and with our strategic partners, including the local health and care plans developed by the clinical commissioning groups.

## How we will measure our progress

We will monitor progress in two ways. Firstly, by being clear about our priority activities, when we expect these to be delivered and monitoring our progress against those delivery plans. Secondly, through a set of key performance indicators and quality measures. These have been set by the councils as part of our contracts with them and by our Board of Directors to ensure the continual development of the company and the services it delivers. There is regular monitoring and scrutiny of our performance by councils and the Board of Directors, with progress against the key performance indicators reported publicly to each of the owning councils. All the success measures that we have used in this plan are reported to the councils and published as part of our quarterly contract monitoring.

## Annual review

Each year the business plan priority areas will be reviewed and updated. The annual review will be reported to the councils in public meetings. The annual review will provide a self-assessment of our progress at implementing our priorities in the previous year, as well as refreshing our priorities and activities for the year ahead.

## COVID-19

<sup>2023</sup> should be noted that the onset of the COVID-19 pandemic will have an impact on our business plan. The pandemic has provided the opportunity to be innovative and creative to develop new ways of delivering our services, for example, through the increased use of digital solutions. Going forward, as part of our recovery planning we will be reviewing the lessons learnt and will apply best practice to our service delivery so we can continue to effectively meet the needs of our children, young people and families. In addition, some projects set out in this plan may be delayed because our response to COVID-19 has required a major programme of work and resources have been diverted to enable us to continue to provide high quality services.

## Our commitment to equality and diversity

Along with so many others both here in the UK and across the globe, all of us at Achieving for Children have been deeply affected by the tragic death of George Floyd. We recognise that discrimination has a destructive impact on many people's lives. The recent events have highlighted the continued racial disparity, structural inequalities and systemic injustices experienced by many Black, Asian and minority ethnic (BAME) communities across the world, and given us all the opportunity to reflect on ourselves, our society and our organisation. The powerful and collective response of the Black Lives Matter movement and the feedback we are seeking from colleagues within Achieving for Children will help us to better understand where we are as an organisation and where we would like to be. We have developed a plan based on feedback from our staff and as an organisation we have committed to taking action to address any areas of concern within Achieving for Children and for the children, young people and families we support. We now report on the impact of this work as part of our business plan reporting arrangements. We will report on the impact of this work as part of our business plan reporting arrangements.

# 04

## OUR VISION AND VALUES

204

### Our vision

Our vision is to provide children and their families with the support and services they need to live safe, happy, healthy and successful lives.

### Our values

#### Trust:

We are reliable, others can count on us to undertake tasks and deliver on what was agreed – we will do what we said we would do. We will encourage open and honest communication, and model clear and fair professional boundaries.

#### Respect:

We will listen to and value other people's perspectives and differences. We will show empathy and humility in the way we communicate.

#### Empower:

We help others to realise their ability and potential, and show emotional intelligence in our approach. We show appropriate and respectful use of the power given to us in our jobs or positions and we use this to encourage and enable others.



## Who we are

At Achieving for Children, we champion children and families, putting their wellbeing and education first. As a social enterprise, we take the values of public service and combine them with a business approach to deliver our social aims. We have the independence and flexibility to tailor innovative solutions to the needs of children and their families, whilst maintaining our focus on delivering priorities for each of the councils that owns the company.

205

## How we work

### **We put children and young people first:**

We are passionate about ensuring the best possible outcomes for children and young people and this drives everything that we do.

### **We embrace diversity and champion inclusion:**

We are committed to valuing difference and diversity in our workforce and in the children and families we work with, so that their identities are promoted and their individual needs are met.

### **We are resourceful, adaptable and dependable:**

We find and create solutions that work well for children and their families. We build our reputation based on our professionalism, our dedication, our flexibility, and by always delivering what we promise.

### **We nurture strong, responsive and caring relationships:**

We build strong and productive partnerships with children, young people, parents, carers and communities so that we can listen and learn from one another.

### **We lead and support partnerships to meet the needs of children and families:**

We build strong and effective partnerships with our owning councils, other statutory services, schools, education providers, local businesses, as well as organisations in the voluntary and community sector.

### **We value and invest in our staff to deliver innovative and quality services:**

We know that our employees are our most important asset – they make our ambitions a reality. We recruit and retain the best people, value their experience and expertise, and support their professional development and personal growth.

### **We will work with our own councils to deliver the most effective solutions for them:**

We understand the requirements of each council that commissions us to deliver their children's services, and work closely with elected members and corporate leaders to help deliver their plans and priorities.

# 05

## OUR AMBITION

By 2024, Achieving for Children will be a strong and financially stable organisation. Children's services throughout England are facing unprecedented financial challenges, predominantly because of the need to support more children and an increase in the complexity and longevity of their needs.

This relates to services for children in need of help and protection, children in care and leaving care, unaccompanied asylum-seeking children, and children with special educational needs and disabilities. It is placing significant pressure on the three councils' revenue budgets and, in the case of support for children with special educational needs and disabilities in Kingston and Richmond, is building a substantial in-year and cumulative financial deficit because the allocated government grant is insufficient to meet the increasing need.

We will meet this challenge by having a relentless focus on outcomes for children and young people based on local needs and priorities. Delivering our vision to give children the best start in life and improve their life chances is not just a job for Achieving for Children, but is a shared responsibility with the wider public and voluntary sector. By 2024, Achieving for Children will be characterised by its strong and meaningful relationships with our partner organisations and our whole-system approach to improving services and outcomes for children and young people.

We will have strengthened relationships with parents and carers, and our service offer will be shaped by them and by the direct involvement of children and young people. The co-production of effective solutions to local priorities, including financial challenges, will be evident in our successful delivery of this business plan, as well as our response to emerging issues. We will have invested in integrated services and joint commissioning with our partners, bringing together our collective ideas, talent and resources to better meet the needs of children and young people, especially those with the most complex needs. This will most be evident in our delivery of children's health services where we will have strengthened our integrated health services for children with disabilities, and we will have expanded our offer to include health visiting and public health nursing in schools.

We will focus our early help services on building resilience in families so that they are better able to help, support and protect their children without the need for statutory interventions. Our services will consistently use reflective, collaborative and strengths-based approaches to working with the whole family so that parents are able to make positive and lasting changes to the care they provide to their children. This means maintaining strong universal services, such as youth services, and investing in targeted early help services based on evidence-based interventions that are proven to work in supporting sustained change in families.

Our services will be high quality. By 2024, our social care services will be judged to be outstanding by Ofsted in their inspection of local authority children's services or the subsequent inspection framework. Local area inspections of services for children and young people with special educational needs and disabilities and for youth justice services will also have positive outcomes, as will inspections of our health services by the Care Quality Commission. Most importantly, satisfaction with our services by children, young people and parents will also be high.

We will consistently get the basics right for families in terms of good quality assessments, plans, interventions and support packages that are regularly reviewed, and use evidence of what works coupled with effective risk management that supports children and young people to remain at home with their families as much as possible.

By 2024, we will have successfully invested in local provision so that children and young people can stay closer to their families and support networks, and benefit from our local offer of integrated education, health and care services. We will have met the increasing demand for school places and have maintained local choice for children and young people by working with government to create more free schools and by having permanently expanded good and outstanding local schools.

We will have invested in inclusive education so that more children and young people with special educational needs and disabilities can be educated in local mainstream schools. We will have also opened more local special schools with a specific focus on autistic spectrum conditions, speech, language and communication needs, and social, emotional and mental health needs. In the next four years, we will also have increased the number of foster care families, opened our own residential children's homes and increased our range of supported accommodation for care leavers, and we will have joined-up this support to provide holistic support to children in care and on the edge of care. All our services will be focused on promoting independence and developing the skills that young people will need in adulthood.

Achieving our vision for children and young people is reliant on a skilled, motivated and stable workforce. So, by 2024, we will be recognised as an employer of choice for professionals working with children and young people. We will have reduced the number of vacant posts and agency workers in our organisation, reduce our annual voluntary turnover, and increased our employee satisfaction rates to above 90%.

Our frontline employees will be able to spend the large majority of their time working directly with children and families because we have lean, streamlined business process and have invested in new technology and digital solutions that enables more agile and smarter working. This will include bringing in-house those support services that will enable us to provide better and more cost-efficient services for children and their families.

We will also be more commercial in our approach. We will have strengthened our commissioning practices to foster innovation and achieve higher quality services at a lower cost and we will have developed our residential care provision on a commercial basis enabling us to offer these services to the market and reinvest any surplus in our early intervention services to prevent children needing to come into care. This will be the focus for our commercial activity over the next four years, meaning that we will significantly scale-back our improvement consultancy offer to other local authorities and reduce our original plans to expand the company to five local authority members. However, we will remain open to opportunities to bring on board a partner local authority to work alongside our services in Windsor and Maidenhead.



# 06

## OUR STRATEGIC PRIORITIES TO 2024

Based on our vision and ambitions, we have identified six strategic priorities for our business plan for the next four years

Strategic priority	What we will achieve for children and young people?	Why is this important?
<b>Stronger families</b>	<p>We will have a relentless focus on safeguarding children and young people across all our services. The services we deliver will be high-quality and will protect and promote the wellbeing of children and young people by promoting family resilience.</p> <p>We will work collaboratively with our key partners to ensure we are able to realise the benefits of joint working to support our children, young people and families.</p>	<p>Ensuring children and young people are safe from harm is our core business. We want to build resilience in our families and communities so that they are better able to help, support and protect children without the need for statutory intervention.</p> <p>As part of this we want to ensure our relationships with key partners are strong and that our families really benefit from collaboration and joined-up working.</p>
<b>Positive futures</b>	<p>We will invest and work collaboratively to improve our local education, health and care offer to children and young people so that they have access to high quality services, are able to stay close to their families and friends, achieve well, and develop their skills for independence.</p>	<p>It is crucial that we provide the right support at the right time, this will enable us to help children and young people to develop their independence and prepare for adulthood. Putting in place local provision means children and young people can stay close to their families and essential support networks and they can benefit from our integrated services giving them the best chance for a positive future.</p>

208



Strategic priority	What we will achieve for children and young people?	Why is this important?
<b>Excellent workforce</b>	Our workforce will be experienced, talented, empowered and motivated to deliver the best possible services and outcomes for children and young people; we will invest in the recruitment, retention and development of our workforce and reward their achievements.	Feedback from children, young people and families always emphasises the importance of a consistent, skilled and motivated workforce. We want to make Achieving for Children a place where people want to come and work and a company that they are proud to tell their family and friends that they work for.
<b>Financial stability</b>	The services we deliver will provide excellent value for money and we are trusted by our commissioning councils to deliver the best possible services within the agreed contract price, including the efficient delivery of our financial savings plans.	Given the financial context, both nationally and locally, it is essential that we are focused on delivering efficient, cost-effective and financially sustainable services so we are able to support those most in need.
<b>Commercial success</b>	We will secure the sustainability of the community interest company through contract renewal, business development, fundraising and good growth, so that we are able to reinvest in the services we deliver directly to children and their families.	Greater commercial success will enable us to generate a profit to reinvest in our services thereby benefiting the children and young people that we support.
<b>Smarter working</b>	Our business processes will be efficient, cost-effective and supportive to frontline practitioners so that they are able to spend as much time as possible working directly with children, young people and their families to improve outcomes for them.	Better business processes, and effective use of new digital technologies, will allow our workforce to reduce the amount of time they spend on unnecessary paperwork and bureaucracy, freeing them up to spend more time with the children, young people and families we support.

209

# 07

## DELIVERING OUR STRATEGIC PRIORITIES IN 2020/21

### Achieving *more* for children across our whole organisation

Strategic priority	Priority project	Lead	How will know we have been successful in 2024?	What will we achieve by March 2022?
<b>Stronger families</b>	Implement a consistent practice framework for early help and children's social care services, including embedding Signs of Safety and the systemic family therapy model to promote a strengths-based approach that better supports families to make sustainable change and reduce risks to children and young people	Director of Children's Social Care	A strength-based practice framework will be established across all our services. External reviews and inspections of our services will consistently demonstrate the success of our practice in promoting resilience in families so that children are safe and well cared for. Ofsted will judge our children's services to be outstanding in their overall effectiveness.	The practice framework will be in place and implemented across all services. Internal reviews of practice will evidence that Signs of Safety and systemic approaches are embedded. Ofsted will judge services in Kingston to be at least 'Good' or Outstanding'.

Strategic priority	Priority project	Lead	How will know we have been successful in 2024?	What will we achieve by March 2022?
<b>Stronger families</b>	Ensure Achieving for Children is able to effectively respond to the challenges posed by the COVID-19 pandemic by continuing to keep our children and young people safe, ensuring our families feel supported, and helping our staff to adapt to new working arrangements.	Chief Operating Officer	The disruption to our services caused by COVID-19 will have been minimised by adopting a flexible and pragmatic approach to service delivery. Children, young people and families will have continued to receive high quality services, either face to face or virtually, and our staff will have felt supported throughout the pandemic. Our accommodation strategy will reflect new ways of working implemented during COVID-19 with a stronger focus on home working. There will be a strong understanding of the long-term impacts of the pandemic on our children, young people and families.	Service delivery will have returned to normal, with best practice identified during COVID-19 implemented that is communicating with children in care virtually. A new approach to working arrangements will be in place which recognises the potential for greater home working. There will be a better understanding of the immediate impact of COVID-19 on the services we deliver to children, young people and families.

Strategic priority	Priority project	Lead	How will know we have been successful in 2024?	What will we achieve by March 2022?
<b>Positive futures</b>	Continue to develop as a provider of residential support for children and young people in care and as a provider of supported accommodation for young people leaving care so that more young people are able to stay local and closer to their support networks.	Associate Director for Provider Services	90% of children and young people will be living locally in high quality care placements close to their friends and family and will be effectively support to full independence and adulthood.	We will have opened a new residential children's home and will have completed business cases for two new supported accommodation units for care leavers leading to 60% of children in care and young people leaving care being in local care placements.
	Strengthen compliance and the quality of services delivered by the independent fostering agency, so that it supports the recruitment, training, development and retention of foster carers, enables more children and young people to benefit from in-house family-based care.	Associate Director for Provider Services	Our IFA will be judged as outstanding by Ofsted. We will have increased our number of foster carers by 100 families so that more children and young people are able to benefit from family-based care.	Our IFA will be judged as good by Ofsted. We will have increased our total number of foster carers by 25 families.

Strategic priority	Priority project	Lead	How will know we have been successful in 2024?	What will we achieve by March 2022?
<b>Excellent workforce</b>	Strengthen the approach to recruitment and retention to attract experienced and well-qualified practitioners and managers, retain a permanent workforce, and reduce employee turnover and reliance on a higher-cost agency workforce.	Associate Director for Workforce	We will have a strong and stable workforce with a voluntary turnover rate below 15% and an agency staff rate below 10%. There will be clear career development pathways with more than 75% of our employees saying that Achieving for Children is a good place to work.	Our voluntary turnover rate will be 18% and our agency staff rate will be 16%. 60% of our employees say that Achieving for Children is a good place to work.
	Develop the organisational culture of the company, including redefining and embedding values, behaviours and ways of working that are focused on achieving the best possible support and services for children and young people.	Associate Director for Workforce	75% of employees say that they consistently experience our organisational values of trust, respect and empowerment from their senior leaders to their frontline colleagues. This has a positive impact on the children, young people and families that we support.	60% of employees say that they consistently experience trust, respect and empowerment within Achieving for Children.
<b>Financial stability</b>	Review and strengthen capacity and arrangements for commissioning, procurement and contract management, including the joint commissioning of services with the Clinical Commissioning Group (CCG), to achieve quality, value and improved outcomes for children, young people and their families.	Director of Commissioning and Partnerships	We will have a robust and comprehensive commissioning arrangements including effective joint commissioning with the CCG. Procurement and contract management has been strengthened across the organisation.	A new commissioning framework has been agreed with a focus on joint commissioning, supported by a skilled commissioning team.

Strategic priority	Priority project	Lead	How will know we have been successful in 2024?	What will we achieve by March 2022?
<b>Commercial success</b>	Develop and implement a commercial strategy for residential care that enables the company to provide additional placement capacity to the market with any income generated reinvested into local services for children in care and on the edge of care.	Associate Director for Provider Services	£600,000 is reinvested each year into local services for children in care and on the edge of care from the income generated from the commercial strategy for residential care.	£150,000 is reinvested into local services for children in care and on the edge of care from the income generated from the commercial strategy for residential care.
	Develop and implement a revised fundraising strategy that brings in grants and other income to support the delivery of innovative new services that promote positive outcomes for the most vulnerable children and young people.	Head of New Business	The company generates £1 million annually through fundraising for investment in prevention and early intervention activities for the most vulnerable children and young people.	The company generates £250,000 through fundraising for investment in prevention and early intervention activities for the most vulnerable children and young people.
	Develop and implement a more formalised approach to business development through a new Business Development Strategy and Business Development Plan.	Chief Operating and Finance Officer	The Business Development Strategy will be established and we will have successfully put programmes in place to improve impact on children and young people, reduce average cost, generate income and improve national reputation.	We have a clear process for approving business cases for priority business development areas with well established mechanisms for assessing viability of proposals. Construction is underway for a number of sufficiency programmes and we have successfully implemented our fostering strategy.
	Take opportunities to expand the company by finding a children's services partner for Windsor and Maidenhead that would enable service effectiveness, operational efficiency and resilience, and longer-term financial sustainability.	Chief Operating Officer	There is an integrated delivery model in Windsor and Maidenhead with services delivered in partnership with another local authority, delivering financial and operational efficiencies for both partners.	Potential partners have been identified and approached to ascertain their interest in exploring an integrated delivery model with services in Windsor and Maidenhead.

Strategic priority	Priority project	Lead	How will know we have been successful in 2024?	What will we achieve by March 2022?
<b>Smarter working</b>	Review and put in place strengthened arrangements for corporate support services so that the company has the services it needs to be efficient, effective and deliver excellent value for money.	Chief Operating Officer	The company benefits from effective and cost-efficient corporate support services. Employee satisfaction rates with support services are high because 98% of issues and incidents are successfully resolved within agreed timescales.	The service level agreements for ICT, legal services and health and safety have been revised and HR services have been brought in-house delivering £350,000 in efficiency savings. 94% of issues and incidents are successfully resolved within agreed timescales.
	Implement digital strategies and solutions to improve the operational efficiency of frontline and corporate support services, maximising the time available to practitioners for working directly with children and young people.	Head of Business Support and Digital Transformation	Achieving for Children is a lean and efficient organisation; 100% of routine tasks, such as booking appointments, have been digitised.	The digital transformation strategy has been implemented leading to the digitisation of at least 60% of routine business support tasks.

# Achieving *more* for children in Kingston

Strategic priority	Priority project	Lead	How will know we have been successful in 2024?	What will we achieve by March 2022?
<b>Stronger families</b>  216	Embed the strengthened approach to the quality assurance of frontline services so that they continue to effectively safeguard children and young people and promote their wellbeing and achievement. This will include strengthening the multi-agency focus on quality assuring EHCPs for children and young people with SEND.	Associate Director for Quality Assurance and Review	Quality assurance practice informs the continual development of our services so that they are relevant and responsive to changing local needs. 90% of casework is judged to be good or better as part of our quality assurance of practice in early help, children's social care, health services and support for children with SEND. Quality assurance processes identify that the education, health and social care contributions to the plans for children with SEND are completed within statutory timescales and to a high standard. Positive feedback from parents, children and young people reflects this multi-agency approach.	Permanent appointments have been made to increase capacity for quality assurance in both operational areas. A revised quality assurance framework is in place following feedback from recent inspections. 75% of casework is judged to be 'Good' or better. The strengthened multi-agency focus on EHCPs results in an improvement in the quality as evidenced through audits.
	Implement the revised early help strategy and partnership offer, operationalising the early help resilience networks in 2021 with a focus on developing a partnership and community led approach to early help that supports and strengthens families at the earliest opportunity, so that they can protect and meet the needs of their children without the need for higher tier services or social work intervention.	Associate Director for Early Help	We have a strong partnership-focused early help offer that provides coherent and coordinated support to families from the right service at the earliest opportunity, led by the early help resilience networks. Universal services and targeted early help services are effective at reducing the need for statutory interventions meaning that there has been a 20% reduction in child protection planning and the number of children coming into care.	The early help resilience networks are operating effectively with strong attendance from across partner agencies and, as a result, there has been an increase in partnership led early help assessments. The networks are also supporting the creation of new practice and partnership innovation including the development of targeted youth work responses for adolescents and the enhancement of community led responses to contextual safeguarding. There has been a 5% reduction in child protection planning and the number of children in care.



Strategic priority	Priority project	Lead	How will know we have been successful in 2024?	What will we achieve by March 2022?
<b>Positive futures</b>	Review and reconfigure the future delivery of health services, establishing an operating model that promotes high quality and integrated services that support children and young people to maximise their independence, resilience and health outcomes.	Associate Director for Health Services	Public health nursing services are integrated with other children's services providing effective universal child health services and improved support for children and young people with more complex health and wellbeing needs, thereby reducing the need for more intensive interventions such as EHC planning.	A First 1,000 Days service has been implemented, bringing together public sector and voluntary sector organisations to improve outcomes of young children aged 0 to 3 years and reduce the longer-term need for statutory services and support.
	Deliver the SEND Futures Plan to transform the experience of children and young people with SEND and their families, so that local, high-quality education, health and social care provision meets needs and promotes independence for all children and young people with SEND within the resources available in the Dedicated Schools Grant (DSG) and pooled budgets with the Clinical Commissioning Group (CCG). This will include ensuring intervention activity in mainstream provision effectively supports children and young people who are on the SEN support register.	SEND Programme Director	The needs of most children and young people with SEND are met at the earliest stage in mainstream schools without the need for an EHCP. 75% of children and young people with a plan are educated in local mainstream and special schools with much reduced reliance on independent and non-maintained school provision outside of the borough. The educational needs of children and young people with SEND are met within the funding provided in the Dedicated Schools Grant.	There are fewer than 1,275 EHCPs. 60% of children and young people with a plan are educated in local mainstream and special schools. The plan leads to cost avoidance and mitigations of £2.5m per plan year.

Strategic priority	Priority project	Lead	How will know we have been successful in 2024?	What will we achieve by March 2022?
<b>Positive futures</b>	Work with the CCG and other partners to implement the Written Statement of Action for SEND so that services are high quality and respond better to the needs, views and ambitions of children, young people and their families.	Associate Director for SEND	Services for children and young people with special educational needs and disabilities are consistently high quality with 75% of parents and carers rating services as 'Good' or better.	The re-inspection of local area SEND services by Ofsted and the Care Quality Commission judges that sufficient progress has been made in implementing the Written Statement of Action and that the overall quality of services has improved. 60% of parents and carers rate services as good or better.
	Improve the provision of occupational therapy, speech and language therapy, and physiotherapy through the implementation of recommendations identified in the review of therapies across Achieving for Children, the CCG and key partners.	Associate Director for SEND	There is an enhanced local therapies offer which is more accessible and more responsive to growing demand. 75% of parents and carers rate therapies as 'Good' or better. The revised staffing model impacts positively on the recruitment and retention of therapists and develops wider expertise across the whole SEND workforce.	25% of recommendations identified in the therapies review are implemented.
	Work with adult care and housing providers to improve pathway and transition planning for young people with SEND so that services and support are in place to meet their needs, promote independence and enable a positive experience of early adulthood.	Associate Director for SEND	All young people with SEND have an effective transition plan in place by age 15 that plans for their independence and maximises their opportunities for a positive experience of early adulthood, including planning for their transition to adult social care services where needed.	A revised transitions protocol has been agreed between Achieving for Children and adult social care services and is embedded across SEND and leaving care services.

Strategic priority	Priority project	Lead	How will know we have been successful in 2024?	What will we achieve by March 2022?
<b>Positive futures</b>	Expand vocational learning opportunities for young people through the development of work experience, traineeships and apprenticeships (particularly for those leaving care or with SEND) to support them to gain meaningful employment.	Associate Director for Workforce	98% of young people are in meaningful education, employment and training due to the availability of more vocational learning opportunities. There has been a 100% increase in the number of young people completing traineeships or apprenticeships.	92% of young people are in education, employment and training. There has been a 25% increase in the number of young people completing traineeships or apprenticeships.
	Develop and implement a mental health strategy that outlines responsibilities for Achieving for Children, CCG and partner organisations, with clear pathways and thresholds that are easily understood by families and that effectively meet the mental health needs of children and young people in universal and more targeted provision.	Associate Director for Emotional Health	Children and young people are easily able to access high quality mental health services that have a strong focus on early intervention and prevent issues escalating to higher levels of need. 75% of families will rate mental health services as good or better.	The review of current mental health provision at the universal level and tier 2 and tier 3 is complete with a clear action plan in place for implementing identified recommendations.

Strategic priority	Priority project	Lead	How will know we have been successful in 2024?	What will we achieve by March 2022?
Smarter working	Develop and implement a local engagement strategy and service that strengthens relationships with children, young people and families so that their views, wishes and ambitions shape the delivery of high quality, relevant and responsive services that offer the best value for money.	Director of Commissioning and Partnerships	Collaboration and involvement is the organisational culture within Achieving for Children. Our whole workforce (supported by a specialist participation team) routinely engages with parents, carers, children and young people to ensure that our services are relevant, responsive, focused on local needs and deliver maximum value for money.	A new engagement strategy is developed in collaboration with parents, carers, children and young people. A central participation function is in place to create capacity to improve involvement and collaboration. Five collaborative activities have been completed in significant service areas agreed with parents, carers, children and young people.
	Develop and implement a new approach to partnership working that marshalls the skills, capacity, resources and creativity of the whole community to better identify and meet the changing needs of children and young people.	Director of Commissioning and Partnerships	Achieving for Children is recognised as an excellent partner that champions the needs of children, young people and families as part of local strategic partnerships and by actively contributing to the wider corporate priorities of the council.	Achieving for Children makes a positive contribution to local strategic partnerships through active involvement and leadership.

220

The priorities in our plan for Kingston are aligned with the Corporate Plan for 2019 to 2023: Making Kingston better, together - in particular strategic outcome 3: Healthy, independent and resilient residents, with effective support to those who need it most.

# Achieving *more* for children in Richmond

Strategic priority	Priority project	Lead	How will know we have been successful in 2024?	What will we achieve by March 2022?
<b>Stronger families</b>  221	Embed the strengthened approach to the quality assurance of frontline services so that they continue to effectively safeguard children and young people and promote their wellbeing and achievement. This will include strengthening the multi-agency focus on quality assuring EHCPs for children and young people with SEND.	Associate Director for Quality Assurance and Review	Quality assurance practice informs the continual development of our services so that they are relevant and responsive to changing local needs. 90% of casework is judged to be good or better as part of our quality assurance of practice in early help, children’s social care, health services and support for children with SEND. Quality assurance processes identify that the education, health and social care contributions to the plans for children with SEND are completed within statutory timescales and to a high standard. Positive feedback from parents, children and young people reflects this multi-agency approach.	Permanent appointments have been made to increase capacity for quality assurance in both operational areas. A revised quality assurance framework is in place following feedback from recent inspections. 75% of casework is judged to be ‘Good’ or better. The strengthened multi-agency focus on EHCPs results in an improvement in the quality as evidenced through audits.
	Implement the revised early help strategy and partnership offer, operationalising the early help resilience networks in 2021 with a focus on developing a partnership and community led approach to early help that supports and strengthens families at the earliest opportunity, so that they can protect and meet the needs of their children without the need for higher-tier services or social work intervention.	Associate Director for Early Help	We have a strong partnership-focused early help offer that provides coherent and coordinated support to families from the right service at the earliest opportunity, led by the early help resilience networks. Universal services and targeted early help services are effective at reducing the need for statutory interventions meaning that there has been a 20% reduction in child protection planning and the number of children coming into care.	The early help resilience networks are operating effectively with strong attendance from across partner agencies and, as a result, there has been an increase in partnership led early help assessments. The networks are also supporting the creation of new practice and partnership innovation including the development of targeted youth work responses for adolescents and the enhancement of community led responses to contextual safeguarding. There has been a 5% reduction in child protection planning and the number of children in care.

Strategic priority	Priority project	Lead	How will know we have been successful in 2024?	What will we achieve by March 2022?
<b>Positive futures</b>	Review and reconfigure the future delivery of health services, establishing an operating model that promotes high quality and integrated services that support children and young people to maximise their independence, resilience and health outcomes.	Associate Director for Health Services	There is an integrated health service for children with disabilities in Richmond that complements the service in Kingston. Public health nursing services are integrated with other children’s services providing effective universal child health services and improved support for children and young people with more complex health and wellbeing needs, thereby reducing the need for more intensive interventions such as EHC planning.	Business cases have been developed for an integrated health service for children with disabilities and a First 1,000 Days service to bring together public sector and voluntary sector organisations to improve outcomes of young children aged 0 to 3 years and reduce the longer-term need for statutory services and support.
	Deliver the SEND Futures Plan to transform the experience of children and young people with SEND and their families, so that local, high-quality education, health and social care provision meets needs and promotes independence for all children and young people with SEND, whilst also delivering good value for money.	SEND Programme Director	The needs of most children and young people with SEND are met at the earliest stage in mainstream schools without the need for an education, health and care plan. 75% of children and young people with a plan are educated in local mainstream and special schools with much reduced reliance on independent and non-maintained school provision outside of the borough. The educational needs of children and young people with SEND are met within the funding provided in the Dedicated Schools Grant.	There are fewer than 1,646 education, health and care plans. 60% of children and young people with a plan are educated in local mainstream and special schools. The plan leaves to cost avoidance and mitigations of £2m per year.

Strategic priority	Priority project	Lead	How will know we have been successful in 2024?	What will we achieve by March 2022?
<b>Positive futures</b>	Develop a self-evaluation of SEND services and an accompanying action plan to ensure that services are high quality and respond to the needs, views and ambitions of children, young people and their families, and that this is recognised in the local area SEND inspection.	Associate Director for SEND	Services for children and young people with special educational needs and disabilities are consistently high quality with 75% of parents and carers rating services as 'Good' or better.	The inspection of local area SEND services by Ofsted and the Care Quality Commission judges them to be effective. 60% of parents and carers rate services as 'Good' or better.
	Improve the provision of occupational therapy, speech and language therapy, and physiotherapy through the implementation of recommendations identified in the review of therapies across Achieving for Children, the CCG and key partners.	Associate Director for SEND	There is an enhanced local therapies offer which is more accessible and more responsive to growing demand. 75% of parents and carers rate therapies as good or better. The revised staffing model impacts positively on the recruitment and retention of therapists and develops wider expertise across the whole SEND workforce.	25% of recommendations identified in the therapies review are implemented.
	Work with adult care and housing providers to improve pathway and transition planning for young people with SEND so that services and support are in place to meet their needs, promote independence and enable a positive experience of early adulthood.	Associate Director for SEND	All young people with SEND have an effective transition plan in place by age 15 that plans for their independence and maximises their opportunities for a positive experience of early adulthood, including planning for their transition to adult social care services where needed.	A revised transitions protocol has been agreed between Achieving for Children and adult social care services and is embedded across SEND and leaving care services.

Strategic priority	Priority project	Lead	How will know we have been successful in 2024?	What will we achieve by March 2022?
<b>Positive futures</b>	Develop a high quality, in-borough alternative education provision for children and young people who find it difficult to access mainstream education to enable them to reach their potential in the education environment most suited to their needs.	Director for Education Services	Children and young people who find it difficult to access mainstream education are provided with a safe, supportive and stimulating environment where they are encouraged to have high expectations and to take responsibility for their learning and their school community. Success will be measured not just through academic performance but through the children and young people developing positive relationships, self-confidence, resilience, and creativity.	A model of alternative provision has been agreed with schools, and a long term site considered for development by September 2020.
	Expand vocational learning opportunities for young people through the development of work experience, traineeships and apprenticeships (particularly for those leaving care or with SEND) to support them to gain meaningful employment.	Associate Director for Workforce	98% of young people are in meaningful education, employment and training due to the availability of more vocational learning opportunities. There has been a 100% increase in the number of young people completing traineeships or apprenticeships.	92% of young people are in education, employment and training. There has been a 25% increase in the number of young people completing traineeships or apprenticeships.
	Develop and implement a mental health strategy that outlines responsibilities for Achieving for Children, CCG and partner organisations with clear pathways and thresholds that are easily understood by families and that effectively meet the mental health needs of children and young people in universal and more targeted provision.	Associate Director for Emotional Health	Children and young people are easily able to access high quality mental health services that have a strong focus on early intervention and prevent issues escalating to the higher levels of need. 75% of families will rate mental health services as good or better.	The review of current mental health provision at the universal level and tier 2 and tier 3 is complete with a clear action plan in place for implementing identified recommendations.



Strategic priority	Priority project	Lead	How will know we have been successful in 2024?	What will we achieve by March 2022?
<b>Smarter working</b>	Review and reconfigure the future delivery of health services, establishing an operating model that promotes high quality and integrated services that support children and young people to maximise their independence, resilience and health outcomes.	Associate Director for Health Services	There is an integrated health service for children with disabilities in Richmond that complements the service in Kingston. Public health nursing services are integrated with other children's services providing effective universal child health services and improved support for children and young people with more complex health and wellbeing needs, thereby reducing the need for more intensive interventions such as EHC planning.	Business cases have been developed for an integrated health service for children with disabilities and a First 1,000 Days service to bring together public sector and voluntary sector organisations to improve outcomes of young children aged 0 to 3 years and reduce the longer-term need for statutory services and support.
	Develop and implement a local engagement strategy and service that strengthens relationships with children, young people and families so that their views, wishes and ambitions shape the delivery of high quality, relevant and responsive services that offer the best value for money.	Director of Commissioning and Partnerships	Collaboration and involvement is the organisational culture within Achieving for Children. Our whole workforce (supported by a specialist participation team) routinely engages with parents, carers, children and young people to ensure that our services are relevant, responsive, focused on local needs and deliver maximum value for money.	A new engagement strategy is developed in collaboration with parents, carers, children and young people. A central participation function is in place to create capacity to improve involvement and collaboration. Five collaborative activities have been completed in significant service areas agreed with parents, carers, children and young people.

The priorities in our plan for Richmond are aligned with the Corporate Plan for 2018 to 2022: Standing up for Richmond residents - in particular the strategic outcome 4: a borough for everyone.

# Achieving *more* for children in Windsor and Maidenhead

Strategic priority	Priority project	Lead	How will know we have been successful in 2024?	What will we achieve by March 2022?
<b>Stronger families</b>	Embed the strengthened approach to the quality assurance of frontline services so that they continue to effectively safeguard children and young people and promote their wellbeing and achievement. This will include strengthening the multi-agency focus on quality assuring EHCPs for children and young people with SEND.	Head of Quality Assurance and Principal Social Worker	Quality assurance practice informs the continual development of our services so that they are relevant and responsive to changing local needs. 90% of casework is judged to be 'Good' or better as part of our quality assurance of practice in early help, children's social care, health services and support for children with SEND.	Permanent appointments have been made to increase capacity for quality assurance in both operational areas. A revised quality assurance framework is in place following feedback from recent inspections. 75% of casework is judged to be 'Good' or better.

Strategic priority	Priority project	Lead	How will know we have been successful in 2024?	What will we achieve by March 2022?
<b>Positive futures</b>	Develop resources to support assessment and early intervention in mainstream early years settings, schools and colleges so that they are equipped to meet the needs of children and young people with SEND who are below the threshold for an education, health and care plan.	Service Leader - Education and School	All mainstream early years settings, schools and colleges are observed to confidently and effectively support children and young people with SEND who are below the threshold for an EHCP. An inclusion charter mark has been developed to formalise engagement in this scheme.	Resources to support assessment and early intervention have been developed and put in place. 80% of mainstream early years settings, schools and colleges are observed to confidently and effectively support children and young people with SEND who are below the threshold for an EHCP.
	Work with the clinical commissioning group and other partners to implement the Written Statement of Action for SEND so that services are high quality and respond better to the needs, views and ambitions of children, young people and their families.	Service Leader - Education and School	Services for children and young people with special educational needs and disabilities are consistently high quality with 75% of parents and carers rating services as 'Good' or better.	Monitoring of local area SEND services by the Department for Education judge that services are effective and continue to improve. 60% of parents and carers rate services as 'Good' or better.
	Develop alternative education provision to better support the educational progress, achievement and wellbeing of children and young people with challenging behaviours who have been permanently excluded or are at risk of exclusion from school.	Service Leader - Education and School	New alternative education provision has been developed to support the needs of 36 children and young people with challenging behaviours leading to improved educational progress, attainment and outcomes (no young people are currently excluded from primary school).	The local service is judged 'Good' or better by Ofsted. 12 alternative education places are available. The permanent exclusion rate has reduced by 10%.
	Work with adult care and housing providers to improve pathway and transition planning for young people with SEND so that services and support are in place to meet their needs, promote independence and enable a positive experience of early adulthood.	Schools Leadership Development Manager	All young people with SEND have an effective transition plan in place by age 15 that plans for their independence and maximises their opportunities for a positive experience of early adulthood, including planning for their transition to adult social care services where needed.	A revised transitions protocol has been agreed between Achieving for Children and adult social care services and is embedded across SEND and leaving care services.



Strategic priority	Priority project	Lead	How will know we have been successful in 2024?	What will we achieve by March 2022?
<b>Smarter working</b>	Develop and implement a local engagement strategy and service that strengthens relationships with children, young people and families so that their views, wishes and ambitions shape the delivery of high quality, relevant and responsive services that offer the best value for money.	Service Leader - Education and School	All mainstream early years settings, schools and colleges are observed to confidently and effectively support children and young people with SEND who are below the threshold for an EHCP.	Resources to support assessment and early intervention have been developed and put in place. 80% of mainstream early years settings, schools and colleges are observed to confidently and effectively support children and young people with SEND who are below the threshold for an EHCP.
	Develop and implement a new approach to partnership working that marshalls the skills, capacity, resources and creativity of the whole community to better identify and meet the changing needs of children and young people.	Director of Children's Services	Collaboration and involvement is the organisational culture within Achieving for Children. Our whole workforce (supported by a specialist participation team) routinely engages with parents, carers, children and young people to ensure that our services are relevant, responsive, focused on local needs and deliver maximum value for money.	A new engagement strategy is developed in collaboration with parents, carers, children and young people. A central participation function is in place to create capacity to improve involvement and collaboration. Five collaborative activities have been completed in significant service areas agreed with parents, carers, children and young people.
	Specify, procure and implement a new case management system to replace the existing PARIS system that is used across children's services with the aim of improving consistency of practice, reducing the administrative burden on staff, automating much of the standard reporting needs and enabling more effective collaboration with partners, families and children.	Director of Children's Services	The new case management system is in place and is operating effectively across all areas of the service. Families, children and other partners contribute to the system electronically, improving the knowledge of a given child, with data migration and staff training programmes underway.	Following a successful business case, approved by AfC and Windsor and Maidenhead, the migration of the data to the new system is complete and core social work processes are live on the new system. Statutory data reports for social care are reliable and run automatically.

The priorities in our plan for Windsor and Maidenhead are aligned with the Interim Strategy for 2020/21 and will align with the new Corporate Plan due to be finalised in April 2021.

# 08

## OUR FINANCIAL PLAN

230

Achieving for Children's Medium Term Financial Strategy focuses on achieving financial sustainability over the business plan period and explains how the business plan programmes and business development strategy will help achieve financial sustainability. In setting the medium term budget, we have focused on making informed recommendations that align with our commissioning councils' affordability objectives as well as making best use of available funds to achieve the best outcomes for children and young people.

The six business plan principles align with the organisation's financial objectives through the promotion of family resilience, maximising independence into adulthood through supporting young people to meet their full potential, investment in local borough resources and focusing on efficient business processes and commissioning.

The organisation will be following three overarching financial principles over the coming years.

### **Achieving value for money**

All three of Achieving for Children's commissioning councils have historically received relatively low levels of funding for council services and as a result, services must be delivered at a lower than average cost. Achieving for Children delivers good quality services for a relatively low cost across general fund services. Education services that are funded by the Dedicated Schools Grant are delivered at average cost and the organisation is working proactively towards improving services in line with inspection findings. The programmes detailed in this programme facilitate the improved use of resources.



## Maximise resources available to frontline services

Achieving for Children regularly reviews budgets to ensure that resources available to frontline services are maximised and there is a sufficient balance to ensure that frontline services have the infrastructure to ensure they can continue to support children and families.

The following four aspects are important in achieving this objective.

- Adequate needs-led budget growth and achievement of savings
- Maximise income generation
- Periodic review of emerging priority areas
- Business plan programmes must facilitate the effective use of resources

## 231 Shared budget responsibility

Achieving for Children operates a culture of shared budget responsibility with all staff being responsible for ensuring that every pound spent is maximising positive outcomes for children and young people and is in line with budget control processes. Each of the programmes identified in this business plan will have a project sponsor as well as project management and finance support. Progress against the plan and on the associated spend and savings implications will be monitored on an ongoing basis with the relevant leadership team having overarching oversight.

The financial implications, in terms of spend and savings will be carefully monitored over the plan period. It is clear that the coming years will be financially challenging for Achieving for Children given the ongoing pressure on wider public sector budgets and national increases in levels of need for children's services. It is of paramount importance that the organisation continues to work with commissioning partners to ensure a mutual understanding of existing and emerging pressures and reaches agreement on the level of funding available and how that funding should be prioritised to achieve the best possible outcomes for the children and young people we support.





**achieving  
for children**





Champions for children and families

## **Business Development Strategy**

### **1. Purpose of strategy**

The Achieving for Children (AfC) Business Development Strategy outlines the organisation's objective to grow as a specialist children's services provider over the next five years. It outlines a structured approach to identifying, evaluating and agreeing which opportunities are right for AfC and our owning councils.

At the heart of the strategy is an ambition to improve the lives of children and young people by providing affordable and outstanding children's services support to the young people of Richmond, Kingston and Windsor & Maidenhead. Services may be extended to other organisations supporting children outside of our three AfC boroughs where there are clear ethical, financial or developmental benefits.

This strategy complements the main AfC Business Plan and the priority areas for further work and development will be key themes within the overarching five year Business Plan.

### **2. Context**

There are a number of key contextual factors that have influenced the direction for this strategy as follows:

#### **➤ Financial context**

AfC delivers children's services that are principally funded through local government, education and health funding. It is well documented that there are funding pressures across all three of these sectors with there being an ongoing focus on delivering services with less money. This strategy will prioritise increasing the affordability of services for our three AfC boroughs through both improvements in unit cost efficiency as well as income generation. It is recognised that most organisations who are responsible for supporting children and young people are focusing resources on essential and statutory services only

and this will need to be reflected if AfC looks to market services externally. The impact of BREXIT on the national and local finances is also still unknown but it could lead to an increase in levels of need and associated cost coupled with further funding pressures.

➤ **Market Environment**

There are two key elements to the children's services market.

The first area relates to direct provision of care / support placements. National demand for placements has outstripped supply for a number of years now and this has driven up the price that organisations who support children pay across the country. This area of the market is highly regulated but there is a clear opportunity to look at how local assets can be used to drive down ongoing revenue costs for our three local authorities as well as a need to maximise income where local places can not be used for our AfC borough children.

The second area relates to the provision of consultancy and advice services. AfC are already actively engaging in this market with activity underway to support local schools as well as other local authority partners. More recently the scope to generate income through social care consultancy services has reduced as most local authorities who require improvement to their services can access support for free through the Partners in Practice programme run by the Department for Education. AfC provides some of this support on behalf of the DfE as part of a grant funded programme. There is an emerging market for digital advisory services and AfC is recognised and actively involved in this area.

➤ **Covid Context**

Covid has changed the way in which most organisations work and deliver services. It has brought into sharp focus the importance of risk management, continuity planning and having an organisation that has the digital infrastructure and competence to adapt to different ways of delivering services. The development of digital competence has been an area of focus in AfC for a number of years and we are now well placed to build on this knowledge base. Covid has also broadened the geographical market place as it is now generally accepted that a lot of support can be delivered virtually.

➤ **Demography and Need**

The need for children's services has been rising across the country as well as in our local boroughs. Most local authorities have seen a rise in the number of young people requiring social care and early help support as well as a rise in the number of young people requiring additional support with their education in the past five years. This rise has meant that the infrastructure to support young people via social care, health and education provision has become stretched and the creation of local, affordable options is key to controlling costs and supporting young people to avoid escalation in need where possible. This strategy

aims to maximise AfCs placement options and improve ability to shape the local market and control cost.

➤ **Corporate priorities**

AfCs core operational objective remains the provision of high quality and affordable children's services for our three AfC borough areas. This strategy seeks to explore how the development of AfCs core business can assist in the successful delivery of children's services. AfC will need to work closely with our three owning councils in developing proposals to ensure that there remains alignment between the four organisations' corporate priorities. The annual Business Plan refresh and approval process ensures there is dedicated time to focus on aligning objectives across the group at least once a year.

### 3. Children's Services Market Insight and Opportunities

This strategy looks at opportunities for AfC to further develop into the children's provider market space. AfC are well placed to assess the opportunities and difficulties in the market as at present we both deliver children's services and also commission services from external providers. This strategy looks at opportunities for AfC to further develop its provider arm and it is important that this activity is informed by our information about local needs as well as independent market insights.

Laing Buisson publishes a Children's Services UK Market Report each year. The press release for the June 2019 addition summarises the children's social care market as follows:

*"As of 31 March 2018, LaingBuisson estimates that 95,855 children were being looked after in care in the UK. This represents growth of 9% in the past 5 years, and 28% in the past 10, with many children and young people presenting with complex and multi-layered needs. This increase in demand came at a time when local authorities were asked by central government to constrain budgets to reduce public sector debt, meaning that increases in spending to meet rising children's care and special education demand have come at the expense of other services for children and young people, and other council services.*

*The main sectors of children's and young people's services in which the independent sector is active are special education, residential care and fostering. In March 2019, there were 499 special schools and 106 special colleges operated by the independent sector in England, and an average of 20-25 new school developments have been registered in both 2018 and 2017. The main driver for this is the prevalence of children with EHC (Education, Health and Care) Plans or Statements, estimated at 2.9% of pupils in England as of January 2018. Children's care providers have also responded to the growing need for joined up care, therapy and education.*

*The number of children in foster care has risen by 8% in the past five years. One-third are placed by independent fostering agencies. The Government has plans to get local authorities and the independent sector working collaboratively to ensure sufficient high-quality fostering placements, for example by providing seed funding for joint recruitment drives.*

*The rise in the number of children cared for in residential settings is even sharper, at almost 17% in the past five years for the UK. Within this sector of the market, the independent sector is sought out for innovation and new development and plays an important role in providing specialised services in the right type of setting for more vulnerable children with complex needs. One-third are placed by independent fostering agencies. The Government has plans to get local authorities and the independent sector working collaboratively to ensure sufficient high-quality fostering placements, for example by providing seed funding for joint recruitment drives.*

*The rise in the number of children cared for in residential settings is even sharper, at almost 17% in the past five years for the UK. Within this sector of the market, the independent sector is sought out for innovation and new development and plays an important role in providing specialised services in the right type of setting for more vulnerable children with complex needs.”*

*(direct quote from - Laingbuisson 14th June 2019, [https://www.laingbuisson.com/wp-content/uploads/2019/06/Children%E2%80%99s-Services-UK-Market-Report-Press-Release\\_June-14-2019.pdf](https://www.laingbuisson.com/wp-content/uploads/2019/06/Children%E2%80%99s-Services-UK-Market-Report-Press-Release_June-14-2019.pdf))*

Across Richmond, Kingston and Windsor & Maidenhead there has been increasing local need for foster care, residential and SEND placements. Over time the amount spent on procuring these placements has increased due to volume and complexity of placement as well as a clear excess of demand over supply regionally and nationally. The AfC Sufficiency strategy evaluates current and future levels of need and makes recommendations about how AfC can work in partnership with the three owning councils and other partners to develop local provision as a mechanism to manage costs.

In addition to the placement sufficiency opportunities, Covid 19 has brought opportunities around digital development in children's services to the fore. AfC was already active in this market pre-covid and Covid has increased opportunities for AfC to bid for grant funding to further develop internal digital competence which can be used to develop AfC practice and also provides opportunity to market digital innovation to other children's services providers. AfC has been successful in bidding for a DfE grant of £250,000 to support this activity in 2020/21.

Conversely the market opportunities for children's services improvement consultancy services has become more limited since AfC was first established in 2014. Most local authorities requiring help can access free consultancy advice through the DfE Partners in Practice programme. This has limited the potential for significant external consultancy income but AfC is a recognised DfE Partner in Practice and continues to deliver and fund consultancy advice through the programme.

#### **4. Strategic Vision**

The AfC vision, as outlined in the Business Plan, is to provide children and their families with the support and services they need to live safe, happy, healthy and successful lives. As an organisation we plan to embark on proactive business development to facilitate the achievement of this objective.

AfC plans to be a key player in developing innovative children's services approaches and will develop services and competency to:

- Develop cost effective approaches to support children and young people with a particular focus on more affordable, high quality, local placement options
- Innovate to improve services and support children to achieve better outcomes. We will be pioneers in the digital development space with a focus on improving efficiency and using technology to better engage with young people and partners

#### **5. Key Business Development Principles**

It is important that AfC harnesses business development opportunities that will support the organisation to achieve its core strategic objectives. Business development should not distract from the primary priority of supporting our AfC borough children in the most effective and affordable way. All opportunities will be evaluated against the following key principles to ensure we only embark on 'good' growth.

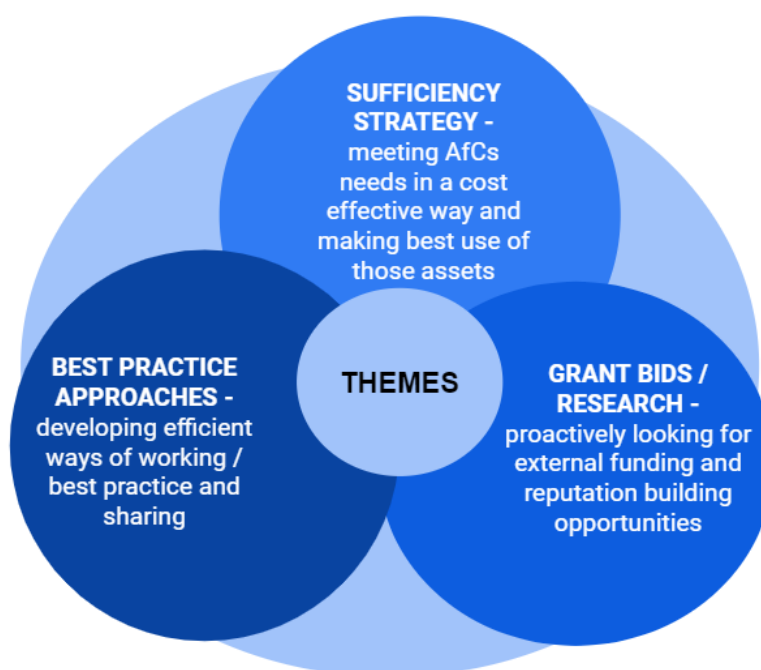
- Opportunities must align with AfCs strategic objectives, ethos and Business Plan.
- Programmes should provide an opportunity to improve the lives and outcomes of children and young people.
- Programmes should have the potential to improve services or reduce the net cost of services through income generation / cost avoidance / efficiency.
- Programmes should be based on AfCs areas of strength and what we are already

doing well.

- Programmes should not put the organisation at undue reputational risk.
- Programmes should prioritise positive impact on AfCs three borough services and develop internal capability. They should not divert significant resources away from service delivery in the three AfC boroughs without appropriate contingencies / backfill.
- External charging should be undertaken on a full cost recovery plus profit model.

## 6. Development Areas

AfC will seek to develop under three overarching themes:



**SUFFICIENCY STRATEGY-** These projects should emerge from the Sufficiency Strategy and look to address growing business placement and support needs in a cost effective way. AfC will develop more local provision (education, social care, health) and maximise use of this provision. This will improve the quality of local provision and reduce the cost of supporting AfC children. Where there is surplus capacity / a mismatch of short term need to provision, vacancy rates will be managed by selling to other boroughs using a cost plus profit margin model.

**BEST PRACTICE APPROACHES** - Development of internal best practice that can be scaled up and used to generate income. These projects provide an opportunity to improve local services, generate income as well as contribute to a wider social good.

**GRANTS / RESEARCH** - AfC is uniquely positioned to undertake research across three LA areas which puts it in a good position to bid for funding and research grants. This activity not only provides an opportunity to access money for AfC projects and initiatives but also provides an evidence base for developing best practice approaches which can be scaled up to generate income in the future. AfC is also well known as a Partner in Practice and for successfully bidding for grant income to trial / develop innovative practice.

## 7. Identifying development areas

All staff will be encouraged to identify new development areas and will be supported by key Business Services staff in developing those ideas to a concept that can be evaluated via a tollgate process. The following methods of identifying ideas will be key:

- Digital Strategy and Digital Innovation Group
- Recommendations of key strategies and reviews e.g. Sufficiency Strategy
- Proactive staff innovation events throughout the year to encourage staff at all levels and disciplines to identify and submit ideas
- Periodic evaluation of feedback from service users, review of data and quality assurance audits to understand what works and what needs improving
- Rolling programme of Business Process Re-engineering
- Annual evaluation of progress and new market opportunities

## 8. Programme evaluation

Decisions about the development areas should be based on sound business cases that consider staff capacity, resourcing, market viability, impact on the organisation and financial benefit. Business cases will be supported by reliable data and needs assessment.

Ideas will go through a formalised tollgate evaluation process that will be commensurate with the level of investment, risk and reward potential for the programme. This will:

- Provide a fair, transparent, consistent and reliable approach to evaluating proposals
- Ensure that evaluation resource is used effectively with unviable ideas not progressed through an early tollgate
- Ensure a quality of business case that considers all relevant factors and involves staff with relevant skills
- Provide a structured approach to evaluation and decision making and ensure that decisions are made by the appropriate staff / governance body including where relevant the council committees

Ideas will progress through three tollgates as follows:



AfC will seek to engage with relevant stakeholders and partners when considering development areas and also as part of the decision making process. The following key stakeholders will be critical to the process:

Stakeholder	Input
Children, young people and families	We will engage with children in young people to inform how we develop services and to ensure that they remain aligned to need and reflect what works
Staff and leadership teams	We will seek ideas from staff across AfC as they are best placed to identify opportunities and have first hand knowledge about what makes a difference to the lives of young people
AfC Board	The AfC Board will be part of the evaluation process and have oversight of the overall strategy to ensure that plans remain in line with strategic direction and risk management expectations. The Board will also be a key source of ideas and market intelligence.
Councils	We will work closely with the councils to ensure that development opportunities align with council ownership priorities. The councils will also be critical in the development of proposals and decisions that require capital investment or invest to save.
Department for Education and other grant giving bodies	AfC is a Partner in Practice and the DfE are a key source of information and advice in terms of market need, upcoming funding / innovation opportunities and national priority areas for innovation.



## **9. Business Development Plan**

The Business Development Plan will outline specific areas that will be evaluated and where appropriate developed over the next five years. The most significant projects will also feature as priorities within the overarching AfC Business Plan.

## DRAFT BUSINESS DEVELOPMENT PROGRAMME PLAN

### SUFFICIENCY PROGRAMMES

These projects should emerge from the Sufficiency Strategy and look to address growing business placement and support needs in a cost effective way. AfC will develop more local provision (education, social care, health) and maximise use of this provision. This will improve the quality of local provision and reduce the cost of supporting AfC children. Where there is surplus capacity / a mismatch of short term need to provision, vacancy rates will be managed by selling to other boroughs using a cost plus profit margin model.

Status	Programme	Loc	Description	Outcome / Progress / Opportunity	Year	Future Financial Implications
LIVE 242	Greenleas Supported Accommodation Unit	RBK	17 bed supported accommodation unit for care leavers	Opened in 2018. Improved supported accommodation offer for 17 care leavers	2018	Savings of £150k per year
LIVE	Hope House Children's Home	LBR	5 bed residential childrens home	Build and registration complete. Provision open with full occupation being phased in over the coming months. Improved access to local emergency and specialist residential places	2020	None expected but may be future opportunities
WIP	Moor Lane Respite Centre	RBK	7/8 bed respite centre for children with SEND	Build and registration complete. Anticipated opening in January 2021. Delivery arrangements being reviewed.	2020	Anticipated savings £200k per annum

WIP	Independent Fostering Agency	ALL	Developing a more ambitious IFA strategy to increase the % of our children in our own foster care provision and to sell any excess foster places	Improved outcomes for children and young people and increased placement options. IFA has been established and the Board has agreed a four year strategy with implementation from April 2021. Target 85% inhouse IFA by 2025.	2021	Cost avoidance / income generation <table border="1"> <thead> <tr> <th></th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>2021/22</td> <td>£394,421</td> </tr> <tr> <td>2022/23</td> <td>£1,032,857</td> </tr> <tr> <td>2022/23</td> <td>£1,593,212</td> </tr> <tr> <td>2023/24</td> <td>£1,792,984</td> </tr> </tbody> </table>		Total	2021/22	£394,421	2022/23	£1,032,857	2022/23	£1,593,212	2023/24	£1,792,984
	Total															
2021/22	£394,421															
2022/23	£1,032,857															
2022/23	£1,593,212															
2023/24	£1,792,984															
TBC 243	Supported Accommodation for young people aged 16+	ALL	Development of further in house supported accommodation units for care leavers in line with need identified in the Sufficiency Strategy	Sufficiency strategy drafted and going through the final drafting / approval process. Need identified in all three LA areas. Business cases needed	2022 - 2025	Capital investment required to purchase or refurbish sites. Savings likely to be in the region of £100k to £200k per year per unit developed.										
TBC	Children's Home	RBK	Development of a further children's home in line with need identified in the Sufficiency Strategy	Sufficiency strategy drafted and going through the final drafting / approval process. Options appraisal and business case needed	2023	Capital investment required to purchase or refurbish a site. Savings / cost avoidance limited.										

**BEST PRACTICE APPROACHES**

Development of internal best practice that can be scaled up and used to generate income. These projects provide an opportunity to improve local services, generate income as well as contribute to a wider social good.

Status	Programme	Loc	Description	Outcome / Progress / Opportunity	Year	Financial Implications	Opportunity to expand
LIVE	Berkshire Sensory Consortium	RBWM	Host organisation for the Berkshire Sensory Consortium Service	Consortium transferred to AfC in April 2020. The service continues to work with schools and families to improve outcomes for children and young people.	2020 +	Service pays for itself and potential to expand service to generate income	yes
LIVE	Digital offer	ALL	AfC Digital Strategy which includes digital improvement, efficiency and innovation	Strategy in place and significant developments made. Digital offer being marketed to other LAs. Successful £250k DfE grant bid. Investment provided by LBR/RBK for service specific projects. Key areas: <ol style="list-style-type: none"> <li>1. Children's services digital transformation strategy</li> <li>2. Audio recording</li> <li>3. Replacing paper through channel shifts</li> </ol>	2019	2020 fee income £40k  2020 PIP Grant £250k  Council specific project investment	yes

				<p>4. Mobile and remote working</p> <p>5. Troubleshooting business processes using technology</p>			
LIVE	Partner in Practice consultancy offer / specialised consultancy offer	ALL	Consultancy on social care improvement, business services processes as well as best practice that has been developed in relation to Covid response	Consultancy being delivered directly or through associates to inadequate/requires improvement LAs as part of PIP and wider DfE improvement programme.	2016	2020 expected fee income £30k	Yes but requires capacity
<del>N/E</del> 45	School Support Offer	ALL	Paid for support offer to schools around school improvement, therapies, governor support	Traded school support offers are well developed across both operational areas.	+2014		yes
LIVE	Training Offer	ALL	The workforce development training offer is being marketed to external organisations including specialist training, apprenticeships as well as generic development training.	Covid has necessitated more virtual delivery of training which has been successful internally and with local partners.	+2014	£662k per year budgeted income	yes

**GRANTS / RESEARCH**

AfC is uniquely positioned to undertake research across three LA areas which puts it in a good position to bid for research grants. AfC is also well known as a Partner in Practice and for successfully bidding for grant income to trial / develop innovative practice.

Status	Programme	Loc	Description	Outcome / Progress / Opportunity	Year	Financial Implications	Opportunity to expand
LIVE 246	Partner in Practice - understanding what works	ALL	Grant funding to develop early intervention best practice models	AfC has continued the development of the PIP What Works innovations across all three boroughs with a focus on most effective innovations from previous four year programme - family resilience, family coaches, Mental health and domestic abuse	2020 +	Grant funding of £920k in 2020, £7m in prior 4 years	Depends on whether programme continues

The organisation applies for two grants per month on average and opportunities will be added as they arise.



Champions for children and families

## **MEDIUM TERM FINANCIAL STRATEGY** **2021-2024**

### **1. INTRODUCTION**

1.1 Achieving for Children's (AfCs) Medium Term Financial Strategy (MTFS) sits alongside the Business Plan and is produced as part of the budget process. It is reviewed and updated at least annually. This document outlines the company's financial strategy.

1.2 There are a number of key factors that influence AfC's finances:

- Central government funding of children's services, local government and specifically the impact of this on the Councils that own and fund the majority of AfC's costs
- The relative financial positions of each of the commissioning councils
- Central government's policies and guidelines on children's services
- Changing demographics and levels of social need in our three boroughs that impact on the number of children requiring support and the complexity of that need
- Need for children's services both statutory and preventative.
- Income generation
- The ongoing COVID 19 pandemic

### **2. KEY OBJECTIVE OF THE MTFS**

2.1 The 2021 strategy will continue to focus on achieving financial sustainability for the Company in the context of escalating financial pressure in the specific delivery of children's and education services as well as in Local Government generally. The organisation will be following three overarching principles:

- Delivery of value for money services that are low cost and high outcome
- Maximise resources available to front line services
- Shared budget responsibility

2.2 The Strategy prioritises ensuring services are affordable as follows:

- Ensure there is a mutual understanding of what is affordable for each council in terms of funding and quality
- Achieving value for money
- Achieving challenging cost reduction targets
- Generating income to support services
- Ensuring available funding is directed at priority areas
- Ensuring that the financial interest of each owner is safeguarded
- Planning for financial sustainability over a medium to longer term period

### **3. FINANCIAL CONTEXT**

3.1 This plan is being written in the context of continued and escalating pressure on children's and education budgets in our local boroughs and the rest of the country. This pressure has been exacerbated in 2020/21 by the Covid pandemic which has increased the need for children's services and could potentially have a lasting financial impact over the coming years. The funding and demand pressures in social care and high needs education services has continued to feature in national press and also in national findings reports undertaken by Local Government representative groups. Need for these services has continued to increase during the 2020/21 financial year and whilst there is a clear requirement to meet statutory need the organisation must ensure that it continues to develop mechanisms to drive down average costs of support if services are to remain affordable. The budgets of all three of AfCs commissioning councils remain challenging and it is not acceptable to just adjust the level of funding requested to match escalating levels of need.

3.2 The Local Government sector has seen significant funding reductions since 2010 and our commissioning councils are all balancing borough priorities as well as increasing demand for adult and children's services. It is important that in the delivery of services there is ongoing discussion with the commissioning councils regarding affordability, scope of services, service models and quality. AfC must support each council to make decisions about how the funding that is available should be prioritised between children's services and this may lead to difficult decisions. In addition it is important that AfC safeguards the individual financial resources of each council where financial positions dictate a different level of service offer than can be afforded.

3.3 Given the tightening financial envelope it is important that as an organisation we are clear about what can be afforded and look to transform services to continue the quality journey whilst delivering within the financial resources available. This may involve doing things differently and challenging the way things have always been done. The Business Plan outlines how this will be achieved over the coming years.

### **4. FINANCIAL PERFORMANCE**

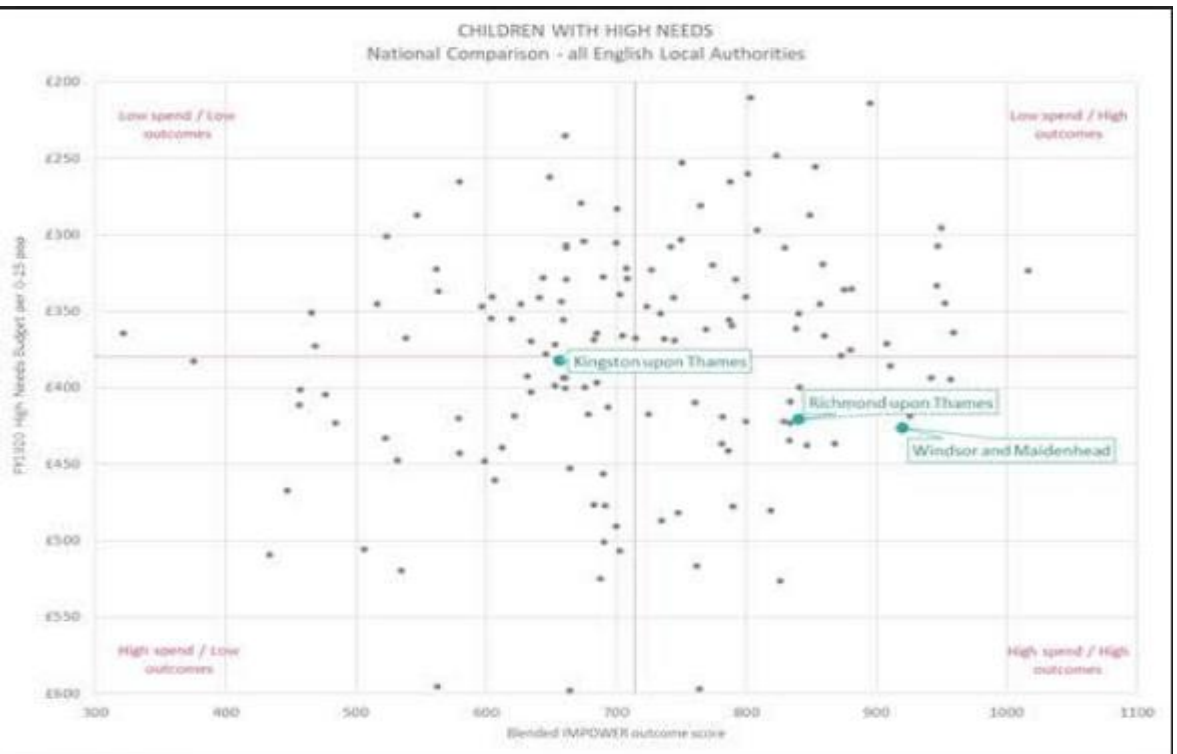
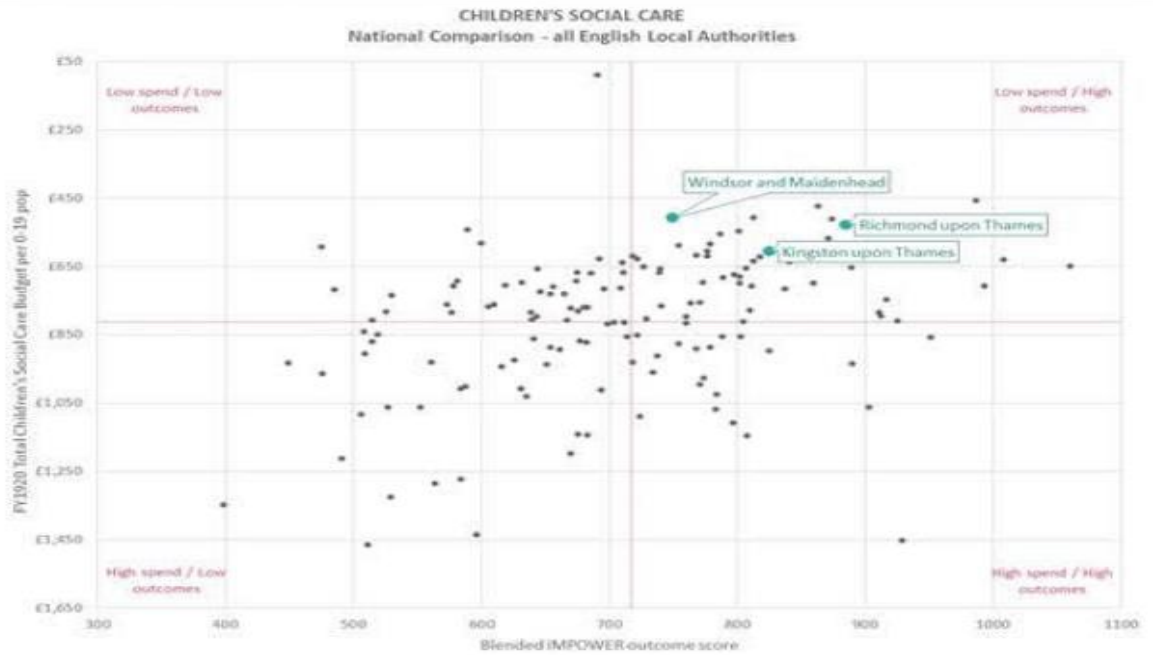
4.1 Financial performance can be measured by looking at how our services benchmark based on two key financial performance elements:



- Relative value for money
- Ability to deliver services within what is affordable for each commissioning council

**Value for money**

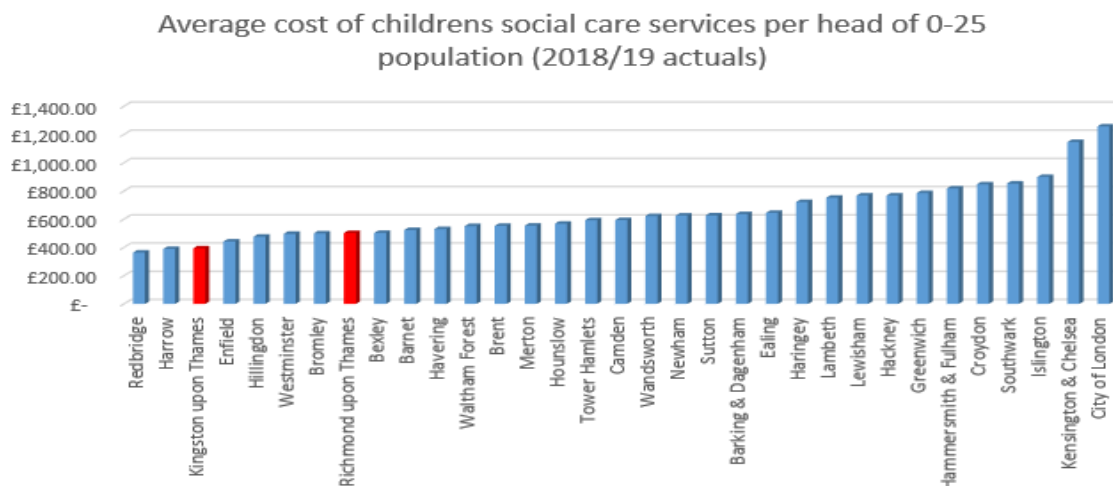
4.2 AfC aims to deliver low cost and good quality services across all three council contracts. The following research by Impower demonstrates that based on 2019/20 budgeted spend all three AfC children's social care services perform well when comparing level of investment to outcomes being achieved. There is a more mixed picture for high needs education.



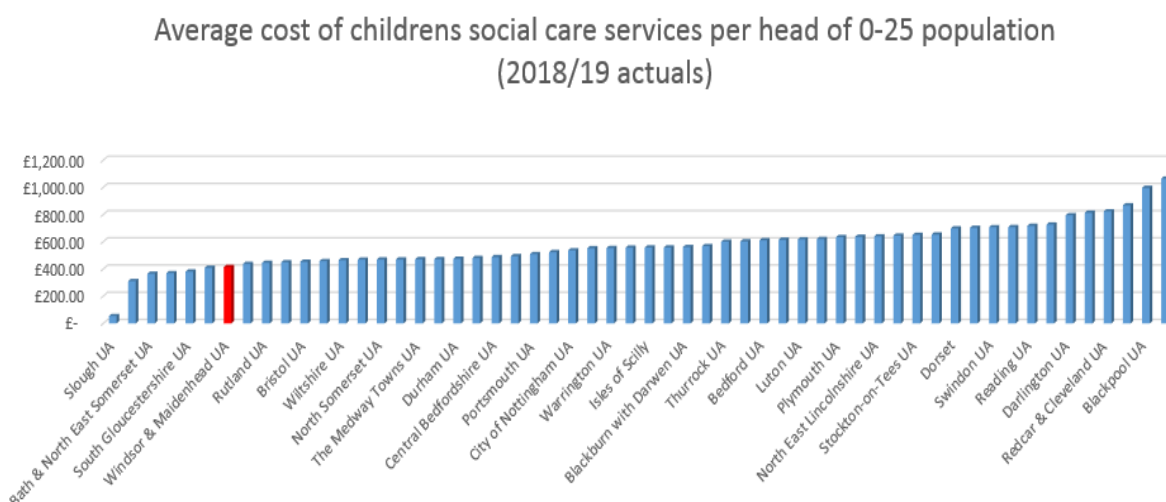
source - IMPOWER index 201920 <https://www.impower.co.uk/index>

4.3 When looking at the latest actual spend benchmarking data (2018/19) all three council contracts continue to be delivered at a relatively low / below average cost.

4.4 When looking at social care, Kingston upon Thames was the third lowest cost in London at £393.61 and Richmond upon Thames was the 8<sup>th</sup> lowest in London at £502.45 per head of 0 – 25 population. This compares to an average London spend per head of 0 – 25 population of £621.05.

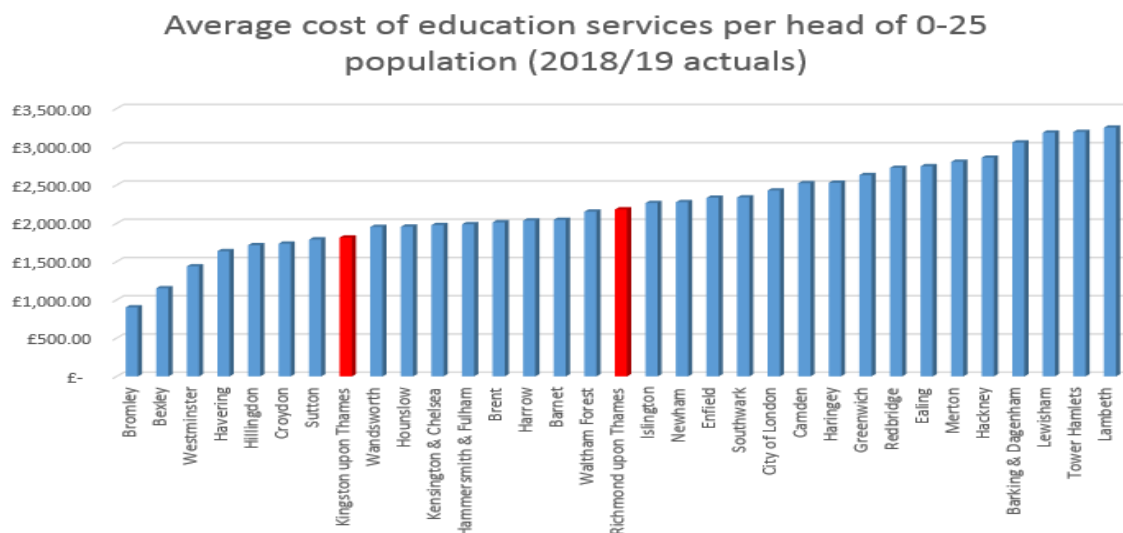


4.5 Windsor & Maidenhead had the seventh lowest spend per head of 0 – 25 population on children's social care at £413.50 per head of 0 – 25 population. This compares to an average for a unitary authority of £527.01.

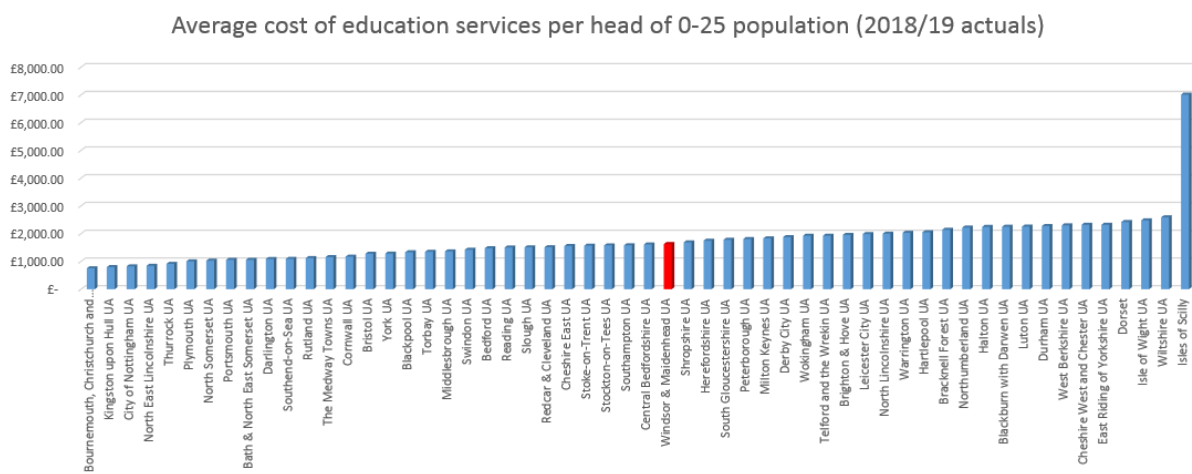


4.6 When looking at education services (both DSG and non DSG funded) the results are more mixed and although services are not high cost there are clearly lessons that could be learnt from other Local Authorities who are achieving lower average costs. Kingston ranks eighth lowest out of the London comparator group with an average spend of £1,814.10 compared to

Richmond who ranks seventeenth out of 33 London boroughs at £2,181.77. Both are below the London average spend of £2,249.35.



4.7 When comparing Windsor and Maidenhead education spend to other unitary authorities there is an above average picture with an average spend of £1,628.72 and a rank of 30 out of 56 unitary authorities. This compares to the group average spend of £1,586.23 and Windsor and Maidenhead is marginally below average when excluding the Isles of Scilly who are an outlier due to area specific factors.



**Commissioning Council Affordability**

4.8 Although value for money benchmarks would indicate a relatively strong performance, services are still costing significantly more than is provided within the base contract prices. Overspends are occurring to different scales across all three contracts due to a number of reasons:

- Increasing levels of need for services beyond what can be accommodated within base budget envelopes and current average costs

- Insufficient funding being provided within base contract price relative to annual growth requested during budget setting process
- Non funding of non-avoidable inflationary pressures e.g. pay increment / pension inflation
- Systemic underfunding of high needs education services within the ringfenced DSG funds
- Non achievement of some savings that were built in to the base budgets

4.9 It is important that service quality and spending expectations are mutually agreed and understood with each commissioning council to improve this position. The approach to this has improved in recent years with AfC contributing at a more granular level to each commissioning council's budget setting process. The key ways in which a mutual position is reached are as follows:

- AfC staff and the DCS engage with the relevant council process in setting the annual budget. The three councils have subtly different approaches but all include the identification and agreement of growth and savings.
- Annual AfC contract review as part of commissioning process to look at the budget and performance targets for the following year.
- Submission of monthly budget and performance monitoring data and periodic meetings with the commissioner to discuss performance.
- Input into each council's political approval and monitoring process which dovetails with AfC Board approvals and monitoring.

## 5. LINKS TO BUSINESS PLAN

5.1 Achieving a financially sustainable business model is one of the Company's key priorities in 2021/22 and the medium term. The priorities outlined in the Business Plan look to balance quality and affordability as well as achieve service improvement within a challenging financial envelope. The Business Plan and budget has been produced with significant amounts of engagement with staff, stakeholders and the councils. The Business Plan focuses on six themes, which align with borough specific projects and objectives. The following table looks at these strategic themes to identify how they can be aligned to the organisation's financial objectives.

Strategic priority	What we will achieve for children and young people?	Link to Financial Sustainability
STRONGER FAMILIES	We will have a relentless focus on safeguarding children and young people across all our services. The services we deliver will be high-quality and will protect and promote the wellbeing of children and young people by promoting family resilience. We will work collaboratively with our key partners to	This theme should help manage needs led services through providing early intervention support to prevent need and costs escalating, reinforcing thresholds to access services and manage need, ensuring that funding is prioritised to those children most in need and where possible reducing the requirement for costly permanent accommodation.

	ensure we are able to realise the benefits of joint working to support our children, young people and families.	
POSITIVE FUTURES	We will invest and work collaboratively to improve our local education, health and care offer to children and young people so that they have access to high quality services, are able to stay close to their families and friends, achieve well, and develop their skills for independence.	This theme should have a positive impact into adulthood. Focusing funding on support that will increase independence should both reduce average costs over time but will also enable the councils to attract increased funding through the apprenticeship scheme. The support of children locally will enable financial resources to be focused on developing local provisions rather than on costly transport and out of borough independent sector provision.
EXCELLENT WORKFORCE	Our workforce will be experienced, talented, empowered and motivated to deliver the best possible services and outcomes for children and young people; we will invest in the recruitment, retention and development of our workforce and reward their achievements.	This theme will ensure that staff are skilled and retained which should reduce reliance on the more expensive agency workforce and ensure that staff are delivering efficient and high quality services through developing to their full potential.
FINANCIAL STABILITY	The services we deliver will provide excellent value for money and we are trusted by our commissioning Councils to deliver the best possible services within the agreed contract price, including the efficient delivery of our financial savings plans.	This priority is at the heart of the organisation's sustainability model. We will work with our commissioning councils to agree an affordable funding envelope and work to ensure that we achieve maximum value for every pound spent. We will learn best practice from other local authorities who are delivering good quality and relatively low cost services.
COMMERCIAL SUCCESS	We will secure the sustainability of the community interest company through contract renewal, business development, fundraising and good growth, so that we are able to reinvest in the services we deliver directly to children and their families.	These activities will enable the continued investment in services in the context of challenging contractual financial envelopes. We will also explore more efficient service delivery models for some services and generate income to provide external investment into our children's services.
SMARTER WORKING	Our business processes will be efficient, cost-effective and supportive to frontline practitioners so that they are able to spend as much time as possible working directly with children, young people and	This workstream will maximise the resources that are available for front line services and lead to an affordable support service that meets business needs. We will develop our use of technology to make processes and business services more

	their families to improve outcomes for them.	efficient including developing our accommodation and flexible working strategy.
--	--	---

## 6. KEY BUSINESS PLAN / DEVELOPMENT PRIORITIES FOR THE UPCOMING YEAR

- 6.1 It is clear that affordability of services must be a key focus over the term of this strategy and the Business Plan across all three boroughs. Increasing need and complexity of needs is continuing to add pressure across education, social care and health services. In addition there is the potential for Covid 19 and BREXIT to exacerbate these pressures. The following key areas of work will be integral to delivering affordable services in the coming year and beyond:

PRIORITY ACTIVITY TO CONTROL COSTS	HOW WILL IT BE DELIVERED?
<p><b>DEMAND MANAGEMENT</b></p> <p>Supporting the prioritisation of services to young people most in need and demand management through the application by service teams of consistent thresholds.</p>	<p>Core services have well established threshold guidance that is periodically reviewed both internally and externally through inspections or specific requests for independent review. The DCSs are responsible for ensuring there are arrangements in place to monitor compliance and support staff to understand the threshold guidance.</p>
<p><b>LOCAL PROVISION</b></p> <p>Delivering the recommendations of the AfC Sufficiency Strategy at pace in terms of using commissioning opportunities effectively and developing more local provision where it makes financial sense to do so.</p>	<p>The draft Sufficiency Strategy and associated recommendations has been considered by the AfC Board and will now progress through council approval processes. There will be a focus in the coming months to identify those programmes that are likely to have the most positive financial impact and to develop these into business cases for agreement by the councils as appropriate.</p>
<p><b>COMMISSIONING/PROCUREMENT COMPETENCE</b></p> <p>Building commissioning and procurement capacity and competence in the organisation to ensure that placement and other procurement activity is as effective as possible in finding solutions and driving down cost.</p>	<p>The organisation will continue to build competence and capacity within the commissioning team to ensure that the improved practice from the last three years in relation to placement commissioning continues and that we get the best price when undertaking procurement activity. The Director of Commissioning will continue to develop the commissioning strategy to ensure that we are making best use of our market share and where appropriate planning ahead with providers to get preferable rates. We will also continue to link in with commissioning partnership arrangements for SEND and social care.</p>

<p><b>REVIEW</b></p> <p>The effective review of placements, plans and working models is key to ensuring that we are promoting independent, resilient families and that we are prioritising the funding we have in an effective way.</p>	<p>The company has established practices to ensure that plans and placements are periodically reviewed to support the continued alignment of funding and support to the changing needs of young people. It is important that we continue to work to improve these practices particularly in social care and SEND where the financial pressure and scope for changing need is most significant.</p>
<p><b>MODERNISATION OF WORKING PRACTICE</b></p> <p>Review of how we work to ensure that we are making best use of technology, flexible working practices and that support services offer value for money.</p>	<p>The company will reflect on learnings from Covid to ensure we build back better in terms of efficient use of buildings, homeworking, digital technologies and reduced travel / printing.</p> <p>A key priority will also be on improving the current HR arrangements to lead to a more consistent offer across AfC and in time improvements in recruitment and retention.</p>
<p><b>FINANCIAL MONITORING &amp; PLANNING</b></p> <p>Detailed monitoring of all high risk areas on an ongoing basis and consistent reporting internal, to the AfC Board and to the Councils.</p>	<p>The finance team will continue to monitor budgets and report performance to budget managers, leadership teams, the board and councils regularly. The finance team will also work to further improve budget awareness and confidence in managing budgets across the organisation.</p>

## 7. SHORT TERM BUDGET

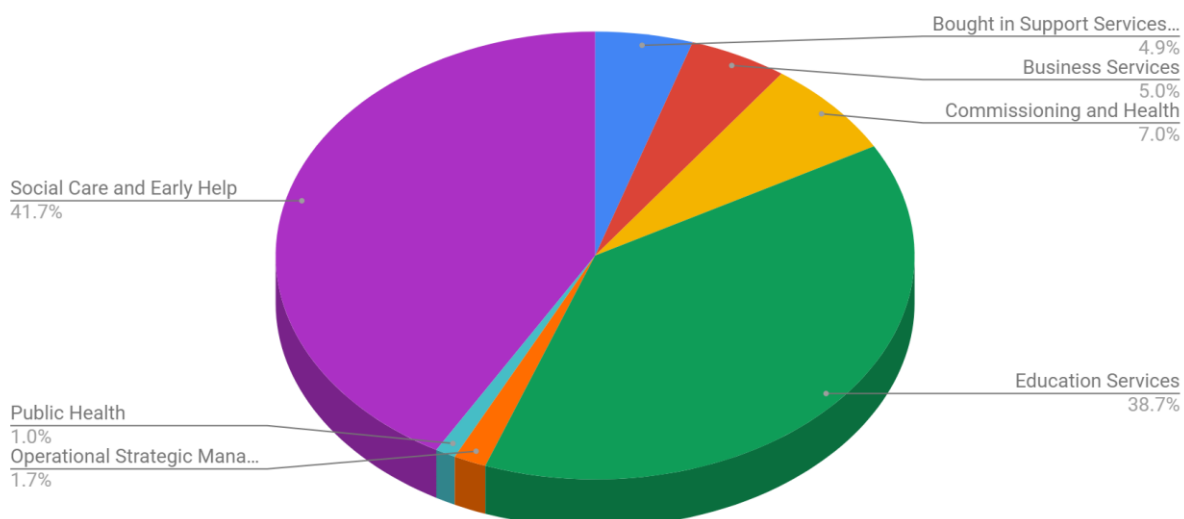
7.1 In setting the 2021/22 AfC has worked closely with each of the three councils and the table below shows the proposed position and movement for next year. Detailed budget reports will be considered by each council between January and March 2021.

Contract price movements	Kingston	Richmond	Windsor and Maidenhead	Total
	£000	£000	£000	£000
<b>2020/21 Q2 contract price excl DSG</b>	<b>35.222</b>	<b>37.332</b>	<b>25.799</b>	<b>98.352</b>
Growth	1.283	2.444	2.077	5.804
Unfunded Growth	0.000	0.693	0.396	1.089
Savings	-0.971	-0.685	-1.396	-3.052
Savings associated with unfunded Growth	0.000	-0.693	-0.396	-1.089

Savings associated with unfunded Inflation	-0.151	-0.151	-0.120	-0.422
Inflation - pay	0.404	0.000	0.000	0.404
Inflation - contracts	0.196	0.181	0.145	0.522
Unfunded Inflation - contract/pay award	0.151	0.151	0.120	0.422
Inflation - income	0.000	0.000	0.000	0.000
Grant and virement changes	-1.276	-1.029	0.123	-2.182
<b>2021/22 opening contract price excl DSG</b>	<b>34.858</b>	<b>38.243</b>	<b>26.748</b>	<b>99.848</b>
DSG funding in contract price	19.611	20.456	12.035	52.101
<b>2021/22 base contract price incl DSG</b>	<b>54.468</b>	<b>58.698</b>	<b>38.782</b>	<b>151.949</b>

7.2 The budget is planned to be spent as follows:

#### Achieving for Children Budget 2021/22



7.3 The biggest risk to achieving a balanced position on general fund services is the achievement of savings and volatility in cost of needs led services.

7.4 The ringfenced DSG funds are not expected to achieve a balanced position due to underfunding for high needs education services within the councils' DSG grant allocations. Cost management programmes are in place and outlined in the respective borough Deficit Management Plans and these plans must be a core focus over the period of this strategy and beyond. AfC continues to work to raise awareness of this issue and has the clear remit that statutory obligations to the young people should continue to be met despite the government underfunding.

7.5 Where the savings plans identified do not achieve an in year balanced position discussions have been held with the relevant Council to agree authorised overspends (e.g. Richmond and Kingston



DSG). Where a balanced position is reliant on the achievement of the riskier savings, contact is ongoing with the relevant Council to report progress against achievement of the cost reductions and if these do not come to fruition there should be an agreement about alternative cost reductions or an in year contract change control.

## 8 MEDIUM TERM BUDGET

8.1 The Company undertakes high level budgeting for a five year period (including current) to ensure that there is a planned approach to delivering services. The following table outlines the high level changes to the general fund budget (Non DSG). The expectations are reviewed with the Councils in June / July each year to ensure that medium term financial planning remains aligned and the detailed budget setting process for the following year then commences. This table represents a point in time. Savings plans and growth requirements are periodically reviewed during the year to identify how budget gaps can be resolved. This is informed by changes in the council's relative financial positions as well as emerging pressures and opportunities within children's services.

Included in council MTFS	2021/22	2022/23	2023/24	2024/25	TOTAL
	£	£	£	£	£
Social care demand growth	3,367,840	1,312,927	1,297,795	1,357,066	<b>7,335,627</b>
SEND Transport Growth	807,050	30,000	30,000	30,000	<b>897,050</b>
Other Controllable Growth / Investment	2,718,000	283,000	305,400	325,708	<b>3,632,108</b>
Savings	-4,563,000	-1,815,000	-855,000	-280,000	<b>-7,513,000</b>
Inflation - contractual	521,686	422,229	428,418	433,706	<b>1,806,038</b>
Inflation - pay award	403,920	1,048,285	1,069,250	1,090,636	<b>3,612,091</b>
Inflation - increments	422,000	422,000	422,000	422,000	<b>1,688,000</b>
Other grant/virement changes	-2,181,996	0	0	0	<b>-2,181,996</b>
<b>Net change before budget adjustments</b>	<b>1,495,500</b>	<b>1,703,441</b>	<b>2,697,863</b>	<b>3,379,115</b>	<b>9,275,919</b>
<b><u>Business Dvt Savings incl above</u></b>					
Independent Fostering Agency ALL	-65,000	-130,000	-130,000	-130,000	<b>-455,000</b>
Supported Accommodation LBR/RBK	0	-100,000	-100,000	-50,000	<b>-250,000</b>
Children's Home LBR	-50,000	-50,000	-25,000	0	<b>-125,000</b>
Digital	-20,000	-90,000	-20,000	0	<b>-130,000</b>
<b>Total</b>	<b>-135,000</b>	<b>-280,000</b>	<b>-275,000</b>	<b>-180,000</b>	<b>-870,000</b>

- 8.2 The table above summarises the latest position and work is ongoing to identify further cost avoidance / efficiency savings for the latter years of the plan. The plan includes £870,000 of savings that will emerge from business development activity. There is scope to include more as business cases are developed and agreed. Some reinvestment back into the organisation's infrastructure will be required to ensure there is enough capacity to deliver against business development plans.
- 8.3 In relation to the general fund the biggest financial challenges for the medium term period are:
- The management of need for social care and health services and the management of unit costs in these areas. This will be undertaken through the monitoring of thresholds to access services, continued investment in early intervention and the further development of the local placement market and placement commissioning function.
  - Management of increasing staff costs, particularly in social care due to regional shortages of suitably qualified staff. The workforce strategy will look to reduce reliance on expensive agency workers through targeted recruitment campaigns, improved agency arrangements and a review of the incentives package for staff groups where recruitment and retention is challenging. The organisation will also be increasing the number of trainee social workers that are supported to assist with this pressure in the medium term.
  - The challenging savings targets that have been built into all three council contracts as well as additional savings required to fund pressures that have not been funded within the base contract prices. The project management approach will keep the leadership team focused on the achievement of these programmes and associated savings. There will be early conversations where the achievement of savings is not possible to reach a mutual agreement with the relevant council about associated actions.
- 8.4 In addition to the general fund pressures the company is working towards bringing DSG funded high needs education expenditure more in line with the associated Government Grant allocation across all three boroughs. This activity is likely to last for at least the period covered within this plan. The cost of high needs education services, relative to the level of Government funding remains a significant risk. The Council and AfC are active in lobbying the Government to provide sufficient funding to provide for the duties set out in the Children and Families Act 2014. To date this has yielded some extra funding but not to the scale required to sufficiently resolve the budget pressures and allow for current as well as increasing levels of need. Even after the additional funding provided by the Government, significant overspend on the high needs block are anticipated. This will lead to an increase in the cumulative deficits on the funds by the end of 2021/22. Deficit management plans have been drafted and on the Richmond and Kingston side the council / AfC is in ongoing discussion with the Department for Education
- 8.5 The Directors of Childrens Services and Chief Operating & Finance Officer are responsible for identifying savings with their leadership teams and planning for the implementation of these changes. They are supported in doing this by a senior member of the finance team who attends their leadership meetings. All major areas of pressure have detailed financial recovery plans which are subject to continual monitoring, review and contingency action planning where actions do not achieve the required financial impact. It is integral that AfC achieves the plans' ambitions to reduce and control needs led budgets so that services can be sustained in the longer term.

## 9 FINANCIAL CONTROL

- 9.1 AfC operates a devolved approach to budget management with nominated budget managers responsible for service spend. The budget manager is a member of staff at team manager level or above and is the officer who makes the operational decisions about how to spend money. The ongoing financial challenges faced by the company has necessitated a review of the arrangements that govern budget manager spend. Under the revised financial regulations budget managers are able to spend up to their designated budget but must formally seek permission from their SLT member to spend above this limit. The SLT member may opt to transfer budget from elsewhere in their department on a temporary or permanent basis to enable the higher level of spend or may seek a contract change control from the relevant commissioning council. Each budget manager is supported by a dedicated management accountant who meets with them at least quarterly and more frequently for higher risk budgets. The finance team produces monthly monitoring information which is signed off by the relevant SLT before being sent to the Board and relevant council.
- 9.2 The Company has three main categories of spend which determines the key controls and levers for controlling spend:

Budget Type	Key controls
<p><b>Controllable budgets</b> are budgets that AfC can directly impact by taking associated actions. They support statutory services but may not in themselves be statutory. Examples include staffing, training, stationary, travel, supplies and services.</p>	<p>SLT approval of vacancies prior to recruitment.</p> <p>Centralisation of general budgets e.g. training, stationary, furniture and equipment etc.</p> <p>Where overspends are anticipated senior level sign off of spend over a pre agreed limit</p> <p>All budgets allocated to individual budget managers and signed off prior to the year</p> <p>Periodic review of agency staff by SLT</p> <p>Budget manager sign off of all invoices</p> <p>Budget manager training</p> <p>Monthly budget monitoring produced by finance team in consultation with the budget manager</p> <p>Consideration of overall position by SLTs monthly</p>
<p><b>Stepped Costs</b> are those that are demand led but can be directly controlled through associated action and the risks associated with reducing spend can be managed more easily. The main category of budget here relates to salary costs within frontline teams where the number of staff may not have to increase with</p>	<p>SLT approval of all vacancies prior to recruitment.</p> <p>SLT consideration of alternative options via the request form before recruitment decisions made</p>

<p>every increase in demand but where there are a certain number of staff needed to maintain caseloads within an agreed range.</p>	<p>Monitoring of workloads via information produced by the data intelligence team</p> <p>Manager sign off of funded establishment annually</p> <p>Periodic SLT review of teams over establishment</p> <p>Monthly budget monitoring produced by finance team in consultation with the budget manager</p> <p>Consideration of overall position by SLT monthly</p>
<p><b>Demand led budgets</b> are those that are directly linked to the meeting of statutory duty and are difficult to influence in the short term. Examples include placements for children looked after, rent and allowances for care leavers, direct costs related to agreed educational placements and legal costs associated with specific cases.</p>	<p>Child by child placement monitoring and sign off by budget manager monthly</p> <p>Budget manager sign off of all invoices</p> <p>Attendance of key staff at decision making panels including finance where finance decisions are being made</p> <p>Periodic high cost placement reviews</p> <p>Monthly reconciliation and production of management information</p> <p>Periodic review of placement types by commissioning team</p> <p>Monthly budget monitoring produced by finance team in consultation with the budget manager</p> <p>Consideration of overall position by SLT monthly</p> <p>Development of the commissioning team and placement sufficiency strategy</p>

9.3 Where base budget funding has been reasonable, AfC has consistently maintained stepped costs and other controllable costs within the required budget envelopes but has struggled to deliver needs led costs within the Council's contract prices due to a number of reasons:

- fluctuations in need
- increases in unit costs / limited supply of placements
- failure to deliver on savings plans

9.4 To break this cycle and ensure that demand led services remain affordable for the commissioning councils, a more focused project management approach has been introduced with the DCSs and COFO have overarching responsibility for the achievement of savings in their areas. The relevant leadership team and the Board receive updates on progress and risks. Each programme has a service lead, a project lead and a finance lead. Progress and achievement of net cost reductions will be monitored during the year with alternative actions being agreed with commissioners, if needed, through periodic commissioning meetings.

## 10. RISKS AND MITIGATIONS

10.1 The following table summarises key financial risks for the coming year and associated actions

RISK / CHALLENGE	ACTION
Ongoing overspend and balancing reaction to financial pressure with importance of making decisions in best interest of children	<p>The relevant Leadership Team reviews the monthly monitoring and agrees all financial actions that could impact on services. This ensures that the service impact of financial action plans is considered and risks identified/ monitored.</p> <p>DCS overview of all decisions relating to LA areas / services.</p>
Placement budgets – Increasing average cost and demand pressures	<p>Internal review system for all placements to ensure they are the most appropriate in terms of service and cost.</p> <p>Detailed financial monitoring at an individual placement level.</p> <p>Continuation of centralised commissioning team model under the direction of the new Director of Commissioning.</p> <p>Sufficiency Strategy recommendations including developing more local place capacity through the fostering agency and new provisions</p> <p>Engagement with joint LA commissioning groups / initiatives to drive down cost and increase purchasing power</p> <p>Monthly financial monitoring updates provided to each Council and quarterly meetings with commissioners to discuss latest performance and activity data, risks and associated actions</p>
Achievement of savings and agreement of one off costs for redundancy etc.	<p>Regular monitoring of progress against savings plans.</p> <p>Project plans for each of the high value schemes with regular reporting to the Senior Leadership Team.</p> <p>Quarterly progress reporting to the AfC Board and Commissioners.</p>

<p>Risk of cross subsidy as the level of funding that can be afforded by each LA becomes more distinct</p>	<p>Operational area budgets recorded separately to avoid high level cross subsidy</p> <p>Demand budgets ringfenced to ensure that placement / transport budgets can not be vulnerable to cross subsidy</p> <p>DSG funds ringfenced to ensure the grant is only used for the benefit of pupils in the borough for which it was intended (separate budgets and cost recording)</p> <p>Scrutiny of DSG budgets by borough based Schools Forums</p> <p>Definition of core service provided by Business Services and agreement about level of support for each borough in the context of funding levels</p> <p>Annual financial exercise undertaken to check actual expenditure levels against contract prices</p> <p>Oversight by Directors of Children’s Services</p>
<p>Risk that councils do not agree proposed savings</p>	<p>Regular briefings for Councillors throughout the budget setting processes</p> <p>Clear breakdown of financial implications of savings proposals not being agreed</p> <p>Regular feedback between DCS and SLT / finance so that decisions can be reflected in latest financial reporting</p>

## 11. CASHFLOW AND LIQUIDITY

11.1 AfC has access to a contractual Revolving Credit Facility of up to £45m to provide working capital for the provision of the three major contracts with the owning Councils. This is needed as services are billed for in arrears and so it can be up to two months before the company receives payment for services delivered. The company uses the facility to ensure that there is sufficient liquidity to meet day to day operational needs. AfC holds short term deposits with a number of banking institutions to ensure that the administrative burden of operating the loan facility remains practical. Investment limits are agreed with the owning councils annually as part of the Financial Plan.

11.2 AfC has had an average borrowing of £27m over the last 12 months, comfortably below the £45m. The borrowing essentially pays for the services delivered to the councils on credit and any one off set up costs that remain on the Company’s Balance Sheet.

## 12 GOING CONCERN

12.1 As a company, AfC is required to demonstrate that it is a going concern. In order to do this the Board needs to consider its future financial position and assure itself that its position for the short/medium term is capable of continuing to trade. It also needs to provide assurance to the

councils that its financial plans are robust and issues around its future financial position are presented to, and agreed by the Councils as part of the detailed budget setting process.

- 12.2 It is important that AfC continues to engage with the three owning Councils in relation to what is affordable and what level and cost of service the councils need to make the contracts with AfC financially viable for them.
- 12.3 Due to the nature of AfC's services and the decision to offer AfC staff the Local Government Pension Scheme (LGPS) AfC holds a considerable pension liability on its Balance Sheet. The decision to offer the LGPS was made at the inception of AfC and is an important factor in ensuring that AfC is in a good position to recruit and retain high quality social care staff. It is important that AfC is able to explain this position to potential trading partners and provide assurance that it is a going concern. This will be done through the Statement of Accounts and associated publications.

### **13 CONCLUSIONS AND NEXT STEPS**

- 13.1 It is clear that the coming years will be financially challenging for Achieving for Children. It is of paramount importance that the organisation continues to work with commissioning partners to ensure a mutual understanding of existing and emerging pressures and reaches agreement on the level of funding available and how that funding should be prioritised in line with both organisation and council objectives. The following activity will be prioritised over the coming months to move this plan forward:
- Progression of the Placement Sufficiency Strategy and associated recommendations through council approval processes
  - Development of business cases at pace for those business development opportunities that could have the most scope for cost avoidance / savings
  - Achievement and monitoring of detailed budgets and associated savings plans
  - Continued demand management through early intervention work and threshold management
  - Continued focus on developing and delivery of placement commissioning activity
  - Continued detailed monitoring and reporting to AfC leadership teams, AfC Board and commissioners
  - Progression of this strategy alongside the AfC Business Plan and 2021/22 budget through council decision making processes



### AFC 2021/22 DETAILED BUDGET

#### 1. SUMMARY

- 1.1 This annexe details the proposed 2021/22 AfC budget and the overall DSG fund budgets that are administered by AfC but do not wholly form part of the contract prices. The contract prices are proposed as follows:

	Kingston	Richmond	Windsor & Maidenhead	Total
Contract Prices	£m	£m	£m	£m
<b>General Fund</b>	34.858	38.243	26.748	<b>99.848</b>
<b>Dedicated Schools Grant</b>	19.611	20.456	12.035	<b>52.101</b>
<b>TOTAL</b>	<b>54.468</b>	<b>58.698</b>	<b>38.782</b>	<b>151.949</b>

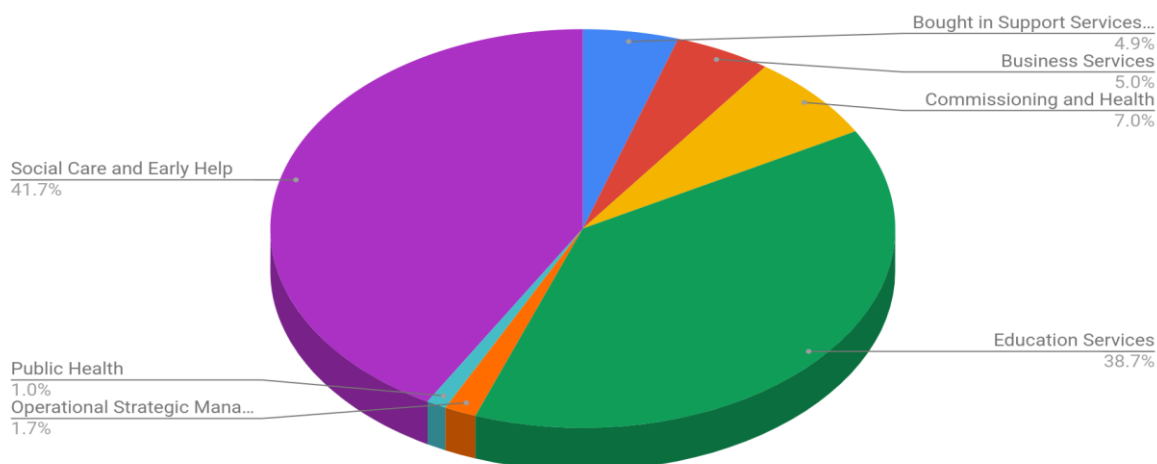
#### 2. GENERAL FUND BUDGET

- 2.1 The overall AfC budget is £151.949m, profiled as follows:

<i>Reporting Category</i>	<b>Budget 2021/22 £m</b>
Bought in Support Services (incl Property)	7.511
Business Services	7.567
Commissioning and Health	10.584
Education Services	58.798
Operational Strategic Management	2.521
Public Health	1.575
Social Care and Early Help	63.393
<b>Grand Total</b>	<b>151.949</b>



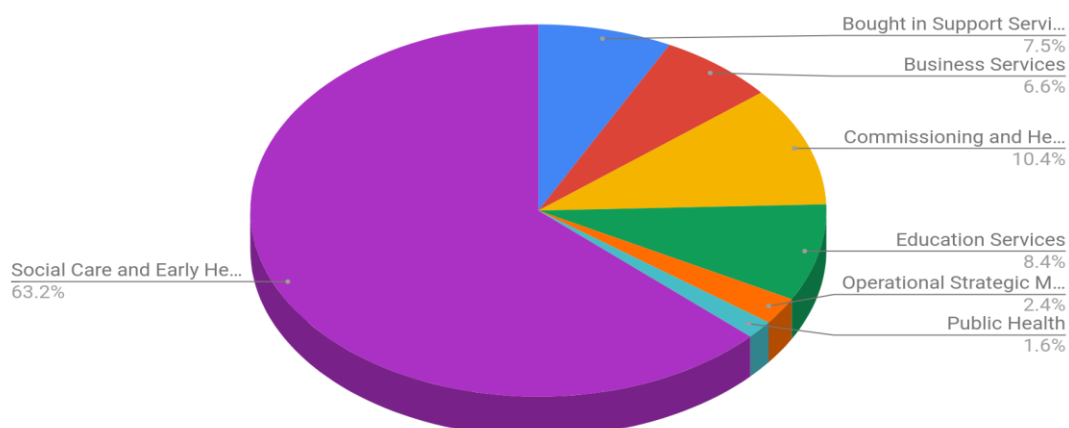
## Achieving for Children Budget 2021/22



2.2 The General Fund element of the AfC budget (excl DSG) is proposed at £99.848m profiled as follows:

<b>Reporting Category</b>	<b>Budget 2021/22 £m</b>
Bought in Support Services (incl Property)	7.511
Business Services	6.549
Commissioning and Health	10.372
Education Services	8.413
Operational Strategic Management	2.362
Public Health	1.575
Social Care and Early Help	63.066
<b>Grand Total</b>	<b>99.848</b>

## Achieving for Children General Fund Budget (excl DSG) 2021/22



2.3 AfC have been fully engaged in each of the three budget setting processes taking place in the Councils and have undertaken the company's detailed budget setting process alongside the council's respective timetables.

2.4 The changes to the 2021/22 budget can be summarised as follows:

	Kingston	Richmond	Windsor & Maidenhead	Total
	£m	£m	£m	£m
<b>Contract price movements</b>				
<b>2020/21 Q2 contract price excl DSG</b>	<b>35.222</b>	<b>37.332</b>	<b>25.799</b>	<b>98.352</b>
Growth	1.283	2.444	2.077	5.804
Unfunded Growth	0.000	0.693	0.396	1.089
Savings	-0.971	-0.685	-1.273	-3.052
Savings associated with unfunded Growth	0.000	-0.693	-0.396	-1.089
Savings associated with unfunded Inflation	-0.151	-0.151	-0.120	-0.422
Inflation - pay	0.404	0.000	0.000	0.404
Inflation - contracts	0.196	0.181	0.145	0.522
Unfunded Inflation - increments	0.151	0.151	0.120	0.422
Grant and virement changes	-1.276	-1.029	0.000	-2.182
<b>2021/22 opening contract price excl DSG</b>	<b>34.858</b>	<b>38.243</b>	<b>26.748</b>	<b>99.848</b>
DSG funding in contract price	19.611	20.456	12.035	52.101
<b>2021/22 base contract price incl DSG</b>	<b>54.468</b>	<b>58.698</b>	<b>38.782</b>	<b>151.949</b>

**GROWTH (£5.8m, £6.9m incl unfunded pressures)**

2.5 The proposed 2021/22 growth levels are listed in the table below. There are two categories of growth; those that have been proposed to be funded by each council (£5.8m) and those that have not (£1.09m). Where growth is not funded AfC will need to identify additional in year mitigations to avoid overspending.

	Kingston	Richmond	Windsor & Maidenhead	Total
Growth	£m	£m	£m	£m
Social Care (incl Legal) Q2 demographic growth	-0.379	0.741	0.607	<b>0.969</b>
Social Care (incl Legal) future demand	1.001	0.839	0.075	<b>1.915</b>
Social Care staffing	0.137	0.137	0.210	<b>0.484</b>
<b>Total Demand Growth</b>	<b>0.758</b>	<b>1.718</b>	<b>0.892</b>	<b>3.368</b>
Early Help	0.050	0.050	0.000	<b>0.100</b>
Home to School Travel	0.302	0.505	0.000	<b>0.807</b>
Bought in support services	0.150	0.150	0.000	<b>0.300</b>
Digitisation staffing	0.022	0.022	0.000	<b>0.044</b>
Employee related growth	0.000	0.000	0.903	<b>0.903</b>
Operational Pressures	0.000	0.000	0.282	<b>0.282</b>
<b>Total Service Growth</b>	<b>0.524</b>	<b>0.727</b>	<b>1.185</b>	<b>2.436</b>
<b>2021/22 Budget Growth</b>	<b>1.283</b>	<b>2.444</b>	<b>2.077</b>	<b>5.804</b>
Unfunded Growth - salaries (grant reduction)	0.000	0.000	0.396	<b>0.396</b>
Unfunded Growth - social care placements	0.000	0.693	0.000	<b>0.693</b>
<b>2021/22 Budget Growth (including unfunded)</b>	<b>1.283</b>	<b>3.137</b>	<b>2.473</b>	<b>6.893</b>

2.6 Covid-19 has been incorporated into the growth requests for all three councils. There is a risk, as the pandemic remains prevalent, that 2021/22 budgets will face greater pressure than has been anticipated. The growth requests incorporate known and expected demand pressures, as well as a smaller allowance for controllable expenses and income. Business as usual will need to be monitored closely to ensure that any legacy impact of the pandemic is identified. This will be particularly important in relation to income collectable.

2.7 In LB Richmond there is significant concern in relation to recent activity in the current, and projected, Social Care cohort budget position. The 2020/21 overspend position, as well as future demand pressures, has created a larger growth requirement than was anticipated in August. Following discussions on systems pressures, mitigations and affordability, there is an unfunded balance for demand requirements of £0.693m that will need to be mitigated through in year actions.

- 2.8 In Windsor and Maidenhead there is a funding gap of £0.396m. This gap includes £0.300m relating to staffing pressures within Social Care and £0.096m of operational budget pressures. These are therefore presented as an unfunded growth pressure. Growth requests totalling £0.475m have also not been agreed, but are being held centrally within the council as a demography fund contingency. This amount is for Social Care future demand pressures (£0.368m) and the potential 2021/22 pay rise (£0.108m). AfC has been clear that the Social Care future demand contingency is very likely to be required next financial year and by being held outside of Children's Services is likely to necessitate the report of an overspend.
- 2.9 Despite significant levels of growth there remains an increasing pressure within social care budgets across all three boroughs. It is imperative that the Commissioning Team is involved in placement procurement and that the Directors of Children's Services ensure there are robust arrangements for the periodic review of all placements. There is a risk that if demand and complexity continues to increase, particularly with the continuing pandemic restrictions, and/or the cohort shifts to higher cost placements that there will be budget shortfalls. The organisation will need to manage the associated cost of this and where needed liaise with commissioners should this situation arise.
- 2.10 Growth has been provided for next financial year in Richmond and Kingston in relation to Bought in Support Services, with the associated savings being moved to 2022/23. This is to allow the decision on the future delivery of Human Resources to be agreed and implemented as well as rationalisation of other support services.
- 2.11 Growth in the SEN Transport service is widely matched with the savings initiatives in this service area to ensure that the savings programme forms a key part of the Medium Term Financial Plan.

#### **GROWTH AND INFLATION HELD OUTSIDE OF CONTRACT PRICES (£0.878m)**

- 2.12 The table below shows the amounts for Children's Services that are being held centrally (outside of the AfC contract price) within the respective councils. LB Richmond and RB Windsor and Maidenhead are holding funding for potential pay awards for 2021/22 in a central contingency. RB Kingston have included an amount for the 2021/22 pay award in the growth figures presented above. Actual contract prices will be adjusted upwards or downwards in line with actual pay awards.

	Kingston	Richmond	Windsor & Maidenhead	Total
<b>Budgets Held Centrally (within Council)</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
2021/22 Pay award	0.000	0.402	0.108	<b>0.510</b>
Social Care Demography Fund	0.000	0.000	0.368	<b>0.368</b>
<b>2021/22 council held growth</b>	<b>0.000</b>	<b>0.402</b>	<b>0.476</b>	<b>0.878</b>

#### **SAVINGS (£2.9m, £4.4m incl unfunded savings)**

- 2.13 The following table summarises the budget reductions that have been built into the 2021/22 budget that are associated with savings programmes.

Savings	Kingston	Richmond	Windsor & Maidenhead	Total
	£m	£m	£m	£m
MTFS Savings	0.971	0.685	1.273	<b>2.929</b>
Recovery Savings	0.000	0.693	0.396	<b>1.089</b>
Unfunded Inflation	0.151	0.151	0.120	<b>0.422</b>
<b>2021/22 savings</b>	<b>1.122</b>	<b>1.529</b>	<b>1.789</b>	<b>4.440</b>

2.14 The savings are split into three categories as follows:

- **MTFS Savings** – formal savings that are being agreed through the Councils’ political processes and contributing towards each council’s efficiency regime
- **Recovery savings** – savings associated with funding gaps where growth is not adequate to meet anticipated levels of demand
- **Unfunded inflation** – Inflationary pressures that are not funded in the agreed contract prices

2.15 Appendix A provides a detailed breakdown of the proposed general fund savings. The savings are subject to formal agreement at the various council political meetings in February/March.

2.16 As well as the savings agreed with the council additional savings will also need to be achieved to allow for unfunded growth (recovery savings) in Richmond and Windsor and Maidenhead. The £693k in Richmond relates to the continuing pressures in the current social care cohort, with savings required to reduce the overall placement spend levels.

2.17 In Windsor and Maidenhead the £396k shortfall is associated with unfunded staffing levels in Social Care and operating budget shortfalls, with savings required in year to mitigate the establishment pressures from additional ASYE Social Workers and additionality from the Partners in Practice Programme.

**INFLATION (£0.93m, £1.35m incl unfunded)**

- 2.18 AfC submitted inflationary growth requests to the councils in Autumn 2020 and the following table summarises the bids:

	Kingston	Richmond	Windsor and Maidenhead	Total
Inflation	£m	£m	£m	£m
Contractual pay increments (unfunded)	0.151	0.151	0.120	<b>0.422</b>
2021/22 Pay award	0.404	*0.000	*0.000	<b>0.404</b>
Contract inflation	0.196	0.181	0.145	<b>0.522</b>
<b>2021/22 inflation</b>	<b>0.751</b>	<b>0.332</b>	<b>0.265</b>	<b>1.348</b>

\*21/22 unconfirmed pay award being held centrally by Richmond and Windsor and Maidenhead

- 2.19 The cost of contractual salary increments is not funded by any of the councils and so this will be an additional pressure to be met from existing budgets. The level of 2021/22 pay award is still unconfirmed. Kingston has included a pay award figure in the AfC contract price and Richmond and Windsor & Maidenhead are holding this centrally within council rather than AfC budgets. The appropriate contract adjustments will be made dependent on the final pay award agreement. Funding for the 2019/20 pay award for Windsor & Maidenhead based staff that was previously unfunded has also now been added to the contract price. This is presented in the overall growth figure within employee related pressures.

**GRANT AND CONTRACT CHANGES (£2.18m)**

- 2.21 The contract prices will also reduce for a number of agreed adjustments to reflect estimated Government Grant amounts or service changes. These include where Government funding may have changed or where it has been agreed that budgets will be reflected differently between the councils and AfC

**3. DEDICATED SCHOOLS GRANT**

- 3.1 The provisional Dedicated Schools Grant allocations were released for all three boroughs on the 17th December 2020. AfC is responsible for administering the Dedicated Schools Grants but the income and expenditure forms part of each council's retained budget. Some DSG funding is used to pay for services that are delivered by AfC on behalf of each council. The following tables summarise the provisional DSG grant allocations for next year and the detail of how this will be spent is available as part of each council's budget setting papers.

RICHMOND	2020/21 Allocation incl recoup	2021/22 Allocation incl recoup	Total £ change	Total % change	Change due to populatio n	Change due to pay and pension formula change	£ change due to additional funding
	£m	£m	£m	%	£m	£m	£m
School Block	121.937	131.335	9.398	7.71%	-0.019	6.038	3.379
Central Block	0.924	0.982	0.058	6.28%	0.000	0.027	0.031
Early Years Block	15.177	15.338	0.161	1.06%	0.000	0.000	0.161
High Needs Block	27.869	30.537	2.668	9.57%	0.056	0.327	2.285
<b>Total</b>	<b>165.907</b>	<b>178.192</b>	<b>12.285</b>	<b>7.40%</b>	<b>0.037</b>	<b>6.392</b>	<b>5.856</b>

KINGSTON	2020/21 Allocation incl recoup	2021/22 Allocation incl recoup	Total £ change	Total % change	Change due to populatio n	Change due to pay and pension formula change	£ change due to additional funding
	£m	£m	£m	%	£m	£m	£m
School Block	110.048	117.961	7.913	7.19%	-0.375	5.420	2.868
Central Block	1.062	1.128	0.066	6.21%	-0.002	0.094	-0.026
Early Years Block	13.664	13.812	0.148	1.08%	0.000	0.000	0.148
High Needs Block	23.269	25.897	2.628	11.29%	-0.114	0.470	2.272
<b>Total</b>	<b>148.043</b>	<b>158.798</b>	<b>10.755</b>	<b>7.26%</b>	<b>-0.491</b>	<b>5.984</b>	<b>5.262</b>

WINDSOR & MAIDENHEAD	2020/21 Allocation incl recoup	2021/22 Allocation incl recoup	Total £ change	Total % change	Change due to populatio n	Change due to pay and pension formula change	£ change due to additional funding
	£m	£m	£m	%	£m	£m	£m
School Block	91.762	99.611	7.848	8.55%	2.426	4.513	0.909
Central Block	1.073	1.097	0.025	2.31%	0.007	0.082	-0.064
Early Years Block	8.918	9.025	0.106	1.19%	0.000	0.000	0.106
High Needs Block	22.157	24.186	2.028	9.15%	0.131	0.338	1.559
<b>Total</b>	<b>123.911</b>	<b>133.918</b>	<b>10.007</b>	<b>8.08%</b>	<b>2.564</b>	<b>4.933</b>	<b>2.510</b>

- 3.2 The provisional settlement would indicate healthy levels of increase across all three DSG funds. Despite this, all three funds will continue to experience pressure due to underfunding of high needs education in 2021/22 and increasing numbers of schools are also reporting challenges in setting balanced budgets. Covid 19 and the expectation that the increasing demand trajectory for education health and care plans will continue into next financial year will exacerbate this pressure. AfC is working closely with a number of schools to assist them in finding solutions to balance their budgets.
- 3.3 The DfE issued guidance last year to strengthen the DSG fund ringfence and has provided a three year statutory override to provide a temporary reprieve in terms of impact on wider council finances. AfC officers have drafted updated service improvement and deficit management plans and initial discussions have been held with the DfE in Richmond and Kingston to explore further solutions. The message from the DfE is that the councils / AfC must find a way to bring the cost of high needs support in line with the available budget and that the DfE will look at solutions for the cumulative deficit over the longer term where it is not possible for this to be repaid.
- 3.4 The SEND Futures Plans in Richmond and Kingston will remain a critical priority for AfC moving into next year and there will be a new focus on implementing a smaller scale deficit management plan in Windsor and Maidenhead. The updated plans for each borough and detailed budget setting for the wider DSG fund will be approved by each council as part of the 2021/22 DSG budget setting process and the detail is not repeated in this report. The plans focus on both continuing to improve services for children and young people with SEND as well as on continuing to improve value for money. On the value for money side the following key themes will be prioritised within AfC over the coming year:

Demand Management	Consistent threshold management, close working with schools, managing parental expectations, supporting young people to be as independent as they are able
School place and SEND support sufficiency	Increasing and improving local provision to keep up with increasing levels of need and realignment of provision to match need. Includes places, post 16 opportunities, therapies etc. Aligning funding to place usage.
Improving commissioning practice and associated funding models	Developing a clearer SEND commissioning strategy, proactive negotiation, engagement with consortia, annual reviews, contract management, reviewing how school SEND support is funded.
Improved partnership working	Proactive action and review to ensure that partners are paying a fair share towards need - health, adult social care, children's social care, schools and high needs education
Alignment of DSG education funding to need	Annual assessment of how the DSG is spent and allocated between priorities



#### 4. RISKS AND MITIGATIONS

4.1 The following table summarises key financial risks for the coming year and associated actions

RISK / CHALLENGE	ACTION
Continuing/escalating impact of Covid 19	The Covid-19 impact is forecast to be £3.4m across all three contracts in 2020/21. All efforts have been made to ensure that growth requests have incorporated the impact on demand budgets and increasing activity. There is a risk that demand will continue to grow at a higher than expected rate due to the continuation of the pandemic and imposed restrictions. There is also uncertainty on how business as usual budgets, particularly in relation to income generation, will perform as restrictions are lifted. Detailed budget monitoring separating business as usual from Covid-19 will continue as a priority and form part of the monthly monitoring updates to all key stakeholders.
Ongoing overspend and balancing control of financial pressure with importance of making decisions in best interest of children	The Leadership Teams review the monthly monitoring and agree all actions that could impact on services. This ensures that the service impact of financial action plans is considered and risks identified/ monitored.  Oversight by borough based Directors of Children's Services and Chief Operating & Finance Officer of all decisions relating to LA areas / services.
Placement budgets – Increasing average cost and demand pressures	Internal review system for all placements to ensure they are the most appropriate in terms of service and cost.  Detailed financial monitoring at an individual placement level.  Updated sufficiency strategy, with a fully resourced centralised commissioning team model overseen by the Director of Commissioning.  Engagement with joint LA commissioning groups / initiatives to drive down cost and increase purchasing power  Monthly financial monitoring updates provided to each Council and quarterly meetings with commissioners to discuss latest performance and activity data, risks and associated actions
Achievement of savings and agreement of one off costs for redundancy etc.	Regular monitoring of progress against savings plans.  Project plans for each of the high value schemes with regular reporting to the Leadership Teams.

	Quarterly progress reporting to the AfC Board and Commissioners.
Risk of cross subsidy as the commissioning councils have different affordability levels	<p>Operational area budgets recorded separately to avoid high level cross subsidy</p> <p>Need led budgets ringfenced to ensure that placement / transport budgets can not be vulnerable to cross subsidy</p> <p>DSG funds ringfenced to ensure the grant is only used for the benefit of pupils in the borough for which it was intended (separate budgets and cost recording)</p> <p>Scrutiny of DSG budgets by borough based Schools Forums</p> <p>Definition of core service provided by Business Services and agreement about level of support for each borough in the context of funding levels</p> <p>Annual financial exercise undertaken to check actual expenditure levels against contract prices</p> <p>Oversight by borough based Directors of Children's Services and Chief Operating &amp; Finance Officer.</p>
Risk that Councils do not agree proposed savings	<p>Regular briefings for Councillors throughout the budget setting processes</p> <p>Clear breakdown of financial implications of savings proposals not being agreed</p>

## 5. FINANCIAL IMPLICATIONS

- 5.1 Budgets will be carefully monitored during 2021/22 to ensure that appropriate action is taken where financial pressure arises. The combination of demand pressures, Covid-19 and savings required means that 2021/22 will be another challenging year.
- 5.2 Balancing the ever increasing financial pressure with the responsibility to ensure children are safe and achieving good outcomes remains a significant challenge going into next year. Increases in levels of need and high average cost of placements is a national issue that is causing budget pressure for most providers of children's social care and education services. The councils have provided growth and it is important that the budgets are prioritised effectively to ensure demand is managed within the available budget envelope. We already know that growth management will be challenging, and so it is important that action is taken to reduce average costs and prioritise funding appropriately.
- 5.3 It is important that developing commissioning competence and capacity remains a focus over the coming year as effective placement commissioning is critical to the management of needs

led budgets as is the application of consistent thresholds. In addition, the organisation will be implementing the recommendations of the Placement Sufficiency Strategy which looks to develop the organisation's ability to either effectively provide or commission affordable placement options in the medium term.

- 5.4 The underfunding of high needs education remains the biggest financial challenge in terms of scale of funding shortfall next year. AfC are supporting the councils in conversations with the DfE about the plans in place and what more can be done to resolve the funding gap.
- 5.5 It is important that AfC continues to embed a culture of financial restraint into all officers with spending power and that the organisation regularly reviews the financial position to ensure that money remains aligned to service needs and priorities. Expenditure restraint arrangements will need to continue into 2021/22 to ensure that controllable budgets remain balanced and resources can be effectively prioritised.

## 6. CONTACTS

Michael Smith  
Associate Director of Finance  
Achieving for Children  
[michael.smith@achievingforchildren.org.uk](mailto:michael.smith@achievingforchildren.org.uk)

Lucy Kourpas  
Chief Operating & Finance Officer  
Achieving for Children  
[lucy.kourpas@achievingforchildren.org.uk](mailto:lucy.kourpas@achievingforchildren.org.uk)

## 2021/22 LBR CHILDREN'S SERVICES SAVINGS

TOTAL incl unfunded savings £'000s

1,378

TOTAL excl unfunded savings £'000s

685

AfC Saving Theme	Title	Project Description	Key Risks	Deliverability RAG	Financial Risk RAG	Saving Target 2021/22 £'000
Unfunded growth	Social Care Demand Unfunded Pressures	Pressures relating to unfunded growth in the current cohort of Children Looked After and Leaving Care. AfC will look to implement a range of initiatives to reduce pressure in these budgets including regular placement reviews to ensure high cost placements are stepped down as soon as the young person is ready, improved commissioning arrangements activity to support a broader range of placement options, review of a number of contractual arrangements to ensure best value, <del>strong threshold management</del>	- Budget shortfall causing pressures on overall demand/controllable budgets. - Covid-19 system pressures expected to continue into 2021/22 in Social Care	Amber	Red	693
Maximising Independence	SEN Transport - maximising independence through collection points, parent pay and Independent Travel Training (ITT)	Continuation of the delivery review for the SEN Transport (SENT) service focussing on maximising independence through the redesign and promotion of Collection Points, Independent Travel Training and Parent Pay. In addition there will be a focus on service resources and structures to ensure the most efficient delivery model and structure.	- Covid-19 could continue to negatively impact collection point expansion - Difficulties around Independent Travel Training during Covid-19 - Future demand on service could erode savings as numbers of Education, Health and Care Plans continue to increase	Amber	Amber	250
Leaving Care and UASC Service Offer Review	Leaving Care Service Review (incl income and grant)	Leaving Care income review to maximise young people/accommodation provider accessing Housing Benefits, with the introduction of a service charge contribution	- case by case review needed (all circumstances differ) - placement breakdowns can lead to cessation of benefit payments - requires provider buy-in and support - capacity and availability of team to undertake reviews during Covid-19	Amber	Amber	75
Early Help and Resilience	Whatever it Takes (WIT) Programme/Initiative	Working collaboratively with Whatever It Takes (WIT), a new charity that is aiming to break the destructive cycle of children and young people committing crimes so that, instead, they make a positive contribution to society and build better lives for themselves.	- new initiative with uncertain impact - lead in time needed to work effectively with young people	Amber	Green	50
Commissioning and Procurement	Reducing Placement Commissioning average costs	Improved commissioning of placements across Social Care and Early Help across all placement types and provision	- Covid-19 impacting ability to negotiate with providers - appropriate, local provision is increasingly at capacity - complex cases and support leading to increased average costs in 20/21	Amber	Amber	50
Care Provision	Opening Richmond Children's Home	Reducing average costs in residential placements with the opening of the Richmond Children's Home	- lead-in time required for Hope House - new home with a gradual mixing of young people will offer incremental results	Amber	Amber	50
Commissioning and Procurement	Procurement and Commissioning of contracts and services	Review all contracts, including voluntary sector, to assess best-value strategic delivery model	- Covid-19 impacting on negotiation and viability of cheaper delivery - Procurement and Commissioning capacity - Charity and voluntary contracts included in the review and may be adversely impacted	Amber	Amber	35
Care Provision	Review of Respite provision	Detailed review of the respite provision used both in and out of the borough to support the best quality respite care as well as the most efficient delivery model.	- availability of alternative, local provision - delays in the opening of the Moor Lane Respite Centre	Amber	Amber	30
Leaving Care and UASC Service Offer Review	Case reviews/appeals for No Recourse to Public Fund (NRPF) clients	Continued investment in best practice for Unaccompanied Asylum Seekers and No Recourse to Public Fund young people to reduce numbers with no access to Home Office funding or benefits.	- delays in case reviews with Home Office - government guidance on case closures during Covid-19	Green	Green	25
Leaving Care and UASC Service Offer Review	Improved Transitions between Children's and Adults Services	Improved Transitions between Children's Service and Adults Services with a more efficient transition in support packages between the Children's Act and Adults Social Care Act.	- Transitions system is complex and is currently being reviewed end to end with a view to smoothing the transition between Children's and Adults - Complex young people who may not fully meet Adult's Social Care criteria	Amber	Amber	25
Care Provision	Increasing the capacity of In-House Foster Carers	Increasing the number of In-House Foster Places in use as part of the placement sufficiency strategy.	- Recruitment of the right type of carers and skills is challenging - Higher cost placements many not be the right fit for In House Foster Care - Demand may outweigh recruitment - Covid-19 disrupting placements and availability of carers and respite	Amber	Amber	25
Care Provision	Expansion of Direct Payments to families for short breaks and respite	Increased use of direct payments to increase flexibility and options for families whilst reviewing the contracts currently in place with providers.	- increased demand for direct payments during Covid-19 - increased in-house administration and pressure on staffing - change in approach for families	Amber	Amber	20
Service Transformation and income generation (incl Digital)	Service transformation from remote working and digital strategy	Promotion of digital strategy, remote working and revised travel policy.	- savings remove potential for re-investment in digital growth and transformation	Green	Green	20
Service Transformation and income generation (incl Digital)	Review the Early Years Finance and Business Support team structure	Review of the Early Years support functions with a view to rationalising available resources.	- reduced resource within the Early Years team	Green	Green	15
Service Transformation and income generation (incl Digital)	Workforce Development - rationalising resources	Merge Way2Work apprenticeships with workforce development and rationalise resource to deliver both services. Second year of saving.	- reduced capacity in workforce development and income generating teams	Green	Green	15

2021/22 RBK CHILDREN'S SERVICES SAVINGS				TOTAL	971	
AfC Saving Title	Title	Project Description	Key Risks	Deliverability RAG	Financial Risk RAG	Saving Target 2021/22 £000
Maximising Independence	SEN Transport - maximising independence through collection points, parent pay and Independent Travel Training (ITT)	Continuation of the delivery review for the SEN Transport (SENT) service focussing on maximising independence through the redesign and promotion of Collection Points, Independent Travel Training and Parent Pay. In addition there will be a focus on service resources and structures to ensure the most efficient delivery model and structure.	- Covid-19 could continue to negatively impact collection point expansion - Difficulties around Independent Travel Training during Covid-19 - Future demand on service could erode savings as numbers of Education, Health and Care Plans continue to increase	Amber	Amber	276
Commissioning and Procurement	Post 16 accommodation strategy (element 1 of PeopleToo savings)	Improved working with providers to develop alternative 'on contract' provision and approach to semi-independent accommodation. This saving is attributable to the Better Contracting savings programme.	- Covid-19 is impacting negotiation potential with providers - Risk of increased vacancy rate on block bookings or on contract placements	Amber	Amber	190
Commissioning and Procurement	Reducing Placement Commissioning average costs	Improved commissioning of placements across Social Care and Early Help across all placement types and provision (incl Parenting Assessments)	- Covid-19 impacting ability to negotiate with providers - appropriate, local provision is increasingly at capacity - complex cases and support leading to average cost pressures	Amber	Amber	150
Leaving Care and UASC Service Offer Review	Leaving Care Service Review (incl income and grant)	Leaving Care income review to maximise young people/accommodation provider accessing Housing Benefits, with the introduction of a service charge contribution	- case by case review needed (all circumstances differ) - placement breakdowns can lead to cessation of benefit payments - requires provider buy-in and support - capacity and availability of team to undertake reviews during Covid-19	Amber	Amber	88
Early Help and Resilience	Whatever it Takes (WiT) Programme/Initiative	Working collaboratively with Whatever It Takes (WIT), a new charity that is aiming to break the destructive cycle of children and young people committing crimes so that, instead, they make a positive contribution to society and build better lives for themselves	- new initiative with uncertain impact - lead in time needed to work effectively with young people	Amber	Green	50
Care Provision	Reviewing internal accommodation provision	Review of supported accommodation to reprofile staffing levels to level of complexity.	- reducing workforce could increase the risk of placement breakdowns and staff retention	Amber	Green	37
Commissioning and Procurement	Procurement and Commissioning of contracts and services	Review all contracts, including voluntary sector, to assess best-value strategic delivery model (e.g. YMCA contract, Systems, Health contracts)	- Covid-19 impacting on negotiation and viability of cheaper delivery - Procurement and Commissioning capacity - Charity and voluntary contracts included in the review and may be adversely impacted	Amber	Amber	35
Leaving Care and UASC Service Offer Review	Case reviews/appeals for No Recourse to Public Fund (NRPF) clients	Continued investment in best practice for Unaccompanied Asylum Seekers and No Recourse to Public Fund young people to reduce numbers with no access to Home Office funding or benefits.	- delays in case reviews with Home Office - government guidance on case closures during Covid-19	Green	Green	25
Leaving Care and UASC Service Offer Review	Improved Transitions between Children's and Adults Services	Improved Transitions between Children's Service and Adults Services with a more efficient transition in support packages between the Children's Act and Adults Social Care Act.	- Transitions system is complex and is currently being reviewed end to end with a view to smoothing the transition between Children's and Adults - Complex young people who may not fully meet Adult's Social Care criteria	Amber	Amber	25
Care Provision	Increasing the capacity of In-House Foster Carers	Increasing the number of In-House Foster Places in use as part of the placement sufficiency strategy.	- Recruitment of the right type of carers and skills is challenging - Higher cost placements many not be the right fit for In House Foster Care - Demand may outweigh recruitment - Covid-19 disrupting placements and availability of carers and respite	Amber	Amber	25
Service Transformation and income generation (incl Digital)	Service transformation from remote working and digital strategy	Promotion of digital strategy, remote working and revised travel policy	- savings remove potential for re-investment in digital growth and transformation	Green	Green	20
Service Transformation and income generation (incl Digital)	Workforce Development - rationalising resources	Merge Way2Work apprenticeships with workforce development and rationalise resource to deliver both services. Second year of saving.	- reduced capacity in workforce development and income generating teams	Green	Green	15
Service Transformation and income generation (incl Digital)	Review the Early Years Finance and Business Support team structure	Review of the Early Years support functions with a view to rationalising available resources.	- reduced resource within the Early Years team	Green	Green	15
Care Provision	Expansion of Direct Payments to families for short breaks and respite	Increased use of direct payments to increase flexibility and options for families whilst reviewing the contracts currently in place with providers.	- increased demand for direct payments during Covid-19 - increased in-house administration and pressure on staffing - change in approach for families	Amber	Amber	10
Service Transformation and income generation (incl Digital)	School Meals increased income generation	Realigning income budget to level of income generation achieved from the Pupil Support School Meals Contract	- No risks identified, achieved in 2020/21	Green	Green	10

2021/22 RBWM CHILDREN'S SERVICES Savings

TOTAL incl unfunded savings £'000s  
TOTAL excl unfunded savings £'000s

1,573  
1,273

AfC Theme	AfC Saving Title	Project Description	Key Risks	Deliverability RAG	Financial Risk RAG	Saving Target 2021/22 £000
Maximising Independence	Home to School transport statutory service only	Review all discretionary travel delivery (in pre and post sixteen) within the service with a view to moving to a statutory only offer.	- Impact on current and future users, particularly post 16 - Formal member approval pending - Consultation for users required	Amber	Green	300
Commissioning and Procurement	Placement Commissioning Efficiencies	Optimise costs of placements for children in the care of the local authority.	- Covid-19 impacting ability to negotiate with providers - appropriate, local provision is increasingly at capacity - complex cases and support leading to average cost pressures	Amber	Amber	250
Unfunded savings	Social Care and Early Help - employee (salary) budget shortfalls	Funding shortfall relating to employee positions within Social Care. This includes ASYE Social Worker (£118k) and workers funded previously through the Partners in Practice grant funding (£182k) which ceases on 31 March 2021. Therefore additional, currently unidentified savings are required to fund these posts.	- Service overspend pressures on controllable salary budgets	Green	Red	300
Early Help and Resilience	Community Hubs Transformation Programme	Rollover of prior year savings in Youth and Early Year services that were planned through service delivery from two Family Hubs, focusing on statutory services and targeted support for vulnerable groups. (Saving for 2020/21 £450,000 increasing to £600,000 for 2021/22)	- The original implementation date of July 2020 was delayed due to COVID-19 with a revised implementation date of April 2021. - continuation of the pandemic may impact the revised implementation date.	Amber	Green	150
Early Help and Resilience	Health Visitor Service	Reduction in the Health Service Visitor service. This savings is in relation to a reduction in grant (held within RBWM).	- Reduction in provision and services offered	Amber	Amber	150
Service Transformation and income generation (incl Digital)	Assessment and Therapy services - dedicated team	Simplifying the therapy offer to a smaller set of interventions that are provided by a dedicated team.	- reduced therapy offer for children and young people due to a tightening of criteria	Amber	Amber	100
Service Transformation and income generation (incl Digital)	Education Services - charge Inclusion Advisor to Schools Block	Moving the cost of the Inclusion Advisor service into the Education Services service budget in line with Dedicated Schools Block guidance. This will allow critical skills to be available to schools with a view to increasing the effectiveness of High Needs spending.	- increased pressure on HNB central costs	Green	Green	90
Service Transformation and income generation (incl Digital)	Early Years Education Services	Remove non-statutory support for early years settings (childminders and nursery groups) which is currently offered to support those judged as required improvement or inadequate.	- withdrawing a service previously promoted to settings - impacting on team resilience as some roles supported overall EY functions	Amber	Green	60
Service Transformation and income generation (incl Digital)	New ways of working reduce expenses for travel and other external	Use virtual technologies to support fewer face to face meetings.	- savings remove potential for re-investment in digital growth and transformation	Green	Green	50
Service Transformation and income generation (incl Digital)	Redesign Business Support to drive increased resilience and efficiency	Restructure business support roles to create fewer, multi-skilled and longer hour roles which cover the support to statutory and early help services.	- reduced capacity in Business Support functions and wider service delivery administrative support - Risk of redundancy	Green	Green	45
Service Transformation and income generation (incl Digital)	Redesign Finance to a statutory only service	Reduce finance team to statutory minimum for direct LA services and also charge RBWM maintained schools for Finance functions provided to them.	- reduced capacity in finance functions and service delivery	Green	Green	28
Leaving Care and UASC Service Offer Review	Care Leavers - Supported living options	Project to establish location and scale of accommodation needs and determine if services are directly provided or commissioned. This should assist in reducing average costs for supported living placements.	- Investment (Capital) required to grow in-house provision - Scarce availability of some provision	Green	Green	20
Care Provision	Independent Fostering Agency - income from OOB young people	IFA development to have more carers than needed for AfC area families, and a commercial offering to others. Increasing the number of In-House Foster Carers as part of the placement sufficiency strategy. This includes promotion of competitive rates for potential future carers and retention of current highly skilled carers.	- Recruitment of the right type of carers and skills is challenging - Higher cost placements many not be the right fit for In House Foster Care - Demand may outweigh recruitment - Covid-19 disrupting placements and availability of carers and respite	Green	Green	15
Care Provision	Disabled Children - more effective transition	Improvements in provision to support the young person's transition to a sustainable adulthood with a view to reducing the costs of Education Services and care for some young people.	- capacity to ensure system change is implemented and embedded	Green	Green	15



## TREASURY PLAN 2021/22

### Introduction

1. AfC is not allowed to enter into any borrowing, credit facility or investment arrangement (other than trade credit in the normal course of business) unless it has been approved by the Councils. The Financial Plan (the Plan) provides the authorisation for AfC to borrow and invest in the particular situations specified and the Plan has to be approved by the Members, as the owners of AfC. The decision to approve the Treasury Plan has been delegated to the Ownership Board (formerly Joint Committee) as a Band Three Reserved Matter.
2. The Plan will be reviewed at least annually and when events require a review in order to ensure that the Company's banking and treasury activities are operating efficiently and that risks are being appropriately managed in order to comply with the Councils' treasury policies.

### Borrowing

3. AfC will only borrow from the Councils and in accordance with the terms set out in the Revolving Credit Facility (RCF) which is attached to the contractual Inter Authority Agreement.
4. AfC can only borrow from the Councils to fund 'Qualifying Expenditure' which is:
  - I. The Borrower's working capital requirements in connection with the Contracts.
  - II. Any deficits incurred by the Borrower in providing the services to the Lenders under the Contracts (including the original set-up costs).
  - III. Any expenditure incurred by the Borrower in relation to the provision of children's services that is ancillary to the expenditure incurred in providing services under the Contracts to the Lenders (for example the advice and support services that have historically been, and continue to be provided to schools).
  - IV. Any other expenditure of the Borrower as the Lenders may from time to time approve in writing in advance as being Qualifying Expenditure, such permission of the Lenders not to be unreasonably withheld or delayed, provided that such permission shall not be given in circumstances where this may give rise to a breach of the State Aid Regulations.

5. Loans from the Councils are short-term and AfC is required to repay loans outstanding on each interest date (31 March and 30 September) and re-borrow any requirement as new loans.
6. Interest is set at 0.5% above base rate and applies to borrowing in relation to the 'Qualifying Expenditure' to comply with State Aid rules.

**Investment**

7. AfC will only invest surplus funds, including sums borrowed under the RCF, in order to manage its cash flow to make payment of its obligations in a timely manner without having to borrow on a frequent basis from the Councils.
8. Such investment will be on the following basis:
  - a) Investment will be in deposit/instant access bank accounts that can be withdrawn at notice on the same day
  - b) Investment will be in banks approved by the Councils
  - c) Investment in each bank will be subject to a maximum amount (or limit) invested at any time
  - d) The aggregate of investments in all banks will also be subject to a maximum amount
  - e) The banks that AfC can make investments in and the limits are as follows:

BANK	LIMIT OF INVESTMENT
Barclays	£4,000,000
Nationwide	£3,000,000
NatWest bank	£5,000,000
Svenska Handelsbanken	£2,000,000
<b>Total Investment</b>	<b>£14,000,000</b>

The total aggregate investments that AfC can have outstanding at any time is £14million

9. At any time the Councils can jointly agree to
  - a) remove approval or vary the investment limits for any of the banks, and vary the total aggregate investments
  - b) approve additional bank(s) with appropriate limits on investment, and
  - c) any such changes shall be agreed in writing (email) by the Finance Directors of each Council and AfC (or their appointed deputies for this purpose) and shall be reported to the next meeting of the Ownership Board and adopted as a change to the Plan as soon as practical and appropriate.
10. The treasury management and banking functions in AfC will be supervised by the Chief Operating & Finance Officer and undertaken by appropriately experienced staff within the finance section of AfC. Treasury activity will be



planned and reviewed weekly and longer term plans prepared at least annually.

11. AfC will take advice and act on instructions from the Councils, acting jointly, on its treasury activities and investments.

This page is intentionally left blank