

THE CABINET

Tuesday, 12 July 2011
(5:00 - 5:28 pm)

Present: Councillor L A Smith (Chair), Councillor R Gill (Deputy Chair), Councillor J L Alexander, Councillor H J Collins, Councillor C Geddes, Councillor M A McCarthy, Councillor L A Reason, Councillor P T Waker and Councillor J R White

Also Present: Councillor N S S Gill and Councillor D Twomey

Apologies: Councillor G M Vincent

12. Declaration of Members' Interests

There were no declarations of interest.

13. Minutes (14 June 2011)

The minutes of the Cabinet meeting on 14 June were confirmed as correct.

14. Budget Monitoring 2011/12

This report was withdrawn and the Leader asked for an updated version to be presented to the next meeting of the Cabinet.

15. Treasury Management Annual Report

Cabinet received a report from the Cabinet Member for Finance, Revenues and Benefits presenting the Treasury Management Annual Report for 2010/11, which set out details of the outturn position for treasury activities and highlighted compliance with the Council's policies previously approved by the Assembly.

The Divisional Director of Finance advised on the key points within the Annual Report in relation to investment income and borrowing. He also clarified the position regarding the Public Works Loans Board (PWLB) interest rates shown in the report (4.057%) and those used in the modelling of the Housing Revenue Account business plan (6%).

Cabinet **recommended the Assembly** to:-

- (i) Note the Treasury Management Annual Report for 2010/11;
- (ii) Note that the Council complied with all 2010/11 treasury management indicators;
- (iii) Approve the actual 2010/11 prudential and treasury indicators as set out in the Annual Report;
- (iv) Note that the Council did not borrow in 2010/11 to finance its capital programme but utilised internal cash in line with its strategy; and

- (v) With regard to the Housing Revenue Account (HRA) reforms, agree in principle that:
 - (a) In the event of favourable market conditions and the issuing of the directive from the Department of Communities and Local Government (DCLG) before 1 April 2012, the Corporate Director of Finance and Resources be permitted, after consultation with the Council's treasury management advisers, to borrow the appropriate finance, currently estimated to be in the region of £281m;
 - (b) Finance may be raised for the HRA reform using any or a combination of the borrowing instruments referred to in paragraph 10.3 of the Cabinet Member's report.

16. The Council Plan

Cabinet received from the Cabinet Member for Finance, Revenues and Benefits a report on the Council Plan for 2011/12 which summarised the main activities to deliver the Council's key priorities for the coming year, with particular focus on the areas of raising household incomes, raising standards in school and post-16 education and housing and estate renewal.

Arising from the discussions, the Corporate Director of Customer Services confirmed that an exceptional weather grant of £399,000 and a further £470,000 as part of the Local Implementation Plan submission was available towards the road and footpaths investment programme for 2011/12.

Cabinet **recommended the Assembly** to approve the Council Plan for 2011/12 as set out in Appendix 1 to the report.

17. Semi Independent Housing for Young People

The Cabinet Member for Children and Education presented a report in respect of proposals for the procurement of a Framework Agreement for the provision of semi-independent accommodation services for young people leaving care and other vulnerable groups.

The Cabinet Member advised that it was proposed to participate in a multi-authority contract, led by London Borough of Haringey, which would assist the Council in meeting its legal obligations under the Children (Leaving Care) Act 2000 through an improved, more cost-effective service in comparison to the current spot-purchase arrangements. It was anticipated that the new arrangements would also result in significantly better quality assurance through the improved monitoring of providers and information-sharing between participating authorities.

Cabinet **agreed**:

- (i) That the Council be named as a participating authority in a tendering exercise led by the London Borough of Haringey and involving a number of other participating authorities, for the procurement of a four-year Framework Agreement for the provision of semi-independent accommodation services, as described within the report;

- (ii) The procurement of semi-independent accommodation for care-leavers as and when required by the Council, via the Framework Agreement; and
- (iii) To authorise the Corporate Director of Children's Services to award contracts for the provision of semi-independent accommodation as and when required by the Council, via the Framework Agreement.

18. Permission to Tender for Tier 2 Gateway Service

The Cabinet Member for Crime, Justice and Communities presented a report on proposals to bring together several drug treatment services under a redesigned, single integrated contract.

The Cabinet Member advised that the principal drug treatment access service contract, the Gateway Service, would expire on 31 March 2012 and the new proposals would combine this service with needle exchange and arrest referral services, providing improved outcomes for service users and greater value for money .

Cabinet agreed:-

- (i) To the procurement of an Integrated Tier 2 Gateway Drug Treatment Service to include static and pharmacy based Borough Needle Exchange Services, an Outreach Service, an Arrest Referral Service and Single Point of Contact (SPoC) Service for offenders in prison, in accordance with the procurement strategy set out in the report; and
- (ii) To authorise the Corporate Director of Adult and Community Services, in consultation with the Corporate Director of Finance and Resources and the Divisional Director of Legal and Democratic Services, to award the contract upon conclusion of the procurement process.

19. Barking Riverside - Community Management Company

Further to Minute 142 (20 February 2007), the Cabinet Member for Regeneration reported on the proposed establishment, in partnership with Barking Riverside Limited, of the Barking Riverside Community Management Company (BRCMC) which replaced the Barking Riverside Community Development Trust as the organisation responsible for the management of the assets on the Barking Riverside development and any open space and roads not adopted by the Council.

The Cabinet Member advised that the BRCMC was a Community Infrastructure Company and was required to be operational in a shadow form by September 2011, prior to the first resident moving in to the area and the opening of the Rivergate Centre which included the George Carey Primary School, a nursery, a church and a café, as well as some community offices.

Cabinet agreed:-

- (i) To the establishment and incorporation of the Barking Riverside Community Management Company (or such other name as the company may be registered as);

- (ii) To the establishment of a Shadow Board of Directors of the Barking Riverside Community Management Company in accordance with the structure outlined in the report, pending the establishment and incorporation of the Barking Riverside Community Management Company;
- (iii) That the Council adopt the roads shown accordingly on the map attached as Appendix 1 to the report; and
- (iv) To **recommend the Assembly** that the Council's representation on the shadow BRCMC Board, and the full BRCMC Board when it is incorporated and operative, be as follows:
 - (a) Voting Board Members - a Cabinet Member and a Thames Ward Councillor, with the two other Thames Ward Councillors to be appointed as the substitute representatives;
 - (b) Non-Voting Board Observer - the Corporate Director of Customer Services, with the Divisional Director for Environment and Enforcement as his/her substitute representative.

20. Barking Riverside - Thames View Footpath/Cycleway: Sale of Unit 1, The Cromwell Centre, 32 Thames Road, Barking

Further to Minute 52 (25 August 2009), the Cabinet Member for Regeneration presented a report on the proposed sale of Unit 1, The Cromwell Centre, on the open market and for the funds to be put back into improving pedestrian and cycle networks in the Thames Road/Barking Riverside and Thames View areas.

The Cabinet Member advised that the property had previously been purchased via funding from the Homes and Communities Agency (HCA) as part of the Barking Riverside development to establish a direct footpath cycle link between Barking Riverside and the centre of Thames View. However, further consultation with the unit owners and the Environment Agency, since the property was acquired, brought to light issues that made this proposal undeliverable and, as a consequence, the property had become surplus to the Council's requirements.

Cabinet agreed:-

- (i) The sale of the Unit 1, The Cromwell Centre, for the maximum price that can reasonably be negotiated and to authorise the Corporate Director of Finance and Resources, in consultation with the Divisional Director of Legal and Democratic Services, to agree the details of the disposal;
- (ii) To authorise the Divisional Director of Legal and Democratic Services to enter into the necessary legal agreements to achieve the disposal of the site based on an agreed heads of terms; and
- (iii) To invest the receipt from the sale of the property in the improvement of pedestrian/cycle links along Thames Road/Crossness Road/ Marine Drive and in the Barking Riverside and Thames View developments.

21. Land Adjacent to 50 Shortcrofts Road, Dagenham

The Cabinet Member for Finance, Revenues and Benefits reported on a proposal to dispose of an area of Council-owned amenity green adjacent to 50 Shortcrofts Road following an approach by the owner of that property. It was noted that the land had a nominal alternative use value and there would be financial benefits for the Council in terms of both reduced annual maintenance costs and the achievement of a capital receipt.

Cabinet **agreed**:-

- (i) To authorise the Corporate Director of Finance and Resources to agree terms for disposal of the amenity land at the maximum price that can reasonably be negotiated;
- (ii) To authorise the Divisional Director of Legal and Democratic Services to enter into the necessary legal agreements to achieve the disposal of the site; and
- (iii) That officers present a further report to Cabinet in due course on the possible disposal of other similar amenity greens for housing use.

22. Barking & Dagenham Partnership Annual Report 2010/11

Cabinet received and noted the Leader's report presenting the Local Strategic Partnership (LSP) Annual Report for 2010/11, which set out the major issues it had dealt with during the last municipal year and its vision for the future. The Leader added that he was confident that the LSP would make considerable strides in the year ahead under the stewardship of the Council's Chief Executive.

23. Fairer Contributions Policy for Adult Social Care: Consultation Responses and Final proposals

Further to Minute 123 (15 March 2011), the Cabinet Member for Health and Adult Services presented a report on proposed changes to the current charging arrangements for adult social care services following the public consultation exercise and the review of the proposals by the Council's Health and Adult Services Select Committee.

The Cabinet Member explained that the key aims of the proposals were to:

- Make sure people on lower incomes have enough money to meet the rising costs of living
- Give additional protection to people aged 85 and over
- Increase charges gradually for current service users
- Raise enough income so that the Council can continue to provide quality services to its vulnerable residents

The Cabinet Member referred to the extensive consultation that had taken place with the public, service users and local agencies and advised that the feedback received had directly resulted in two of the draft proposals being revised, the final recommendations now being as follows:

1. The Council should provide free services to people who are assessed as needing to make a contribution of less than £5.
2. The Council should build in an extra £10 protection into the guaranteed maximum income for people aged 85 and over.
3. The Council will include 100% of Severe Disability Premium/Allowance in the financial assessment in line with national guidance.
4. The Council will reduce the disability disregard from 75% to 25% for people on lower levels of Disability Living Allowance (DLA) and Attendance Allowance (AA) and from 75% to 35% for people on the higher levels of DLA and AA.
5. The Council will ask for contributions towards the cost of the care package not individual services, as required by Government guidance.
6. The Council will take 75% of disposable income into consideration when setting the maximum level of contribution.
7. The Council implements transitional protection of a maximum of £10 in October 2011 until March 2012 and a maximum increase of an additional £20 from April 2012 and an additional £20 from April 2013.

The Lead Member of the Health and Adult Services Select Committee explained that the Select Committee had focused on the three main principles of fairness, sustainability and value for money during the course of its review, and he was pleased that the majority of its proposals had been taken on board. He added, however, that the Select Committee's proposals in respect of the level of disability related benefits disregard (recommendation 4) and the implementation dates for transitional protection (recommendation 7) had not been adopted and he asked Cabinet to reconsider these aspects. Having regard to the proposed implementation of the new arrangements with effect from 1 October 2011 and the need for appropriate publicity and notification to service users prior to this date, the Cabinet asked officers to reassess the impact of the Select Committee's proposals as a matter of urgency and for the Corporate Director, in consultation with relevant Members, to make the final determination.

Having noted the outcome of the public consultation, the recommendations of the Health and Adult Services Select Committee and the proposed changes to the original proposals, Cabinet **agreed**:-

- (i) To authorise the Corporate Director of Adult and Community Services, in consultation with the Cabinet Members for Health and Adult Services and Finance, Revenues and Benefits and the Lead Member of the Health and Adult Services Select Committee, to finalise the proposals in respect of the level of disability related benefits disregard (recommendation 4) and the implementation dates for transitional protection (recommendation 7); and
- (ii) Subject to any necessary changes required as a consequence of (i) above, to approve the 'Fairer Contributions Policy for Adult Social Care' as set out at Appendix 6 to the report, to be implemented with effect from 1 October 2011.

