

# MINUTES OF CABINET

Tuesday, 18 September 2018  
(7:00 - 8:15 pm)

**Present:** Cllr Darren Rodwell (Chair), Cllr Saima Ashraf (Deputy Chair), Cllr Dominic Twomey (Deputy Chair), Cllr Sade Bright, Cllr Evelyn Carpenter, Cllr Cameron Geddes, Cllr Syed Ghani, Cllr Margaret Mullane, Cllr Lynda Rice and Cllr Maureen Worby

## 22. Declaration of Members' Interests

There were no declarations of interest.

## 23. Minutes (17 July 2018)

The minutes of the meeting held on 17 July 2018 were confirmed as correct.

## 24. Budget Monitoring 2018/19 - April to July (Month 4)

The Cabinet Member for Finance, Performance and Core Services presented a report on the Council's revenue budget monitoring position for the 2018/19 financial year as at 31 July 2018 (Month 4).

The General Fund showed a projected year-end overspend of £4.924m against the budget of £145.368m, which represented potential overspends of circa £11.5m offset by central underspends and contingencies of circa £6.5m. The main areas of overspend related to the Children's Care and Support, Disabilities Care and Support and Adults Care and Support services, primarily due to the ongoing demand pressures, high-cost care packages for an increasing number of clients and increasing pay costs. The Cabinet Member also commented on a lack of funding opportunities brought about by successive Government policies affecting the most vulnerable in the local community.

The Housing Revenue Account (HRA) was forecast to be £0.9m below the planned revenue surplus contribution to the HRA Capital Programme.

The Cabinet Member also referred to the proposed allocation of Strategic Investment Pot (SIP) funding generated via the London Business Rates Pool, as well as proposed virements between budgets in respect of the Members' Allowances Scheme for 2018/19, increased costs being borne by Community Solutions relating to temporary accommodation for the homeless and the reallocation of cleaning budgets to a single budget managed corporately by My Place.

The Cabinet **resolved** to:

- (i) Note the current forecast outturn position for 2018/19 of the Council's General Fund revenue budget as detailed in section 2 and Appendix A of the report;

- (ii) Note the current forecast outturn position for the Housing Revenue Account for 2018/19;
- (iii) Approve the proposed allocation of the London-wide Strategic Investment Pot to the individual projects listed in paragraph 5.8 of the report and that the SIP Panel be encouraged to allocate any additional funding that may become available to the 'Local London: Investment in Fibre' project, which would serve Barking and Dagenham; and
- (iv) Approve the virements as detailed in paragraph 6 and Appendix D of the report.

## **25. Controlled Parking Zones - Consultation and Decision-Making Process**

Further to Minute 19(x) of the last meeting, the Cabinet Member for Enforcement and Community Safety presented a report on the proposed process for consulting on and implementing controlled parking zones (CPZs) across the Borough.

The Cabinet Member advised that, in line with the Council's Parking Strategy 2016 - 2021, the new CPZ arrangements were aimed at improving traffic flow and road safety at the same time as reducing congestion and air pollution, with particular focus given to improving the ability to park for the most vulnerable road users, including blue badge holders. The Cabinet Member referred to the eligibility criteria for CPZ schemes, the consultation process for proposed schemes and the criteria for decision-making, which would be informed by the feedback received from local residents and ward councillors.

The Cabinet **resolved** to approve the process for CPZ consultation and the decision-making criteria as detailed in the report.

## **26. Green Garden Waste Subscription Service Review 2018**

The Cabinet Member for Public Realm introduced a report on the proposed continuation of the Council's Green Garden Waste collection service for subscribing households.

By Minute 84 (17 January 2017), the Cabinet had agreed to the commencement of a two-year self-funding service with effect from April 2017. 7,389 had subscribed in the first year of the service and that number had increased to 7,909 at 31 July 2018, with residents receiving 16 collections between April and October / November each year at a cost of £40 per year.

A recent survey of current subscribers had received positive feedback, with a number of respondents indicating a preference for the service to be extended. The Cabinet Member was pleased to report that, following a viability assessment and in response to residents' feedback, it was possible to continue the service into 2019 at the current cost of £40 per year while also extending the number of collections from 16 to 19 per year (option 3a in the report).

The Cabinet **resolved** to:

- (i) Agree the continuation of the "paid-for" Green Garden Waste service at the

current charge of £40 per annum for at least one further year (2019);

- (ii) Agree that, in view of the success of the scheme and in response to feedback from the recent Green Garden Waste customer survey, the service be extended in 2019 from 16 to 19 collections per year at no extra cost to subscribers; and
- (iii) Note that the subscription charge for 2020 would be reassessed as part of the Council's annual fees and charges process in November 2019.

## **27. Corporate Plan 2018-2022 - Quarter 1 Performance Reporting**

The Cabinet Member for Finance, Performance and Core Services introduced the corporate performance framework report for the first quarter of the 2018/19 financial year.

The Cabinet Member drew attention to the areas of improved performance and those requiring further improvement amongst the Key Accountabilities and the 47 key performance indicators (KPIs). It was also noted that the current Key Accountabilities and KPIs would be reviewed once the Council had approved its new Corporate Plan to ensure that the performance framework reflected the priorities going forward and continued to take account of the significant changes to the way that the Council delivered its services.

The Cabinet **resolved** to:

- (i) Note progress against the Key Accountabilities as detailed in Appendix 1 to the report; and
- (ii) Note performance against the Key Performance Indicators as detailed in Appendix 2.

## **28. Contract for Mental Health and Learning Disability Supported Living Services**

The Cabinet Member for Social Care and Health Integration presented a report on the procurement of a Framework Agreement to provide a range of supported living services, together with specialist floating support, to mental health service users and those with a learning disability.

The Cabinet Member explained that the 'supported living' service would offer bespoke packages of care to support users in the community, including secure housing with up to 24-hour care provision, with the key aim of increasing individuals' independence and skills by reducing dependency over a period of time. The supported living service would encourage people to try new things in their own homes and empower those who wished to move on to more independent forms of accommodation, all in line with the principles of the Care Act 2014.

The Cabinet **resolved** to:

- (i) Agree that the Council proceeds with the procurement of a four-year framework contract, with an option for a further two years, for the provision of supported living provision and floating support for Learning Disability and

Mental Health service users, in accordance with the strategy set out in the report; and

- (ii) Delegate authority to the Director of People and Resilience, in consultation with the Cabinet Member for Social Care and Health Integration, the Chief Operating Officer and the Director of Law and Governance, to conduct the procurement and award and enter into the contract and access agreements.

## **29. Term Contract for Mechanical Servicing and Maintenance within Public Buildings, Schools, Leisure Buildings and Communal Housing Properties**

The Cabinet Member for Finance, Performance and Core Services introduced a report on the proposed procurement of a new three-year term contract (with the option to extend for up to two further years) for day-to-day reactive repairs, cyclical maintenance and other minor works at various public buildings, schools, communal housing properties and other buildings within the Council's portfolio.

The Cabinet **resolved** to:

- (i) Approve the procurement of a new term contract for Building Maintenance within Public Buildings, Schools, CU London (Coventry University) and Communal Housing Properties, in accordance with the Council's Contract Rules and the strategy set out in the report; and
- (ii) Delegate authority to the Chief Operating Officer, in consultation with the Cabinet Member for Finance, Performance and Core Services and the Director of Law and Governance, to conduct the procurement and enter into the contract and all other necessary or ancillary agreements, including contract extensions, with the successful bidder.

## **30. Procurement of Electricity and Gas Supply Contract**

Further to Minute 114 (24 March 2015), the Cabinet Member for Finance, Performance and Core Services presented a report on the proposal to enter into a new Framework Agreement with LASER, a company owned by Kent County Council that procured energy on behalf of local authorities, to act as the Council's specialist energy procurement broker.

The Cabinet Member explained that LASER had recently negotiated a new energy supply contract that was due to commence on 1 October 2020. Authorities wishing to participate in the new arrangement were required to confirm their intention to renew their contract before 30 September 2018, as the current agreement with LASER required 24 months' notice of termination. The new contract would be for a maximum four-year period and would ensure that the Council continued to benefit from the effective risk management approach offered via the economically advantageous terms negotiated by LASER.

The Cabinet **resolved** to:

- (i) Approve the appointment of LASER as the Council's broker to procure gas and electricity supplies in accordance with the procurement strategy set out in the report; and

- (ii) Authorise the Chief Operating Officer, in consultation with the Cabinet Member for Finance, Performance and Core Services and the Director of Law and Governance, to finalise any specific terms of the contract, choose the appropriate framework with LASER, enter into the call-off contract under the framework agreement, and do all things necessary to facilitate the execution, implementation and operation of the contract, including any extension agreement to comply with the Authority's agreed procurement and management.

### **31. Debt Management Performance and Write-Offs 2018/19 (Quarter 1)**

The Cabinet Member for Finance, Performance and Core Services introduced the performance report for the first quarter of the 2018/19 financial year in respect of the debt management function carried out by the Revenues and Benefits Service within Elevate East London.

The Cabinet **resolved** to:

- (i) Note the performance of the debt management function carried out by the Revenues and Benefits service operated by Elevate East London, including the performance of enforcement agents; and
- (ii) Note the debt write-offs for the first quarter of 2018/19.

### **32. Vicarage Field - New Lease Arrangements**

Further to Minute 16 (17 July 2018), the Cabinet Member for Finance, Performance and Core Services reported on the proposed terms of a conditional development agreement and lease with Lagmar (Barking) Limited to facilitate the major redevelopment of the Vicarage Field site in Barking Town Centre.

The Cabinet Member explained that the arrangements involved the surrender of the existing head lease and the grant of a new head lease for a term of 250 years, subject to the developer meeting a number of pre-conditions. The draft Heads of Terms appended to the report set out the rental income due to the Council both during and after the construction phase, as well as arrangements for the Council to benefit from the scheme's success and any marriage value generated.

The Cabinet **resolved** to authorise the Chief Operating Officer, in consultation with the Director of Law and Governance, the Director of Inclusive Growth and the Cabinet Member for Finance, Performance and Core Services, to enter into all necessary agreements with Lagmar (Barking) Ltd for a conditional development agreement / lease for the Vicarage Field site under terms set out in the report.

### **33. Development of Site at London Road / North Street, Barking**

The Cabinet Member for Regeneration and Social Housing presented a report on redevelopment proposals in respect of land at the junction of London Road and North Street, which was a significant gateway entrance to Barking Town Centre.

The Cabinet Member explained that the former White Horse public house site was

owned by Robyna Limited and had remained boarded for a number of years, while the Council owned the adjacent site that was currently being used by Transport for London as a bus layover facility. A range of options for the area had been considered, including the Council developing its part of the site in isolation or seeking to compulsorily purchase the land owned by Robyna Ltd, with the latter option discounted in view of Robyna Ltd's desire to deliver development which would significantly weaken any case for the Council to use compulsory purchase powers. Therefore, Be First had been in ongoing discussions with Robyna Limited regarding the potential for a comprehensive, residential led redevelopment scheme across the combined sites, which had resulted in outline plans for the construction of 164 built-to-rent units, 35% of which would be affordable (35% discounted market rent), with some commercial space on the ground floor of the development.

Under the proposed arrangements, the Council would acquire the freehold ownership of the Robyna site and grant a 250-year head lease (plus 3 years for the development period) for the combined site, subject to the payment of an agreed head rent. Agreements would be entered into and a joint planning application submitted in late 2018, with construction planned to commence during 2019 and completed in 2021/22. The Council would retain termination rights in the event of the development failing to complete or default by the developer and it was also noted that appropriate due diligence had been carried out with regard to Robyna Ltd and Yara Capital, its asset manager in the UK.

The Cabinet **resolved** to:

- (i) Agree to enter into necessary agreements with Robyna Ltd to enable them to develop a residential-led development on land owned by both the Council and Robyna Ltd, upon satisfaction of various conditions precedent; whereby the Council would acquire the freehold ownership of the Robyna Ltd site and grant Robyna Ltd a head lease on the combined sites for 250 (+3 for construction) years subject to the payment of a head rent and all subject to appropriate due diligence;
- (ii) Approve a loan of up to £35m to Robyna Ltd based on the terms set out in Appendix 2 to the report, with the borrowing to be funded through the General Fund from the Public Works Loan Board;
- (iii) Delegate authority to the Chief Operating Officer, in consultation with the Director of Law and Governance and the Cabinet Member for Regeneration and Social Housing, to agree the final terms of the loan and the contract documents to fully implement and effect the proposals set out in the report; and
- (iv) Authorise the Director of Law and Governance (or an authorised delegate on her behalf), in consultation with the Chief Operating Officer, to execute all the legal agreements, contracts and other documents on behalf of the Council.

#### **34. Sale of Council-Owned Land**

The Cabinet Member for Finance, Performance and Core Services introduced a

report on the proposed sale of two areas of Council-owned land to the respective adjoining land owners, which when combined with the adjoining properties would allow for the construction of a single dwelling house on each site subject to the necessary statutory consents.

The owners of 1 Calverley Crescent and 10 Valence Wood Road had approached the Council about the possibility of acquiring the Council-owned land adjoining their respective properties. Neither site was designated as public open space and assessments concluded that they were not suitable for development in isolation from the adjoining properties. Furthermore, one of the sites was prone to unauthorised parking and fly-tipping while the other was fenced and not accessible by the public.

With the land being deemed surplus to the Council's requirements, independent valuations had been sought and draft Heads of Terms produced for the sale of the Council's freehold interests, the details of which were set out in appendices to the report.

The Cabinet **resolved** to:

- (i) Approve the disposal of the Council's freehold interest in the land adjacent to 1 Calverley Crescent, Dagenham, as shown edged red on the plan at Appendix 1 to the report, to the adjoining land owner on the terms set out in Appendix 3 to the report; and
- (ii) Approve the disposal of the Council's freehold interest in the land adjacent to 10 Valence Wood Road, Dagenham, as shown edged red on the plan at Appendix 2 to the report, to the adjacent land owner on the terms set out in Appendix 4 to the report.

### **35. Membership of Policy Task Group**

Further to Minute 56 (ii) of the Assembly of 28 February 2018, the Leader advised on the membership of the Policy Task Group.

The Cabinet **resolved** to note the membership of the Policy Task Group for the remainder of the 2018/19 municipal year:

Councillor Haroon (Chair); Councillor Shaukat (Deputy Chair); Councillor Dulwich, Councillor Fergus, Councillor Freeborn, Councillor Khan, Councillor Miah, Councillor Paddle, Councillor Quadri and Councillor C Rice.