

# MINUTES OF CABINET

Tuesday, 16 October 2018  
(7:00 - 8:11 pm)

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

**Apologies:** Cllr Evelyn Carpenter, Cllr Cameron Geddes and Cllr Margaret Mullane

## 36. Declaration of Members' Interests

There were no declarations of interest.

## 37. Minutes (18 September 2018)

The minutes of the meeting held on 18 September 2018 were confirmed as correct.

## 38. Budget Monitoring 2018/19 - April to August (Month 5)

The Cabinet Member for Finance, Performance and Core Services presented a report on the Council's revenue and capital budget monitoring position for the 2018/19 financial year as at 31 August 2018 (Month 5).

The General Fund showed a similar position to that at the end of July 2018, with a projected year-end overspend of £4.945m against the budget of £145.368m. The Capital Programme showed a projected year-end spend of £157.489m against the original budget of £133.216m, with the increase attributable to a range of factors including new grant funding, the carry forward of unspent allocations from 2017/18 and the acceleration of later years' projects in the current year.

Cabinet Members commented on the impact that the Government's continued underfunding of public services was having on the Council's ability to deliver a balanced budget each year, particularly in the areas of Adult and Children's Social Care. Concerns were also expressed regarding the Government's Universal Credit project and the potential that local Council budgets would be cut further to meet the extra £2bn being called for to implement Universal Credit.

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 to the report;
- (ii) Approve the proposed revisions to the 2018/19 Capital Programme as detailed in section 4 and Appendix B to the report;
- (iii) Approve the reprofiled five-year Capital Programme as set out in Appendix

C to the report; and

- (iv) Note the in-year Capital Programme monitoring position as set out in Appendix D to the report.

### **39. Investment and Acquisition Strategy Update**

Further to Minute 37 (19 September 2017), the Cabinet Member for Finance, Performance and Core Services presented an update on the delivery of the Council's Investment and Acquisition Strategy (IAS) targets, together with the proposed inclusion of a new asset class of commercial lending.

The Cabinet Member explained that in order to respond to the unprecedented challenges stemming from Government cuts to public sector spending, the Council had to continually look at innovative ways to invest in Barking and Dagenham's future, to support growth and generate a long-term financial return to fund Council activities. A number of regeneration projects recently approved by Cabinet had included loan arrangements to the development partners and while the Cabinet Member acknowledged the risks associated with commercial lending, the potential benefits had been assessed as warranting an allocation of £200m for that new asset class within the IAS.

The Cabinet Member also referred to the intention for future major works to residential properties held via B&D Reside to be funded by borrowing or use of future surpluses.

The Cabinet **resolved** to:

- (i) Note the progress being made to meet the IAS income target;
- (ii) Approve, in principle, the revised asset class of commercial lending to enable regeneration, up to an allocated value of £200 million, and the expected returns matrix contained in Appendix 1 to the report, subject to:
  - a) Commercial due diligence and underwriting advice being procured as to commercial, legal, accounting, due diligence, risk management, information and state aid requirements, and appropriate protocols being put in place;
  - b) Any necessary revisions to the Annual Investment Strategy in-year being approved by the Assembly as part of the Treasury Management Strategy Statement;
  - c) Any commercial lending decisions until the protocols are in place pursuant to recommendation (ii)(b) above being made on a case by case analysis and due diligence;
  - d) Regular review and monitoring of the asset class and Investment Strategy;
- (iii) Agree the revised IAS at Appendix 2 to the report, subject to final approval of the Strategy by the Assembly as part of the Treasury Management Strategy Statement;
- (iv) Approve, in principle, the policy to fund future major works on residential

schemes held by B&D Reside either from future borrowing or from future rental surpluses; and

- (v) Authorise the Chief Operating Officer, in consultation with the Director of Law and Governance (or an authorised delegate), to agree and execute all the legal agreements, contracts and other documents on behalf of the Council required to implement any aspect of the investment programme identified in the report.

#### **40. Central Park Masterplan Implementation**

Further to Minute 28 (11 July 2017), the Cabinet Member for Community Leadership and Engagement presented a report on the findings of a feasibility study into the implementation of the masterplan for Central Park, Dagenham.

The total cost of implementing the masterplan had been estimated at £2.3m, which would include landscaping with new and improved leisure and sport facilities. The Cabinet Member advised that approximately half of the total cost could be funded from income via the importation of inert material from developments in the London and South East area to create the new landscape, subject to the outcome of public consultation and the necessary planning approvals. In respect of the delivery of the works, the Cabinet Member referred to the procurement proposals and the projected timelines leading to completion of the project during 2021.

Cabinet Members spoke in support of the Council's Parks and Open Spaces Strategy and the specific implementation plans for Central Park. In response to a question regarding the total funding of the masterplan proposals, the Commissioning Director for Culture and Recreation referred to potential grant funding opportunities and also confirmed that the design proposals would have a strong focus on minimising ongoing revenue costs to the Council.

Arising from the discussions, reference was also made to the expansion of the Park Ranger service, the potential for the Council's in-house services to participate in the delivery of the project and the opportunities for the Council to promote healthier lifestyles by encouraging the planting of fruit trees and bushes as part of the natural landscape.

The Cabinet **resolved** to:

- (i) Approve the procurement of a design and build contract for landscaping and sports facilities at Central Park using the OJEU compliant UK Leisure Framework, to enable the direct appointment of a development partner for scoping, design, refurbishment, construction and the development of recreation and sports facilities for the public sector;
- (ii) Approve the commitment of up to £1.1 million in the Council's Capital Programme in the period 2018 – 2020 to support the implementation of key elements of the Central Park masterplan;
- (iii) Note that the proposed scope of works would realise a payment to the Council of c£1.1 million from the importation of soil and inert material, for use in the creation of the new park landscape; and

- (iv) Delegate authority to the Commissioning Director for Culture and Recreation, in consultation with the Cabinet Member for Community Leadership and Engagement, the Chief Operating Officer and the Director of Law and Governance, to conduct the procurement and enter into the contract and all other necessary or ancillary agreements with the successful bidder(s) in accordance with the strategy set out in the report.

#### **41. Neighbourhood Community Infrastructure Levy Policy**

Further to Minute 71 (12 December 2017), the Cabinet Member for Community Leadership and Engagement introduced proposals relating to the allocation of Neighbourhood Community Infrastructure Levy (NCIL) funding.

The Cabinet Member advised that the Council already had established models for supporting local community groups through projects such as Civil Society, the Local Giving model and the B&D Lottery, and the NCIL represented a further, significant means of providing financial support within that wider model. The proposals for NCIL funding would commence from March 2019 and include the establishment of a Residents' Panel to evaluate eligible bids. It was also planned to create a NCIL endowment fund, aimed at providing an ongoing source of funding for local projects and initiatives in support of the Council's 'No One Left Behind' principles.

Cabinet Members welcomed the proposals and commented on the wide range of initiatives being progressed by the Council for the benefit of the local community.

The Cabinet **resolved** to:

- (i) Agree the establishment of a grants programme for the distribution of the NCIL and the draft NCIL scoring criteria;
- (ii) Agree the establishment of a Residents' Panel to input into decisions on the allocation of NCIL;
- (iii) Delegate authority to the Director of Policy and Participation, in consultation with the Director of Inclusive Growth, the Cabinet Member for Community Leadership and Engagement, the Cabinet Member for Regeneration and Social Housing and the Cabinet Member Finance, Performance and Core Services, to approve NCIL bids of up to £200,000 in any one bid submission period and to take the necessary steps to adjust the process, as appropriate, as NCIL embedded in the Borough;
- (iv) Agree to use NCIL to create an endowment, which would fund community projects long term; and
- (v) Note that the NCIL decisions being sought were relevant to the emerging resident and community-led Local Giving model.

#### **42. Draft Third Local Implementation Plan Submission**

The Leader of the Council introduced a report on the Council's draft third Local

Implementation Plan (LIP3) submission to Transport for London (TfL) in respect of the Council's long-term, overarching objectives for improving the transport network and services in the Borough.

It was noted that the Council's first and second LIPs helped to deliver an extensive programme of transport and public realm improvements and meet a range of environmental and safety targets. Through its LIP3 submission, the Council aimed to build on that by implementing a number of measures and interventions that would help connect people and places, promote healthy and sustainable travel, improve safety and security and create better streets and places, all of which were key pledges in the Borough Manifesto.

The Leader referred to some of the specific projects that would be funded from the expected £4.5m allocation from TfL for the next three years, aimed at developing a more joined-up, sustainable transport network in the Borough. The LIP3 also included details of other significant infrastructure schemes that the Council would want to see progressed in order to achieve its key aims and those within the Mayor of London's Transport Strategy objectives, such as the tunnelling of a 1.3km stretch of the A13 to improve traffic flows and air quality around the Barking Riverside and surrounding areas.

The Leader advised that improvements to the Council's cycle network had recently been discussed with the Deputy Mayor for London and officers had been asked to look into the practicalities of the central grassed areas in a number of the Borough's roads being opened up for use by cyclists. The Cabinet Member for Public Realm also referred to his involvement on London Councils' Transport and Environment Committee and his wish for the London cycle hire scheme to be extended to the Borough.

The Cabinet **resolved** to:

- (i) Approve the draft LIP3, as set out at Appendix 1 to the report, for submission to TfL and for officers to undertake a five-week period of public consultation on the draft plan;
- (ii) Approve the Annual Spending Submission (ASS) for 2019/20, as set out at Appendix 2 to the report, for submission to TfL; and
- (iii) Agree that further work be undertaken to determine the priority of, and to establish, a lobbying / funding strategy for the major transport schemes listed in the draft LIP3.

#### **43. Contract for the Provision of Accommodation for Homeless Families**

The Cabinet Member for Finance, Performance and Core Services presented a report on proposals that would assist the Council to meet its statutory responsibilities to the homeless, under Part VII of the Housing Act 1996 (as amended), through the provision of temporary accommodation via either Private Sector Licensed (PSL) or Assured Shorthold Tenancy (AST) arrangements.

The Cabinet Member advised that the Council was on course to achieve its target reduction in the number of homeless households in temporary accommodation to

1,750 within the current financial year. However, the Government's ongoing welfare reforms, including the introduction of Universal Credit, were expected to result in unprecedented demand for assistance with re-housing as a consequence of homelessness and the proposals were, therefore, aimed at addressing both existing and future demand.

The proposals within the report included the extension of arrangements with the 19 existing PSL contractors while the new, four-year contract was procured. The Cabinet Member commented that the new arrangements would form part of the package of measures put in place to support individuals and families through the trauma of becoming homeless and back into permanent accommodation.

The Cabinet **resolved** to:

- (i) Approve the proposals to procure a new contract for the provision of private sector properties for use as either temporary accommodation (Private Sector Licensed) or Assured Shorthold Tenancy for homeless households or those imminently threatened with homelessness, in accordance with the strategy set out in the report;
- (ii) Waive the necessary requirements, in accordance with the Council's Contract Rules, in order to extend the current contracts for the provision of Private Sector Licensed properties with the 19 contractors up to a maximum of five months or the commencement of a new contract, whichever was the sooner; and
- (iii) Delegate authority to the Director of Community Solutions, in consultation with the Cabinet Member for Regeneration and Social Housing, the Chief Operating Officer and the Director of Law and Governance, to conduct the procurement and enter into the contract and all other necessary or ancillary agreements with the successful bidder(s) in accordance with the strategy set out in the report.

#### **44. Contract for the Provision of Removal Services**

The Cabinet Member for Finance, Performance and Core Services introduced a report regarding the proposed retendering of the contract for the provision of removal services for both corporate and residential properties, to commence from January 2019.

The Cabinet Member referred to the current arrangements and historic spend and advised that the new contract would achieve improved value for money.

The Cabinet **resolved** to:

- (i) Approve the procurement of a new term contract for removal services for both corporate and residential 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.

#### **45. Corporate Plan 2018 - 2022**

The Cabinet Member for Community Leadership and Engagement presented the draft Corporate Plan for 2018-2022 which set out the Council's vision and priorities for the next four years.

The draft Plan reflected the evolving role of the Council as an enabler and facilitator and the Cabinet Member alluded to the key accountabilities and performance indicators that underpinned the updated priorities, which would help to bring to fruition the community's aspirations as set out within the Borough Manifesto.

Cabinet Members welcomed the new approach to the Plan, which they felt was very informative and user friendly for such a concise document, and also discussed the particular need to challenge and 'design out' domestic violence behaviours which were a considerable issue within in the Borough.

The Cabinet **resolved to recommend the Assembly** to approve the Council's Corporate Plan 2018-2022 as set out at Appendix 1 to the report.