

MINUTES OF CABINET

Tuesday, 12 November 2019
(7:00 - 8:25 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 Lynda Rice and Cllr Maureen Worby

Apologies: Cllr Margaret Mullane

66. Declaration of Members' Interests

There were no declarations of interest.

67. Minutes (15 October 2019)

The minutes of the meeting held on 15 October 2019 were confirmed as correct.

68. Development of Land Adjacent to Padnall Lake, Marks Gate, Chadwell Heath

The Cabinet Member for Regeneration and Social Housing presented a report proposing the development of land adjacent to Padnall Lane in Marks Gate to provide 200 new affordable homes, as well as wider community benefits including a community centre and improvements to the public realm. All local residents had been written to about the proposals and formal public consultation events would commence shortly.

In response to questions, the Cabinet Member confirmed that the proposed improvements to the public realm would benefit existing residents as well as new residents, and that the consultation would seek residents' views on the design and layout of the development.

During a discussion regarding how residents who did not have access to a computer or the internet would be able to take part in the consultation, the Chair reminded Members that Marks Gate benefitted from a staffed centre which provided internet access. The Cabinet Member stated that in addition to the online consultation, the Council's Communications team were planning face to face workshops with residents.

Cabinet **resolved** to:

- (i) Approve that the site be redeveloped to provide, subject to planning approval:
 - (a) 200 affordable homes comprising a mix of
 - 50% Affordable Rent (100 units)
 - 35% London Affordable Rent (70 units)
 - 15% Shared Ownership (30 units)
 - (b) c.250m² of community space; and
 - (c) High quality open space and public realm improvement;

- (ii) Agree the estimated Total Scheme Development costs of £63,940,000;
- (iii) Approve that, subject to the grant of an acceptable planning permission and receipt of satisfactory construction tender prices, the project be financed and held within the residential asset class of the Investment and Acquisition Strategy;
- (iv) Agree to allocate up to £6,781,000 from the Investment and Acquisition Budget to fund the pre-development costs;
- (v) Agree to the principle of borrowing up to £46,900,000 within the General Fund from the Public Works Loan Board to finance the development and ownership of the affordable rent homes via a loan agreement made between the Council and the affordable rent Special Purpose Vehicle;
- (vi) Delegate authority to the Director of Inclusive Growth, in consultation with the Director of Law and Governance, the Chief Operating Officer and the Cabinet Members for Finance, Performance and Core Services and Regeneration and Social Housing, to negotiate terms and agree the contract documents to fully implement and effect the project;
- (vii) Authorise the Director of Law and Governance, or an authorised delegate on their behalf, to execute all the legal agreements, contracts and other documents on behalf of the Council; and
- (viii) Approve in principle the appropriation of the land, as shown edged red in the plan at Appendix 2 to the report, from the Housing Revenue Account to the General Fund, pursuant to Section 122 of the Local Government Act 1972 and S.227 of the Town and Country Planning Act 1990 for planning purposes.

69. Budget Monitoring 2019/20 - April to September (Month 6)

The Cabinet Member for Finance, Performance and Core Services presented a report on the Council's revenue budget monitoring position for the 2019/20 financial year as at 30 September 2019 (Month 6).

The forecast expenditure in the General Fund was £159.07m against a budget of £148.82m. Once planned drawdowns from reserves and surpluses from Collection Fund and Business Rates budgets had been taken into account, the overall budget gap was projected at £7.582m.

Across the Council there were known budget pressures of up to £15.5m, with some underspends of £5.5m forecast centrally, giving rise to a forecast net spend position of £10m. A significant proportion of this was attributed to care and support services, which was being closely monitored.

Members discussed the importance of supporting enterprises such as the Relish Café against this financial backdrop and the Cabinet Member referred to the Council's Investment and Acquisition Strategy as a means to raise income to support the Council's ambitious plans.

Cabinet **resolved** to:

- (i) Note the projected revenue outturn for Council services as set out in sections 2 - 11 and Appendix A to the report;
- (ii) Note the implications for the reserves position and the need to identify in-year action in relation to General Fund expenditure;
- (iii) Note the update on the Capital Programme and approve the additional 2018/19 slippage on the General Fund budget of £0.366m for My Place;
- (iv) Note the update on the Transformation Programme, including the quarter 2 forecast position, and approve the net carry-forward of £2.907m; and
- (v) Approve the proposed allocation of the London-wide Strategic Investment Pot to the individual projects listed in paragraph 16.8 and Appendix C of the report.

70. Consultation on Barking and Dagenham's Draft Local Plan

The Cabinet Member for Regeneration and Social Housing presented a report on the work being undertaken to produce a new Local Plan, a key strategic document which would set out the local planning policy framework to guide development within the Borough for the next 15 years.

The Cabinet Member advised that consultation on the draft Local Plan would be carried out in two stages as required by regulations and this report concerned the first stage, referred to as the 'Regulation 18 consultation'. The second stage (the Regulation 19 consultation) would be carried out in Spring 2020, after which the Local Plan would be submitted to the Planning Inspectorate for an independent examination. Following that, the Local Plan would be submitted to the Assembly for adoption in Spring 2021.

Members were positive overall about the consultation documents and applauded the work to date. Officers were asked, however, to make clearer references in the documents to other Council strategies and priorities; for example, the public health benefits of aspects such as cycling routes.

In response to other comments, the Cabinet Member referred to the sections in Annexe 1 of the report discussing the mitigation against flood risk and assured Members that the water management systems in the Barking Riverside development area were robust.

Cabinet **resolved** to:

- (i) Agree to public consultation on the Regulation 18 draft Local Plan at Annexe 1 of the report, and its associated evidence base studies, taking place from 29 November 2019 to 24 January 2020;
- (ii) Delegate authority to the Director of Inclusive Growth to make non-material amendments to the consultation documents, in advance of public

consultation; and

- (iii) Note the proposed timeframe for adopting the Local Plan.

71. Contract for the Continuation of the East London Women's Project

The Cabinet Member for Social Care and Health Integration presented a report regarding the East London Women's Project (ELWP) which had operated since 2014 in the London Borough of Newham and accommodated previously homeless women with complex needs.

The Cabinet Member stated that the Ministry of Housing, Communities and Local Government (MHCLG) had awarded the ELWP a grant of £597,000 to continue the existing provision and provide a more enhanced level of service on the basis that it would continue to operate from the same premises and be delivered by the incumbent provider, St. Mungo's. It was noted that St. Mungo's had developed considerable expertise in working with the client group and there were no other providers operating within the sub-region who currently delivered such a specific service.

The Cabinet Member for Regeneration and Social Housing, having also been involved in discussions around the grant, assured colleagues that as St. Mungo's was the only provider, there was a robust framework in place to provide quality assurance and continuous high standards of service.

Cabinet **resolved** to:

- (i) Waive the Council's Contract Rules and, on behalf of the East London Housing Partnership, approve the direct award of the East London Women's Project contract to St. Mungo's in accordance with the strategy set out in the report, effective from 1 January 2019 until 31 March 2020; and
- (ii) Authorise the Director of Law and Governance, or an authorised delegate on their behalf, to execute all the legal agreements, contracts and other documents on behalf of the Council.

72. Annual Education Performance Review 2018/19

The Cabinet Member for Educational Attainment and School Improvement introduced a report on the performance of schools during the 2018/19 academic year.

In reference to the Council's Education and Participation Strategy, the Cabinet Member highlighted the achievement of an 'outstanding' or 'good' Ofsted rating by 91.7 % of the borough's schools, which was above the national benchmark and just shy of the London average of 92 %. With regard to 2018/19 attainment levels, it was noted that whilst there had been some progress at GCSE level, there were challenges at primary and A-level.

The Cabinet Member highlighted the progress made in the number of young people who were Not in Education, Employment or Training (NEET) with the borough now having a lower number than the London and national averages. She

also referred to the continued pressures in the High Needs block, which funded specialist provision for children and young people with additional needs.

Cabinet Members applauded the achievements of pupils and School staff during the year, highlighting particularly the achievements of Looked After Children who had outperformed the national averages in most subject areas at Key Stage 1 and 2. Members also welcomed the 5.2% increase, compared to the previous year, in the number of young people going from a school in the Borough on to University and a 17% increase in young people going to the Universities ranked in the top third nationally. Members were pleased to see the initiatives in place to offer a rich and varied curriculum including culture, the arts and sports, which would support young people in their personal growth and improve their future employment prospects.

In response to a question on how schools would move towards achieving attainment levels that matched London averages, the Cabinet Member clarified that several attainment levels were already at the London average but for those that were not, the School Improvement Partnership, which focussed on improving attainment via shared best practice, would be the main vehicle to achieve that aim. With regards to A-levels, it was noted that external research had been commissioned and the findings would be known next month.

Cabinet **resolved** to:

- (i) Renew the Council's commitment to continuing to strengthen and develop partnerships with Barking and Dagenham's family of schools, BDSIP, Barking & Dagenham College, CU London and other key partners to achieve the best possible outcomes and opportunities for the borough's children and young people;
- (ii) Note performance against the five priorities of the Education and Participation Strategy 2018-22, as set out in section 2 of the report;
- (iii) Note the performance of schools in national tests and examinations as set out in Appendix 1 to the report; and
- (iv) Note the further achievements and progress of BDSIP in its first year of operation, as detailed in Appendix 2 to the report.

73. Fees and Charges 2020/21

The Cabinet Member for Finance, Performance and Core Services presented a report on the proposed fees and charges for Council functions and services, to be applied from 1 January 2020 or another specified date.

Cabinet **resolved** to:

- (i) Agree the proposed fees and charges as set out in Appendix A to the report, to be effective from 1 January 2020 unless otherwise stated;
- (ii) Note the fees and charges no longer applicable from 1 January 2020, as set out in Appendix B to the report; and

- (iii) Delegate authority to the Director of People and Resilience, in consultation with the Chief Operating Officer and the relevant Cabinet Members, to set fees and charges to be applied from September for schools and academic-year based activities.

74. Treasury Management 2019/20 Mid-Year Review

The Cabinet Member for Finance, Performance and Core Services presented a report on the mid-year review of Treasury Management 2019/20.

The Cabinet Member highlighted in particular the 1.61% return on investments (excluding direct property investments such as those through Reside) which continued to significantly outperform the average of 0.98% for London Local Authorities and 0.90% for the total comparable population of 168 authorities, and he recognised the hard work of the Investment Fund team in achieving this.

Cabinet **resolved** to:

- (i) Approve the revised 2019/20 Minimum Revenue Provision at Appendix 1 to the report;
- (ii) Note the Treasury Management Strategy Statement Mid-Year Review 2019/20;
- (iii) Note that in the first half of the 2019/20 financial year the Council complied with all 2019/20 treasury management indicators;
- (iv) Note the value of the treasury investments as at 30 September 2019 totalled £330.7m;
- (v) Note the value of the commercial and residential loans lent by the Council as at 31 March 2019 totalled £76.6m;
- (vi) Note the value of long term borrowing as at 30 September 2019 totalled £785.3m. This is split with £275.9m of Housing Revenue Account borrowing and £509.4m of General Fund borrowing. This comprised market, Public Works Loan Board (PWLB), Local Authority and European Investment Bank loans;
- (vii) Note the value of short term borrowing as at 30 September 2019 totalled £130.0m; and,
- (viii) Note the increase in the interest rates offered on new PWLB loans by 1.0% on top of existing loans terms of 0.8%, which equates to a margin of 1.8% above the relevant gilt yield.

75. Development of Land at Rectory Road, Dagenham

Further to minute 111 (23 April 2019), the Cabinet Member for Regeneration and Social Housing presented a report on the outcomes of a public consultation with regards to proposals to redevelop a site at Rectory Road, Dagenham to deliver

c.56 affordable homes, together with c.468m² of new community space.

The Cabinet Member explained that 13 of the 16 residents at Jarvis Court, including 12 of the 13 Council tenants, had taken part in the resident engagement process and nine (all Council tenants) were in favour of comprehensive redevelopment. Three tenants were opposed to comprehensive development while the sole leaseholder to take part was in favour of an infill development.

Members noted that the comprehensive redevelopment proposal would provide circa 56 affordable homes and the Council tenants would have a Right to Return at Council target rent and on an Assured tenancy. Resident leaseholders would also have a Right to Return and financial assistance would be available to tenants and leaseholders to support the choices they make.

Cabinet **resolved** to:

- (i) Approve the proposed redevelopment of the former Royal British Legion site and Jervis Court, as shown edged red in the plan at Appendix 1 to the report;
- (ii) Agree the service of Initial Demolition Notices on all secure tenants at the affected properties at the appropriate time, in order to suspend the requirement for the Council to complete Right to Buy applications for as long as the notices remain in force, and delegate approval and timing of final notices to the Director of Inclusive Growth, in consultation with the Director of Law and Governance;
- (iii) Approve to the use by the Council of its Compulsory Purchase Order (CPO) making powers, should they prove necessary to facilitate the future redevelopment of the site;
- (iv) Agree that, subject to the grant of an acceptable planning permission and receipt of satisfactory construction tender prices, the project be financed and held within the residential asset class of the Investment and Acquisition Strategy;
- (v) Agree the inclusion of the project in the Council's Capital Programme in the total sum of £19,700,000, subject to securing planning permission and procurement of a contractor in accordance with the project outputs and budget;
- (vi) Agree the Funding Strategy set out in section 5.10 of the report, including borrowing up to £13,402,000 within the General Fund from the Public Works Loan Board, to finance the development and ownership of the affordable rent homes via a loan agreement made between the Council and any suitable vehicle that the new units may be held in (e.g. a new B&D Reside Registered Provider or other vehicle); and
- (vii) Approve the appropriation of the land, as shown edged red in the plan at Appendix 2 to the report, under Section 122 of the Local Government Act 1972, from the Housing Revenue Account to the General Fund.

76. Leader of the Year Award

The Deputy Leader and Cabinet Member for Finance, Performance and Core Services congratulated the Leader of the Council on winning the 'Leader of the Year' award at the recent LGiU and CCLA's 2019 Councillor Achievement Awards. The Leader's passion for his community, persistence and leadership had been just a few of the comments made by the judging panel.

The Leader thanked his colleagues for the recognition, cited various inspiring leaders in different fields throughout the history of Barking and Dagenham, and thanked all Cabinet Members for their teamwork and support.