

THE CABINET

Tuesday, 8 June 2010
(5:00 - 6:37 pm)

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

Also Present: Councillor E Carpenter, Councillor E Keller, Councillor J E McDermott, Councillor J Ogungbose and Councillor T Saeed

Apologies: Councillor H J Collins

1. Declaration of Members' Interests

There were no declarations of interest.

2. Minutes (16 March 2010)

Agreed.

3. * Strategic Partner Programme Phase 1 - Scope of Services

Received a report from the Corporate Director of Finance and Commercial Services in respect of possible additional Council services which would be included within the scope of Phase 1 services of the Strategic Partner programme.

At our meeting on 7 July 2009 (Minute 21) it was agreed that the Information and Communications Technology (ICT) service would be the focus of the Phase 1 programme and that the inclusion of other services would be subject to further reports. Two potential partners, Agilisys and Capita, have been shortlisted to submit detailed bids and this report proposed the inclusion of Procurement, Accounts Payable, Revenues and Benefits and the B&D Direct services alongside ICT within Phase 1.

The Strategic Finance Controller confirmed that the decision being sought at this stage was merely to include these services within the bid portfolio. Other issues raised during the discussions included:-

- The links to the Customer Access Strategy;
- The financial arrangements, with particular reference to the additional £1m in 2010/11 to fund staffing in the Revenues and Benefits division;
- The need for the final proposals on the services to be included within the Phase 1 programme to set out the benefits to these being provided by the partnership as opposed to the Council, and the risks associated with each;
- The implications of the proposed break / termination clauses within the proposed seven-year agreement;

Agreed, in order to assist the Council in accelerating benefits realisation and

achieving more savings earlier to address budget pressures, to the scope for Phase 1 of the Strategic Partner programme being expanded to include the Council's Procurement, Accounts Payable, Revenues and Benefits and B&D Direct services as detailed in the report.

4. Local Development Framework - Adoption of Core Strategy Development Plan Document

Further to Minute 5 (20 May 2008), received a report from the Corporate Director of Finance and Commercial Services on the proposed adoption of the Local Development Framework (LDF) Core Strategy which sets the vision for the future planning of the borough up to 2025.

The document has been subject to examination in public and the independent Inspector has confirmed that the Core Strategy is legally compliant and has endorsed the key proposals within the document, with the exception of the proposed affordable housing policy target of 50%. Officers confirmed that this does not necessarily undermine the Council's aspirations for affordable housing and essentially may give greater flexibility over the next 15 years. Other issues that arose during the discussions included:-

- The importance of achieving the 40% target for family housing in new developments;
- The implications for the Council's regeneration and development proposals in view of the current uncertainty surrounding the Docklands Light Railway (DLR) extension to the Borough;
- The need to reflect the closer relationship between community and religious facilities. In this respect, Members were reminded of the Select Committee report that was adopted by the Assembly on 10 December 2008 and the Planning Advice Notice published in June 2007.

Agreed, to assist in the delivery of all the Council's Community Priorities, to **recommend the Assembly** to adopt the Barking and Dagenham Local Development Framework Core Strategy Development Plan Document.

5. Local Development Framework: Supplementary Planning Document "Saturation Point: Addressing the Health Impacts of Hot Food Takeaways"

Further to Minute 40 (20 July 2009), received a report from the Corporate Director of Finance and Commercial Services on the outcome of the public consultation on the proposed planning policy in relation to hot food takeaway premises. The Supplementary Planning Document (SPD) received strong support from academic institutions and health organisations but also strong objection from a number of fast food operators, with a threat of a legal challenge by one major franchise.

The SPD aims to reduce the risk of obesity amongst the Borough's population and, in particular, children through a range of measures. Issues that arose during our discussions included:-

- The need to enforce street litter control notices and premises licence conditions in relation to noise and anti-social behaviour. The Interim Corporate Director of Customer Services confirmed that McDonalds already

- provide their own litter patrols and others would be encouraged to follow suit, with enforcement action being taken where appropriate;
- The welcoming of the £1,000 one-off fixed approval fee for any new hot food takeaway premises;
 - Officers to review the powers available to the Council with a view to preventing 'Use Class A5' premises being left vacant for many years solely because of the higher rental income that hot food takeaways attract over other types of retail outlet;
 - Officers to look into expanding on initiatives such as the Healthy Eating Awards and the "Scores on the Door" premises hygiene and food preparation rating system, and to make this information available to the public via the Council's website and other communication channels;
 - The need for the Development Control Board to be fully informed of this new policy to ensure that it is reflected in the consideration of any new applications for A5 Use premises, as a key aim is to cap the number of hot food takeaway premises to current levels.

Agreed, to assist in achieving the Community Priority of "A Healthy Borough", to **recommend the Assembly** to adopt the "Saturation Point – Addressing the Health Impacts of Hot Food Takeaways" Supplementary Planning Document.

6. Customer Access Strategy

Received a report from the Interim Corporate Director of Customer Services on the development of a Customer Access Strategy, which builds on the Customer Strategy approved at our last meeting (Minute 141, 16 March 2010).

The Customer Access Strategy sets out the plan for the way the Council will deliver services and interact with customers and provides further context and information on how the Council should organise itself to best deliver services to customers and maximise use of limited resources. The Access Strategy also addresses how the Council will ensure services are available through the right channel for the individual and the service, avoiding a 'one size fits all' approach.

Issues that arose during our discussions included:-

- Councillors being kept informed of progress and achievement against targets;
- The need for services to be responsive and reflective of trends, with an increase in noise nuisance complaints during the summer months as people enjoy the longer, warmer evenings used as an example;
- That the Council's new Customer Relationship Management (CRM) system to be launched later this year will mean that customer information is gathered in a central database and therefore enable closer monitoring, follow up and feedback to take place;
- That self-service and other measures to improve the speed of customer contact will be developed further within the Strategy;
- The introduction to the Borough of four "elephant" kiosks with touch screens which are intended to offer the public easy access to information (initially on adult social services). Whilst these will be particularly helpful for people with a learning disability it is anticipated many other people will find this an attractive way to obtain information. It was noted that a publicity campaign

will shortly be undertaken in support of the official launch of this new service.

Agreed, in order to assist in achieving the Council's strategic priorities of delivering excellent customer services, to:-

- (i) Adopt the Customer Access Strategy included as Appendix 1 to the report;
- (ii) The Customer Access Strategy being used by services as a guide to determining how to deliver the customer access aspects of their service and to inform service planning;
- (iii) The development of the detailed business case for savings and investment to validate the business plan for B&D Direct; and
- (iv) The development of the detailed One B&D design principles for Adult Social Care and Children's Services (i.e. Phase 2 of customer services transformation).

7. Return of Planning Powers from London Thames Gateway Development Corporation (LTGDC) to LBB

Received a report from the Corporate Director of Finance and Commercial Services on the possible return of planning powers that were transferred from the Council to the London Thames Gateway Development Corporation (LTGDC) on 31 October 2005.

The Council responded positively to an invitation last year from the Department for Communities and Local Government to express an interest in reacquiring its planning powers. Officers' view was that it would remove the duplication and delays that characterise the current system and also to increase local accountability. However, the Council also supported the option of the LTGDC maintaining its regeneration delivery role provided it was working to an agreed set of priorities with its partners. It is possible that the planning powers could be returned by 1 October 2010 or, if that date is not achieved, by 1 April 2011.

The issue of the additional risks for the Council in taking back these responsibilities was raised, with particular reference to the costs associated with possible legal challenges by applicants who have been refused permission for schemes that would currently fall under the remit of the LTGDC. Officers clarified a number of points and referred to the proposal that Members of the Development Control Board receive specific training by the Planning Advisory Service on aspects of the new responsibilities, which the Cabinet endorsed.

Agreed, in order to help deliver the Community Priority "Fair and Respectful", to **recommend the Assembly** to support the return of planning powers from LTGDC to the Council.

8. * Council's Revenue and Capital Outturn 2009/10

Received a report from the Corporate Director of Finance and Commercial Services on the Council's provisional revenue outturn for 2009/10, which is subject to final accounting entries.

The provisional General Fund position shows a net underspend of £4.4m against a net revenue budget of £151.2m (2.9%), improving the balance position from £3.7m at the start of the year to £8.1m. This represents a significantly improved position to that anticipated over the course of the year and has primarily been achieved as a result of the impact of expenditure controls introduced in October 2009, the focussed use of earmarked and other specific reserves and the receipt of a one-off VAT refund of approximately £1m. Also noted that capital expenditure for 2009/10 was £97.1m against the revised capital budget of £96.7m (100.4%) and the Housing Revenue Account (HRA) generated a surplus of £2.6m, bringing the ring-fenced HRA balance from £0.762m at the start of the year to £3.38m.

The Strategic Finance Controller also advised on the proposed allocation of funding from the contingency budget for 2010/11 and agreed to provide Members with a briefing paper on the reduction in the non-HRA Private Sector Households budget for 2010/11 which reflects the spending brought forward to 2009/10.

Agreed, as a matter of good financial practice, to:-

- (i) Note the outturn and balances position of the Councils General Fund revenue budgets for 2009/10;
- (ii) Approve the transfer of earmarked and specific reserves to and from the General Fund balances as detailed in paragraph 2.3 of the report;
- (iii) Approve the final in-year budget adjustments as set out in paragraph 3.4 of the report;
- (iv) Note the outturn and balances position of the Housing Revenue Account as set out in paragraph 5 of the report;
- (v) Note the outturn position for the 2009/10 Financial Health Indicators as set out in paragraph 6 and Appendix B of the report;
- (vi) Note the outturn position of the Council's Capital Programme as set out in paragraph 7 of the report;
- (vii) Approve the capital budget adjustments as set out in paragraph 7.8 of the report;
- (viii) Approve the carry forward items from the 2009/10 Capital Programme to be incorporated into the 2010/11 and future years capital programme subject to a final review by the Corporate Director of Finance and Commercial Services as detailed in Appendix D of the report;
- (ix) Approve the roll back of 2010/11 funding to meet 2009/10 Capital Programme costs incurred ahead of schedule as detailed in Appendix E of the report;
- (x) Approve the appropriate rephasing of 2010/11 to 2012/13 capital budgets where expenditure is out of line with actuals;
- (xi) Note the outturn position for the 2009/10 Prudential Indicators as set out in

paragraph 8 and Appendix F of the report; and

- (xii) Approve the 2010/11 budget virements from contingency as detailed in paragraph 4.1 of the report as follows:

Adult & Community Services department

- a) the increased costs of concessionary fares (£1m).
- b) Free access to leisure for pensioners (£130,000)

Children's Services

- c) Youth access card (£150,000)
- d) Legal costs of safeguarding children (£300,000)

Customer Services

- e) Increased cost of Revenues and Benefits service (£1m)

Finance & Commercial Services

- f) Unachievable income expected from LHC (£250,000)

Resources/ Finance & Commercial Services

- g) Regeneration and Asset Management income targets not achievable due to market conditions (£500,000)

Resources

- h) The war memorial (£150,000).

9. * Treasury Management Annual Report 2009/10

Received a report from the Corporate Director of Finance and Commercial Services presenting the Council's outturn position in respect of its treasury management activities for 2009/10. The report also set out proposed amendments to the Council's Treasury Management Strategy in relation to the Minimum Revenue Provision (MRP) Policy and lending to commercial and external organisations, which may be of benefit to the Council under the Strategic Partnering arrangements.

Agreed, in line with the Council's Financial Rules and CIPFA Guidance, to:-

- (i) Note the Treasury Management Annual Report for 2009/10; and
- (ii) **Recommend the Assembly** to approve revisions to the Council's Treasury Management Strategy to incorporate:
 - a. The new MRP Policy as set out in paragraph 7.1 of the report; and
 - b. Provisions for the Council to make loans to external organisations in order to deliver continued value for money, in line with the powers vested in local authorities under Section 2 of the Local Government Act 2000, as referred to in paragraph 10 of the report.

10. Proposed Expansion of Roding Primary School

Received a report from the Corporate Director of Children's Services on the

proposed expansion of Roding Primary School by providing a new three-form entry school building on a separate site in Cannington Road, Dagenham, with effect from 1 September 2010.

Noted that interim arrangements were made with effect from September 2008 to increase the intake for Reception, Year 1 and Year 2 utilising this site and this proposal would, in effect, formalise that arrangement as well as introducing additional forms for Year 2 to Year 6 pupils, bringing the standard admission number to 144 pupils.

The Corporate Director confirmed that the proposed increase is considered to be appropriate in the current circumstances but agreed to look into whether further expansion on the site would be feasible in the future, given the land available at the site and the ever-increasing demand for school places particularly in the primary age range.

Agreed, in order to assist the Council in achieving its Community Priority of “Inspired and Successful” and in fulfilling its duty to provide every child in the borough with a school place, to agree the formal expansion of Roding Primary School from a two-form to a five-form entry Primary School with effect from 1 September 2010 through the utilisation of the Cannington Road site.

11. Council Debt Write Offs

Received and noted a report from the Corporate Director of Customer Services on the value and type of debts written off from the Income, Collection, Rents and Benefits Service areas as uncollectible for the fourth quarter of 2009/10 (January to March 2010), together with comparative information for previous periods. Further noted that a number of these debts will be publicised in accordance with agreed policy.

12. Urgent Action - Capital Programme 2009/10 Variation

Received a report advising on the action taken by the Chief Executive on 4 March 2010 under the urgency procedures contained within paragraph 17.1 of Article 1, Part B of the Council’s Constitution, in agreeing to the variation of the 2009/10 Capital Programme as detailed in Appendix A to the report.

13. Urgent Action - Term Contract for Maintenance of Fire Protection, Detection and Emergency Lighting Systems within Public Buildings and Schools 2010/2014

Received a report advising on the action taken by the Chief Executive on 30 April 2010 under the urgency procedures contained within paragraph 17.1 of Article 1, Part B of the Council’s Constitution, in agreeing to contractual arrangements in relation to the maintenance of fire protection, detection and emergency lighting systems within public buildings and schools as detailed in Appendix A to the report.

14. Urgent Action - Local Government Pensions Scheme (Administration) Regulations 2008 - Admission Agreement

Received a report advising on the action taken by the Chief Executive on 30 April

2010 under the urgency procedures contained within paragraph 17.1 of Article 1, Part B of the Council's Constitution, in agreeing to the entering into of an Admission Agreement in respect of the Council's Pension Scheme with Translinc Limited as detailed in Appendix A to the report.

15. Building Schools for the Future Progress Report and Appointment of Information and Communications Technology Selected Bidder

Received a report from the Interim Corporate Director of Resources providing an update on the progress with the Council's Building Schools for the Future (BSF) programme and seeking approval for the appointment of the selected bidder for the ICT Managed Service element of the programme.

Noted that the Outline Business Case was approved by Partnerships for Schools in July 2009, and since that date the Council has been in procurement for both a Local Education Partnership (LEP) to build schools and provide facilities, and an ICT Managed Service Provider partner to provide a managed ICT service for schools.

The normal procurement period is 18 months but all bidders for both the ICT and the LEP elements have agreed with an accelerated programme of approximately 12 months to help minimise costs to the Council. It was noted however that this is subject to Government approval and funding, the position on which is still relatively unclear in view of the recent change in government and uncertainty regarding public sector funding.

Agreed, in order to assist the Council in achieving its Community Priorities "Inspired and Successful" and "Prosperous", to:-

- (i) Note the results of the BSF ICT Managed Service Provider evaluation as detailed in the private and confidential part of the agenda (Appendix 2 to the report);
- (ii) Approve the appointment of the highest scoring bidder named in Appendix 2 as the Selected Bidder, subject to the terms of the Selected Bidder letter and the provision of an updated model reflecting a change of expiry date to 1 September 2019 (this updated model to only reflect the changes agreed during dialogue); and,
- (iii) Note that a special meeting of the Cabinet has been arranged for Monday 14 June 2010 at 2.00pm at the Civic Centre, Dagenham to consider a report regarding the appointment of the Selected Bidder for the LEP element of the programme.

(* The Chair agreed that these items could be considered at the meeting as a matter of urgency under the provisions of Section 100B(4)(b) of the Local Government Act 1972.)