

## THE CABINET

Tuesday, 23 November 2010  
(5:00 - 6:25 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 G M Vincent and Councillor J R White

**Also Present:** Councillor E Keller and Councillor J E McDermott

**Apologies:** Councillor P T Waker

### 59. Declaration of Members' Interests

There were no declarations of interest.

### 60. Minutes (2 November 2010)

Agreed.

### 61. 2010/11 Budget Monitoring - April to September 2010

The Cabinet Member for Finance, Revenues and Benefits presented the report on the Council's revenue and capital position for 2010/11 as at the end of September 2010.

The projected service overspends, taking account of the in-year savings of up to £8.4 that were previously agreed, have increased from £3.2m to £3.9m since the last report, the main reason being an increase in projected overspends in the Customer Services department. The Cabinet Member advised that meetings to discuss the current overspend within the Customer Services and Children's Services departments are to take place as soon as possible.

The position for the Housing Revenue Account (HRA) has improved, with the projected deficit now at £302,000 compared to £417,000 last month. The Cabinet Member also referred to the proposed return to the contingency budget of £603,000 of the £1 million allocation agreed by Minute 8(xii)(e) (8 June 2010) which was allocated to support the Revenues and Benefits service, and to a number of proposed amendments to the Capital Programme to better reflect spend profiles and progress previously approved projects.

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

- (i) Note the current projected outturn position for 2010/11 of the Council's revenue and capital budget as detailed in paragraphs 3 and 5 and Appendices A and C of the report;
- (ii) Note the position for the HRA as detailed in paragraph 4 and Appendix B of the report;

- (iii) The return to contingency of £603,000 from Customer Services as detailed in paragraph 3.1.5 of the report;
- (iv) The changes to capital budgets as detailed in paragraph 6 and Appendix D of the report;
- (v) Note the Financial Health Indicators for quarter two as detailed in paragraph 7 and Appendix E of the report.

## **62. Fees and Charges 2011/12**

This report was withdrawn and will now be considered at the next Cabinet meeting on 21 December 2010.

## **63. Draft Local Implementation Plan**

The Cabinet Member for Regeneration presented a report on the draft Local Implementation Plan (LIP) which sets out the Council's transport strategy for the period 2011/12 to 2013/14.

The draft LIP comprises a set of objectives, the Three-Year Delivery Programme and a performance monitoring plan and the Cabinet Member highlighted the key projects that will help to achieve a safe, sustainable and accessible transport system for the benefit of all those living, working and travelling in the Borough.

The funding submission for 2011/12 and the indicative LIP delivery programme for 2012/13 and 2013/14 were approved by Minute 38 (28 September 2010) and the Cabinet Member advised that this three-year Implementation Plan must be submitted to Transport for London (TfL) by 20 December 2010. An extensive consultation exercise will then be undertaken with statutory and other stakeholders, including the local community, before the final LIP is presented for approval in early Summer 2010.

**Agreed**, in order to assist in the delivery of a range of transport improvement schemes in the Borough over the next three years, to:-

- (i) Approve the draft LIP for submission to TfL and the subsequent public consultation; and
- (ii) Authorise the Divisional Director of Regeneration and Economic Development to make any non-material changes to the draft LIP prior to submission to TfL.

## **64. Olympic Legacy - Mayesbrook Park Sports Centre**

Further to Minute 146 (16 March 2010), the Leader presented a report on the proposals for a number of 2012 Olympic-related activities to be held in Mayesbrook Park following successful lobbying by the Council to create an Olympic legacy in the Borough.

Officers have been in discussions over the past six months with the Olympic Delivery Authority (ODA) and its developer partner, Ebbsfleet Sports Centre

Limited, which have resulted in the identification of an area of Mayesbrook Park as the site for the location of a purpose-built sports centre. The sports centre would serve as a training venue for a number of Olympic and Paralympic events and provide a long-term sporting legacy for use by local clubs and the wider community. The Leader outlined the Olympic-related activities that would take place at the site and the improvements to the site and its surrounding facilities which the development would bring.

To facilitate the development in time for the Olympics, it is proposed to enter into a 100-year lease for the site with the developer, Ebbsfleet. The cost of the development, estimated at over £9 million, will be met by the ODA and the developer and under the terms of the lease the Council would also receive a market rent of £25,000 per annum, which it is proposed will be ring-fenced by the Council to support community access to the new facilities and other improvements to the Park.

The Head of Leisure and Arts also gave an update on the following issues:

- Planning Position - the Secretary of State's approval is expected shortly following the resolution of issues raised by Sport for England.
- Section 106 Planning Agreement - this will include provisions relating to a concessionary pricing policy, in line with the Council's own policy, and the availability of facilities for use by schools and sports groups from the Borough.
- Havering and Mayesbrook Athletics Club - the developer has given a commitment to allow the Club to continue to use the venue and its improved facilities.
- Performance Bond within the Lease Agreement - this is no longer necessary as the ODA has undertaken to act as guarantor for the delivery of the new sports centre.

**Agreed**, in order to provide new and improved sporting facilities and achieve an Olympic legacy in the Borough, to:-

- (i) The entering into of a 100-year lease with Ebbsfleet Sports Centre Ltd for the area of Mayesbrook Park that is required for the development of the new sports centre on the terms outlined in the report and subject to the lease restricting use of the development to:
  - a) a sports / leisure centre within Planning Use Class D2, plus necessary ancillary uses such as café and refreshment facilities, and
  - b) the holding of seminars, music and performing arts events, provided that these do not constitute more than 20% of the total hours of use of the centre;
- (ii) Authorise the Corporate Director of Finance and Resources, in consultation with Legal Partners, to finalise the terms of the lease and any ancillary documentation to facilitate the development (e.g. licences for carrying out works in compliance with planning consents);
- (iii) The rent received by the Council being utilised to support community access to the new sports centre and the provision of other participatory activities in Mayesbrook Park;

- (iv) The exclusive use of the athletics arena and other parts of Mayesbrook Park by the London Organising Committee for the Olympic Games (LOCOG) from early June to mid October 2012;
- (v) The proposed renovation of the Mayesbrook Arena and associated facilities which will be at no capital cost to the Council; and
- (vi) Authorise the Corporate Director of Adult and Community Services, in consultation with the Corporate Director of Finance and Resources and Legal Partners, to award the contract for these works following the completion of the appropriate procurement process (which will be clarified once the scope of works has been finalised).

The Leader placed on record the Council's appreciation to the Head of Leisure and Arts and his team for their hard work and efforts in helping to create an Olympic legacy for the Borough.

#### **65. Joint Procurement of Highways and Street Lighting Contracts with the London Borough of Havering**

The Cabinet Member for Environment presented a report on proposals for the procurement of contracts for planned highways maintenance works and street lighting.

The Cabinet Member advised that the immediate plan is for the London Borough of Havering to act as lead authority on the procurement of joint contracts, and for the Council's current contracts to be extended until 31 October 2011 while the joint procurement is being progressed. The future plan is to let these contracts under the auspices of East London Solutions, which is an initiative led by Capital Ambition and involving the six London boroughs of Barking and Dagenham, Havering, Newham, Redbridge, Tower Hamlets and Waltham Forest, but it was noted that this would not be possible until 2014 at the earliest due to the other Borough's current contractual commitments.

**Agreed**, in order to assist the Council to achieve improved value for money through joint working, to:-

- (i) The procurement of new contracts for planned highways maintenance works and street lighting over an initial two and a half year term commencing 1 November 2011 with an option to extend for a further two and a half years, subject to satisfactory performance, under a joint arrangement with the London Borough of Havering who will act as lead authority; and
- (ii) The Council's current contractual arrangements for planned highways maintenance and street lighting being extended to 31 October 2011 to coincide with the proposed procurement timetable.

#### **66. Re-tendering of the Banking Contract**

The Cabinet Member for Finance, Revenues and Benefits presented a report on proposals for the procurement of a new contract for the provision of banking services to the Council.

The Cabinet Member advised that although the current contract is operating under its extension clause which could continue up to 31 August 2015, it is felt appropriate to retender at this time because of changes within the banking industry and the way that the Council operates. He outlined the procurement timetable and confirmed that, following on from the above item, discussions will also take place with the London Borough of Havering regarding a possible joint contract.

**Agreed**, in order to assist the Council to achieve improved value for money, to:-

- (i) The retendering of the contract for banking services on the terms set out in the report;
- (ii) The extension of the current contract with Barclays Bank PLC up to 30 May 2011 whilst the procurement process takes place; and
- (iii) Nominate the Cabinet Member, Councillor Geddes, to be further informed on the progress of the tender process and award of the contract.

#### **67. Local Development Framework - Draft Biodiversity and Draft Trees and Development Supplementary Planning Documents**

The Cabinet Member for Environment presented a report on the draft Biodiversity Supplementary Planning Document (SPD) and the draft Trees and Development SPD which provide guidance to developers on complying with planning policy in the Council's Local Development Framework.

The draft Biodiversity SPD sets out guidance on protecting and enhancing biodiversity in the Borough and explains how new development can be designed to benefit wildlife. The Draft Trees and Development SPD similarly provides guidance on how trees should be protected in the Borough and how this will impact on development proposals. The Divisional Director of Regeneration and Economic Development confirmed that, once formally adopted, these documents will inform the decision-making of the Council's Development Control Board.

**Agreed**, in order to assist the Council to achieve its Community Priority "Clean", to:-

- (i) Approve the Draft Biodiversity Supplementary Planning Document for consultation and as a material consideration in dealing with planning applications; and
- (ii) Approve the Draft Trees and Development Supplementary Planning Document for consultation and as a material consideration in dealing with planning applications.

#### **68. Health for North East London - Final Proposals for Reconfiguring Acute and Secondary Health Services**

The Cabinet Member for Health and Adult Services presented a report on the Health for North East London (HealthforNEL) proposals for the reconfiguration of acute and secondary health services in the region which were set out in its document "Clinical recommendations following consultation: What the changes

would mean for residents in Barking and Dagenham” dated October 2010.

The Council’s Health and Adult Services Select Committee had considered the proposals on 27 October and had sought assurances from HealthforNEL on a number of issues. We noted HealthforNEL’s response to the Select Committee but concur that there still remains considerable ambiguity around the future plans. To this end, the Corporate Director of Adult and Community Services referred to the proposed letter to the Chief Executive Officer of HealthforNEL (Appendix 1 to the report) which states that the Council is unable to fully support the proposals until such time that a written commitment is received from HealthforNEL which addresses in full the Council’s concerns as detailed in the letter.

Issues that arose during the discussions included:

- The implications of the proposal to downgrade the Accident and Emergency facility at King George’s Hospital to an ‘Urgent Care’ facility, resulting in Queen’s Hospital offering the only A&E service in the region;
- The progress of the East Dagenham Community Hospital development and the need for robust contingency plans in the event that the project is delayed or abandoned;
- The importance of the midwifery led Birthing Centre at the Barking Community Hospital site in view of the Borough’s high birthing ratio and the major housing regeneration projects. In this respect, the Corporate Director agreed to provide a brief to Margaret Hodge MP and Jon Cruddas MP with a view to lobbying Ministers on the urgent need for this facility;
- The future role of the new Health and Wellbeing Board in overseeing health commissioning plans.

**Agreed**, in order to assist the Council to achieve the Community Priority “Healthy”, to:-

- (i) Support the proposed response to the Chief Executive Officer of HealthforNEL as set out in Appendix 1 to the report; and
- (ii) Authorise the Corporate Director of Adult and Community Services, in consultation with the Leader and Cabinet Member for Health and Adult Services, to agree the final terms of the letter.

The Corporate Director undertook to provide Cabinet Members with the response from HealthforNEL when it is received and to keep them informed of progress with the major new developments.

## **69. \* Building Schools for the Future - Progress Report**

Further to Minute 44 (28 September 2010), the Cabinet Member for Children and Education presented a report on the progress of the Local Education Partnership (LEP) and Information, Communication and Technology (ICT) elements within the Building Schools for the Future (BSF) project.

The Cabinet Member advised that the LEP element, which relates to the Private Finance Initiative (PFI) scheme for Dagenham Park Church of England School and the Design and Build (D&B) scheme for Sydney Russell Comprehensive School,

has been completed. With regard to the ICT element, the intention is for the contract to be signed later this week.

We noted that the Department for Education (DfE) wrote to local authorities on 29 October asking that, in the light of spending cuts announced in the Comprehensive Spending Review, all existing BSF schemes be reviewed with a view to finding significant savings. Officers have carried out a review of our LEP and ICT schemes and it is the firm view that the costs involved in seeking to vary the schemes would far outweigh any savings that could potentially be achieved, and the risk of claims from contractors would make this option even less feasible.

The Cabinet Member advised, however, that officers have held further discussions with the management of Sydney Russell Comprehensive School regarding an opportunity to extend the D&B contract to include a further two forms of entry at the school. Negotiations with the appointed contractor suggest that including the works as part of the D&B contract will save in the region of £3 million compared to undertaking the works outside of the contract at some point in the future, and as there is a need to expand secondary school provision in the Borough this would effectively represent a direct saving to the DfE. The Cabinet Member further advised that the School is willing to fund the expansion works via its own reserves and a loan from the Council which would be repaid over a five-year period from the additional funding that it would receive as a result of increased pupil numbers.

In respect of the formal award of the ICT contract to the selected bidder, RM Education plc, the Leader advised that it was necessary to withdraw this recommendation from the report and for the Chief Executive, acting under the Urgent Action provisions of the Council's Constitution, to take the decision to award. The Leader explained that this was necessary as the award has to take place, and the relevant documentation entered into, later this week and this would not be possible if the decision was taken at this meeting as the matter would be subject to the Call-In process until midday on 1 December.

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

- (i) Confirm the documents signed at Financial Close in respect of the LEP as set out in Appendix 1, and the Final Business Case for the ICT element as set out in Appendix 3 to the report;
- (ii) Approve the approach to the DfE's requests for savings, which concludes that there are few savings of any significance and, indeed, there would be considerable costs in varying the contracts and considerable risk of claims being made for loss of profit;
- (iii) Support the proposal for the expansion of Sydney Russell Comprehensive School by two forms of entry as part of the D&B contract, to be funded by the School from its own resources and via a loan from the Council to the School; and
- (iv) Approve the inclusion of £800,000 in the Council's Capital Programme to facilitate the loan to the School on the terms outlined in the report.

## 70. \* Governance Arrangements for New Joint Venture with Agilisys

Further to Minute 45 (28 September 2010), the Cabinet Member for Customer Services and Human Resources presented a report outlining the governance arrangements for the new joint venture with Agilisys.

The Cabinet Member referred to the chart at Appendix 1 to the report which set out the structures for the delivery of the service via Elevate, as well as the role of the Strategic Partner Board, which will be a key influence on the activities of Elevate, and the client monitoring function within the Council.

**Agreed**, in order to ensure that robust governance arrangements are in place, to:-

- (i) Approve the governance arrangements for the joint venture with Agilisys as detailed in this report; and
- (ii) **Recommend the Assembly:**
  - a) That the two Council representatives on the Elevate Board be the Portfolio Holder for Customer Services and Human Resources and the Corporate Director of Finance and Resources;
  - b) That a Member (to be identified) be appointed as the nominated deputy for the Portfolio Holder for Customer Services and Human Resources and the Divisional Director of Assets and Commercial Services and the Divisional Director of Corporate Finance be appointed as the nominated deputies for the Corporate Director of Finance and Resources;
  - c) That the Member representation on the Strategic Partner Board be the Portfolio Holder for Finance, Revenues and Benefits, who will Chair the Board, the Portfolio Holder for Customer Services and Human Resources, and a non-Cabinet Member (to be identified); and
  - d) That the necessary amendments to the Council's Scheme of Delegation be made to reflect the responsibilities for managing the Elevate Limited Liability Partnership agreement, the Strategic Partner Agreement and the Service Contract with Elevate and other associated legal documents.

## 71. Adult Social Care: CQC Inspection Reports Findings

The Cabinet Member for Health and Adult Services presented a report on the outcome of the Care Quality Commission (CQC) inspection undertaken in July of this year which focussed on the areas of 'Safeguarding Adults' and 'Improving health and wellbeing for people with learning disabilities', and also the CQC's main Assessment of Performance for 2009/10.

In respect of the latter, the Cabinet Member announced that the CQC has now lifted the embargo on the publication of its findings and she was very pleased to announce that the Council has, for the third year in succession, been awarded the CQC's highest rating of "Excellent" for the delivery of its Adult social care services, with the grade of "Excellent" being awarded in four of the seven categories and the second highest rating of "Well" in the other three. This places Barking and Dagenham in the top 25% of all local authorities both nationally and within London.



In respect of the specific review of the areas of 'Safeguarding Adults' and 'Improving health and wellbeing for people with learning disabilities', the Cabinet Member was also pleased to announce that the services have been judged by the CQC as "performing well" and that the Council's capacity to improve was "promising".

The Cabinet Member stressed the importance of continually striving to provide improved services to the local community and, to this end, referred to the Improvement Plan that has been drawn up in response to the CQC's findings.

**Agreed**, to accord with statutory requirements and assist the Council to achieve its Community Priorities, to:-

- (i) Note the findings of the CQC inspections contained at Appendices 1 and 4 to the report; and
- (ii) The Implementation Plan set out at Appendix 2 to the report.

The Corporate Director of Adult and Community Services confirmed that a letter from herself and the Cabinet Member would be sent to staff in recognition of their commitment and professionalism.

(\* 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.)