

THE CABINET

Tuesday, 23 August 2011
(5:00 - 5:55 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 P T Waker and Councillor J R White

Also Present: Councillor J E McDermott

Apologies: Councillor G M Vincent

24. Declaration of Members' Interests

Councillors Smith and Gill declared a personal interest in relation to item 11 (Urgent Action - Demographic Growth Capital Fund Grant: Sixth Form Accommodation at Robert Clack Comprehensive School) as Governors of the School.

25. Minutes (12 July 2011)

The minutes of the Cabinet meeting on 12 July 2011 were confirmed as correct.

26. 2011/12 Budget Monitoring: April to June 2011

The Cabinet Member for Finance, Revenues and Benefits presented a report on the Council's revenue and capital budget position for 2011/12 as at 30 June 2011.

The General Fund revenue expenditure showed a project overspend for the full year of £4.5m against the approved budget of £183.4m, as a consequence of overspends in areas of Children's Services (Complex Needs and Social Care), Customer Services (reduced income and cost pressures in Housing and Environmental divisions) and Finance and Resources (due to an over-stated income budget in Revenues and Benefits). In respect of the £1.5m pressure within the Revenues and Benefits service, the Cabinet Member agreed to provide Cabinet colleagues with full details of the cause and the steps taken to ensure that it would not be repeated. He also confirmed that the next budget monitoring report to Cabinet would include a proposal to redress the position.

The Housing Revenue Account (HRA) was projected to overspend by £0.16m while the Capital Programme showed a projected underspend of £12.078m against the current budget for the year of £145.939m. In respect of the latter, the Cabinet Member referred to the proposed reprofiling of a number of schemes to reflect the current funding position.

Cabinet **agreed:-**

- (i) To note the projected outturn position for 2011/12 of the Council's revenue and capital budgets as detailed in paragraphs 3 and 6 and Appendix A of the report;

- (ii) To note the progress against the 2011/12 savings targets referred to in paragraph 4 and Appendix B of the report;
- (iii) To note the position for the HRA as detailed in paragraph 5 and Appendix C of the report;
- (iv) To approve the following:
 - a. The transfer of £330,000 Think Family Funding from Children's Services to Adult and Community Services, to support youth offending services;
 - b. The Capital Programme budget adjustments as detailed in Appendix E to the report.

27. Estate Renewal Programme - Delivery and Disposal Options for Goresbrook Village and The Leys

Further to Minute 49 (2 November 2010), the Cabinet Member for Housing presented a report on the disposal and delivery options for the Goresbrook Village and Leys Estates, which represented two of the three sites in the current Estate Renewal Programme.

The Cabinet Member outlined the main aims of the programme and its funding, which included an £18.3m grant from the Homes and Communities Agency, and referred to the proposed procurement of development partners to deliver the two schemes.

Cabinet **agreed**:-

- (i) That the preferred delivery option for the Goresbrook Village Estate be to procure a development partner through the Homes and Communities Agency Development Partner Panel, with the final terms to be agreed under delegated authority by the Corporate Director of Finance and Resources, advised by the Corporate Director of Customer Services and the Divisional Director of Legal and Democratic Services, and in consultation with the Lead Members for Housing and Regeneration;
- (ii) That the preferred delivery option for the Leys Estate be to procure a development partner through the City West 'Framework' Development Partner Panel, with the final terms to be agreed under delegated authority by the Corporate Director of Finance and Resources, advised by the Corporate Director of Customer Services and the Divisional Director of Legal and Democratic Services, and in consultation with the Lead Members for Housing and Regeneration; and
- (iii) The indicative benchmark tenure mix for each site to be used in the development and project briefs as set out in section 2 of the report.

28. Axe Street / Abbey Sports Centre Redevelopment

The Cabinet Member for Regeneration presented a report on the proposed development of a new leisure centre in Barking Town Centre as part of a

streamlining of Council-provided indoor leisure facilities in the Borough.

The Cabinet Member commented on the success of the new Becontree Heath Leisure Centre which opened earlier this year and referred to the key aspects of the business case for a similar project in Axe Street, adjacent to the current site of Abbey Sports Centre and with a planned opening in Spring 2014. As part of the business case, the Goresbrook Leisure Centre would be closed at some point after the 2012 Olympics and the site sold on the open market while the Abbey Sports Centre would be closed when the new Axe Street centre was opened to the public. Officers clarified the funding and borrowing proposals and their correlation to the off-setting of the capital receipts from the disposal of the Goresbrook and Abbey Sports Centres.

In response to an issue raised by Councillor McDermott regarding the Elderberry's Club that met at Goresbrook Leisure Centre, the Divisional Director of Culture and Sport confirmed that the Council would be consulting with all current users over the coming months with a view to ensuring their continued access to leisure facilities within the Borough.

Cabinet agreed:-

- (i) Prudential borrowing payments of an estimated £1.132m per annum in order to build a new leisure centre in Axe Street costing £12.98m, whilst noting that payments would reduce to around £289,000 per annum following the closure and disposal of the existing Abbey and Goresbrook Leisure Centres;
- (ii) To authorise the Corporate Director of Finance and Resources, in consultation with the Divisional Director of Legal and Democratic Services, to undertake the procurement for the design and construction stages of the new leisure centre;
- (iii) That the site to the north of Axe Street, as shown hatched on the plan at Appendix 1 to the report, be the preferred location of the new leisure centre;
- (iv) To authorise the Corporate Director of Finance and Resources to place the Goresbrook Leisure Centre on the open market with a view to completing the disposal in December 2012, the sale terms to be agreed in consultation with the Divisional Director of Legal and Democratic Services;
- (v) To authorise the Corporate Director of Finance and Resources, in consultation with the Divisional Director of Legal and Democratic Services, to conclude all legal agreements and enter into a Memorandum of Understanding with the London Thames Gateway Development Corporation regarding the transfer of the Captain Cook Public House Site to the Council in order to facilitate the construction of the new leisure centre;
- (vi) To authorise the Corporate Director of Finance and Resources, in consultation with the Corporate Director of Adult and Community Services, to seek to include a cinema in the new leisure centre complex as an alternative to a sports hall space, in the event that it was considered to be in the best interests of the development and that a third party could be identified to operate the facility at no worse than financially neutral cost to

the Council; and

- (vii) To note that two further reports would be presented to Cabinet, the first setting out the potential uses and disposal of the existing Abbey Sports Centre and Goresbrook Leisure Centre sites at the appropriate time; and the second to appoint the preferred contractor for the new leisure centre development, including the final specification, the actual dates of construction, the findings and resulting actions from the Equality Impact Assessment relating to the scheme and the outcome of the cinema feasibility study.

29. Housing Repairs and Maintenance Procurement

The Cabinet Member for Housing reported on the proposed procurement of planned and reactive housing repairs services, the current contract for which expires in April 2013.

The Cabinet Member advised that in preparation for the new contract an Option Appraisal was undertaken by Elevate and key council officers across repairs, housing, finance and assets and commercial services, which was informed by initial feedback from surveys and focus groups with residents. As a result, it was proposed to carry out one overall procurement exercise but with separate contracts for each of the defined elements. Further work in the areas of repairs policies and standards, ongoing resident engagement, contract structures and pricing mechanisms and ongoing governance arrangements are also planned.

Cabinet **agreed**:-

- (i) The commencement of the procurement of housing repair and maintenance contracts in accordance with the proposals detailed within the report;
- (ii) To delegate authority to the Corporate Director of Customer Services, in consultation with the Corporate Director of Finance and Resources, the Divisional Director for Legal and Democratic Services and the Cabinet Members for Housing and Finance, Revenues and Benefits, to agree the final procurement strategy (including the procurement procedure, contract structure, contractor selection and evaluation criteria and detailed proposals for client management of the contracts) and commence and undertake the procurement; and
- (iii) Note that on completion of the procurement exercise a further report would be brought to Cabinet for final decisions on the award of contracts.

30. Highways Weed Control Collaborative Procurement Strategy

This report was deferred to allow further discussions on the proposals.

31. Introduction of a Paid Parking Permit Scheme for Staff

The Cabinet Member for Crime, Justice and Communities presented a report on the proposed introduction of charges for Council staff to park in designated Council car parks with effect from 1 September 2011.

The Cabinet Member advised that the parking charge would be, on average, £1 per day and would bring this Council into line with many other employers in London, including local authorities, who charged for staff parking. In addition to the income that would be generated from the scheme it would also encourage staff to reconsider their journey to work and whether other options such as car-share, cycling or walking were more viable.

Issues that arose during the discussions included:

- Consultation with the Unions - The Corporate Director of Customer Services confirmed that there had been extensive consultation with the Unions, who remained opposed to the scheme.
- The burden of the new charge on staff who were already faced with higher costs of living as well as the local government pay freeze;
- The enforcement of the scheme - The Corporate Director advised that a report would be presented to the next meeting of Cabinet explaining in detail the enforcement arrangements that would be applicable once the relevant Traffic Management Orders became effective.
- Whether staff that are designated as Essential Car Users, and therefore required to use a car by the Council to properly perform their duties, should be required to purchase a staff parking permit.
- Whether the charge to staff should be proportionate to salaries - The Corporate Director of Customer Services advised that this option was rejected by the majority of respondents to the consultation. The Chief Executive also advised that Chief Officers are to pay £40 per month for a priority permit.

The Chair reminded all Cabinet Members that the principle of car parking charges had been agreed by the Council as part of the 2011/12 budget process but he asked the Corporate Director to respond to the issues raised at this meeting in the report to be presented to the next Cabinet meeting in relation to increased public car parking provision and the review of existing pay and display parking charges.

Cabinet **agreed**:-

- (i) To the introduction of a staff car parking permit scheme requiring staff to purchase permits to park in the following designated Council car parks, with effect from 1 September 2011:
 - Civic Centre
 - Stour Road (2 and 90)
 - Roycraft House
 - London Road Multi Storey
 - John Smith House
 - Axe Street
 - The Mall
- (ii) To the following charges for staff car parking permits:

- Standard Permit - £210 per annum, paid in monthly payments of £17.50 per month (through the payroll).
- Priority Permit - £360 per annum, paid in monthly payments of £30.00 per month (through the payroll).
- Pre-Paid Day / Half Day Permit - £10.00 for 20 half-day permits.

(Councillor McCarthy voted against the proposal and asked that this be recorded in the minutes.)

32. Human Resources Policies and Procedures - Grievance Resolution Procedure

The Cabinet Member for Customer Services and Human Resources presented a report introducing a revised Grievance Resolution Procedure, which had been considered and endorsed by the Employee Joint Consultative Committee on 16 November 2010.

The Cabinet Member explained that the new Procedure brought together all of the Council's procedures relating to grievance handling, including dealing with bullying and harassment, and introduced a new provision within the resolution process for bullying and harassment cases whereby a sub-group of the Council's Personnel Board would review and advise the officer nominated to undertake the appeal hearing.

Cabinet **agreed** to adopt the Grievance Resolution Procedure as set out at Appendix 1 to the report, subject to the addition within the specific Bullying and Harassment area of the policy to the reference to the new appeal hearing provision.

33. Urgent Action - Demographic Growth Capital Fund Grant: Sixth Form Accommodation at Robert Clack Comprehensive School

The Cabinet received and noted a report on the action taken by the Chief Executive on 10 August 2011, acting under the urgency procedures contained within paragraph 17 of Article 1, Part B of the Council's Constitution, in agreeing the following:

- (i) The acceptance of the capital grant of £3,058,000 from the Young People Learning Agency to support the provision of 16-19 student teaching accommodation at Robert Clack Comprehensive School;
- (ii) To authorise the Corporate Director of Children's Services to sign and accept the grant on behalf of the Council for submission to the YPLA, together with information confirming the project, by 15 August 2011; and
- (iii) The procurement proposals as set out in the appended report and to authorise the Corporate Director of Children's Services, in consultation with the Corporate Director of Finance and Resources and the Cabinet Member for Children and Education, to approve the appointment of the final contractor and the placing of an order.

34. Private Business

It was agreed to exclude the public and press for the remainder of the meeting by reason of the nature of the business to be discussed which included information exempt from publication by virtue of paragraphs 1 and 4 of Part 1 of Schedule 12A to the Local Government Act 1972 (as amended).

35. Interim Organisational Review

The Chief Executive presented a report on her interim organisation review proposals, together with an outline of the longer-term proposals that would come forward toward the end of 2012.

The Chief Executive explained that the current proposals were designed to make the changes to the organisation most urgently required in line with the following principles:

- Increasing responsiveness to elected Members and the public
- Acknowledging financial constraints and the need for increased efficiency and effectiveness
- Legislative changes
- Partnership working, including the Elevate partnership with Agilisys
- Olympic Host Borough status
- Examining the balance of staffing and responsibilities across the Council

In respect of the proposal to re-introduce annual Chief Officer Performance Management Assessments by Councillors, the Chief Executive responded to Cabinet Members' suggestions that there may be further benefits of increasing the frequency of the assessment and/or extending them to include Divisional Director level.

Cabinet **agreed**:-

- (i) To the principles of an interim organisational review to be undertaken by the Chief Executive, as detailed in the report;
- (ii) To note that as part of the review the Chief Executive would implement the following actions:
 - a) Continuation of four Corporate Director posts at this time, to be reviewed again in October 2012;
 - b) Transfer the reporting line of the Divisional Director, Human Resources from the Corporate Director of Finance and Resources to the Chief Executive;
 - c) Transfer the Customer Services and Client ICT function from the current Customer Services Directorate to the Finance and Resources Directorate, and rename the Customer Services Directorate "Housing and Environment";
 - d) Enable the Corporate Director of Finance and Resources to support the

Cabinet Member of Regeneration, other senior councillors and the Chief Executive, in promoting regeneration issues;

- e) Transfer the lead responsibility for the Olympics from the Corporate Director of Finance and Resources to the Corporate Director of Adults and Community Services;
- f) Re-introduce the formal Councillor performance management assessment of Chief Officers from February / March 2012, to take place at the end of each financial year;
- g) Transfer the Parks Management function from the Culture and Sport division to the Environmental and Enforcement Services division, together with the appropriate budget adjustments in relation to building expenditure;
- h) Transfer the management of “Stage 3” complex complaints from the Audit and Risk division to the Policy and Public Affairs division under the Chief Executive;
- i) Reduction of posts in specific areas, as detailed in paragraphs 3.1.9 - 3.1.11 of the report;
- j) Formally consult with Union representatives on the proposals.