

# MINUTES OF CABINET

Tuesday, 13 December 2022  
(4:04 - 5:01 pm)

**Present:** Cllr Darren Rodwell (Chair), Cllr Saima Ashraf (Deputy Chair), Cllr Dominic Twomey (Deputy Chair), Cllr Sade Bright, Cllr Cameron Geddes, Cllr Syed Ghani, Cllr Kashif Haroon, Cllr Jane Jones, Cllr Elizabeth Kangethe and Cllr Maureen Worby

**Apologies:** Cllr John Dulwich

## **55. Death of Councillor Olawale Martins**

In tribute to Councillor Olawale Martins who sadly passed away on Sunday 27 November, the Cabinet held a minute's applause in recognition of his service to the Borough.

## **56. Declaration of Members' Interests**

There were no declarations of interest.

## **57. Minutes (15 November 2022)**

The minutes of the meeting held on 15 November 2022 were confirmed as correct.

## **58. Revenue Budget Monitoring 2022/23 (Period 7, October 2022) and Q2 Capital Programme**

The Cabinet Member for Finance, Growth and Core Services introduced the Council's revenue budget monitoring report for the 2022/23 financial year as at 31 October 2022 (period 7) and the quarter 2 Capital Programme update.

The Council's General Fund revenue budget for 2022/23 was £183.06m and the forecast outturn position at the end of October projected a net overspend of £16.603m once movements to and from reserves and income had been taken into account, which represented a worsening of almost £3m compared to the previous month. The Cabinet Member alluded to the main causes of the overspend which he had explained at previous meetings and he and other Cabinet colleagues continued their criticism of the Government for failing to properly fund the significant increases in demand being experienced by many local authorities. The Cabinet Member confirmed that the Council's Budget Reserve was sufficient to cover the current level of overspend, adding that he was confident that the position would improve significantly by the year end.

With regard to the Capital Programme for 2022/23, the Cabinet noted a number of proposals that would increase the overall programme from the current level of £417.05m to £452.611m. It was further noted that expenditure at the end of quarter 2 was only at 31.5% and although Investment and Acquisition Strategy (IAS) and Housing Revenue Account (HRA) capital budgets were expected to be fully spent by the year end, it was likely that a number of General Fund projects,

especially those relating to the Schools Programme, would slip into future years.

Cabinet **resolved** to:

- (i) Note the projected revenue outturn forecast for the 2022/23 financial year as set out in section 2 and Appendix A of the report; and
- (ii) Note the capital expenditure at 30 September 2022 (Quarter 2) and approve the revised Capital Programme for 2022/23, as detailed in section 4 and Appendices B and C of the report.

## **59. Budget Strategy 2023/24 to 2026/27**

Further to Minute 15 (12 July 2022), the Cabinet Member for Finance, Growth and Core Services presented a report on the updated position regarding the Council's Medium Term Financial Strategy (MTFS) and the proposed Budget Strategy for 2023/24 and beyond.

The Cabinet Member advised that the Department for Levelling Up, Housing and Communities (DLUHC) was not expected to announce the Provisional Local Government Finance Settlement for 2023/24 until 21 December, which would be the fifth consecutive one-year settlement. The failure of the Government to provide longer-term settlements and to introduce the Fair Funding and other reforms that had been promised for several years now meant that local authorities continued to struggle to plan ahead with any degree of certainty.

The Government's austerity measures that had been introduced since 2010 meant that the Council continued to face significant financial challenges despite the prudent and innovative approach that it had taken in recent years. Those challenges had been made even worse by the COVID-19 pandemic and the current cost-of-living crisis which had led to an increase in demand for many Council services. The combined effect of those challenges and pressures meant that, once growth bids and other measures to deal with on-going budget pressures had been taken into account, Barking and Dagenham faced a projected budget gap of £17.767m for 2023/24 and a cumulative budget gap of £64.855m by 2026/27.

The Cabinet Member alluded to the savings exercise that was underway and other issues that would assist the Council in setting a balanced budget at the Assembly meeting on 1 March 2023. One of those issues related to raising the level of Council Tax which had previously been capped by the Government at 2% on General Council Tax and 1% for the Social Care Precept. The Government was raising those caps to 3% on General Council Tax and 2% for the Social Care Precept for the next two years and while the Cabinet Member welcomed the additional flexibility, he stressed that the Government's tactic of pushing the onus on to local authorities and local taxpayers to compensate for the Government's underfunding of public services should not go unnoticed.

In view of the Council's projected budget gap for 2023/24, the Cabinet Member advised on plans to consult with the local community and businesses early in the New Year on savings proposals and a potential increase to the Council Tax in line with the new maximum thresholds. He also referred to the Council's commitment

to exploring new investment and regeneration initiatives that would bring in much needed revenue and improve the lives of local residents, especially the most vulnerable.

Cabinet **resolved** to:

- (i) Note the continued commitment to delivering the savings proposed in the MTFS reports approved by Assembly in March 2022;
- (ii) Note the approach to mitigate the funding gap put forward for 2023/24 onwards prior to inclusion in the Budget Report in Spring 2023;
- (iii) Agree the proposed consultation process for the budget, as set out in section 9 of the report; and
- (iv) Agree to consult Borough residents and taxpayers on the levying of a 3% General Council Tax increase and a 2% Social Care Precept to support the Borough's most vulnerable residents, subject to these thresholds being confirmed.

**60. Short Term Contract for the Provision of Supported Accommodation for Older People (Extra Care) - Direct Award**

Further to Minute 9 (21 June 2022), the Cabinet Member for Adult Social Care and Health Integration presented a report on the proposal to directly award a short-term contract to the existing provider of 'extra care' housing in the Borough while the re-tendering of a new longer-term contract was conducted.

The Cabinet Member explained that the original procurement of the new longer-term contract had commenced in the Summer. However, it became apparent on the return of tenders that officers could not properly evaluate the price component due to an inconsistent method of pricing amongst bidders. The decision was taken, therefore, to re-tender the service which meant that, in the meantime, interim arrangements needed to be put in place.

Cabinet **resolved** to:

- (i) Agree to the waiver of tendering requirements under the provisions of paragraph 6.6 of the Council's Contract Rules and approve the direct award of the Extra Care contract to the current provider, Care Support, for the period 1 February to 31 July 2023, in accordance with the strategy set out in the report; and
- (ii) Delegate authority to the Strategic Director, Children and Adults, in consultation with the Cabinet Member for Adult Social Care and Health Integration, the Strategic Director of Finance and Investment and the Chief Legal Officer, to enter into the direct award contract and any other necessary agreements on behalf of the Council.

## **61. Contract for the Provision of an Integrated Statutory Advocacy Hub**

The Cabinet Member for Adult Social Care and Health Integration presented a report on proposals relating to the procurement of a new contract for the provision of advocacy services to support a wide range of client groups, including older people, those with mental health, dementia and substance misuse issues and those with a learning or physical disability.

The Cabinet Member advised that the current advocacy services contract was due to expire on 1 April 2023. The intention was to procure a new, maximum four-year contract to provide all statutory advocacy services as well as an Independent Health Complaints Advocacy Service, supporting people who are considering making a complaint about treatment funded by the NHS which, until now, had been procured separately.

Cabinet **resolved** to:

- (i) Agree that the Council proceeds with an open market competitive tender for the provision of an Integrated Statutory Advocacy Hub in accordance with the strategy set out in the report; and
- (ii) Delegate authority to the Strategic Director, Children and Adults, in consultation with the Cabinet Member for Adult Social Care and Health Integration and the Chief Legal Officer, to conduct the procurement and award and enter into the contract(s) and all other necessary or ancillary agreements with the successful bidder(s), in accordance with the strategy set out in the report.

## **62. Procurement of Contract for Right To Buy Valuations**

The Cabinet Member for Finance, Growth and Core Services introduced a report on the procurement of a new contract to undertake Right To Buy and other valuations relating to the Council's housing stock.

The Cabinet Member referred to the outcome of a review which had identified shortcomings in the current service provision and he confirmed that the specification for the new contract would address those issues.

Cabinet **resolved** to:

- (i) Agree that the Council proceeds with the procurement of a contract for Right to Buy Valuations for a maximum five-year term, in accordance with the strategy set out in the report; and
- (ii) Delegate authority to the Strategic Director, My Place, in consultation with the Cabinet Member for Finance, Growth and Core Services, the Strategic Director, Finance and Investment and the Chief Legal Officer, to conduct the procurement and enter into the contract and all other necessary or ancillary agreements, including contract extensions, with the successful bidder.

### **63. Debt Management Performance 2022/23 (Quarter 2)**

The Cabinet Member for Finance, Growth and Core Services introduced the performance report covering the second quarter of the 2022/23 financial year in respect of the Council's debt management functions.

The Cabinet Member commented that the statistical data showed that the cost-of-living crisis continued to impact on the local community, although he did stress that a small proportion of individuals chose not to pay what they owed, rather than being unable to pay. Collection rates were, in the main, below the corresponding rates for 2021/22 and while those individuals who chose not to pay would continue to be targeted by the Council, the Cabinet Member alluded to the range of support and intervention measures that were on offer to those struggling with debt due to the Government's failure to provide a properly funded welfare support system. The Cabinet Member concluded with the warning that the situation was only expected to get worse as we moved further into the financial year due to the cold winter months when households would notice the full effect of the unprecedented energy prices.

Cabinet **resolved** to:

- (i) Note the performance of the debt management function carried out by the Council's Revenues service, including the pressure on collection rates as a result of the cost-of-living crisis; and
- (ii) Note the change in debt recovery processes for the collection of Council Tax to assist residents in the current climate, as described in paragraph 2.5 of the report.

### **64. Procurement of Additional IT Cyber Security Software**

(The Chair agreed that this report could be considered at the meeting under the provisions of Section 100B(4)(b) of the Local Government Act 1972 as a matter of urgency in order to avoid any delay in the procurement of IT cyber security software.)

The Cabinet Member for Finance, Growth and Core Services introduced a report on a proposal to procure additional cyber security software from the Council's current provider in order to further strengthen the Council's resilience to potential attacks on its IT system.

The Cabinet Member advised that the new Darktrace Respond product would complement the Darktrace Detect product that the Council procured in 2021 and would significantly improve the overall threat detection and response time to mere seconds, as opposed to hours or days. The Cabinet Member stressed the importance of the Council taking all possible measures to protect its IT services from cyber attacks, both in terms of maintaining service provision and avoiding the substantial costs that are often associated with such attacks, citing the cyber breach at Hackney Council in 2020 which was estimated to have cost in excess of £10m to remedy.

Cabinet **resolved** to:

- (i) Agree that the Council proceeds with the procurement of Darktrace Detect and Respond products from Softcat Ltd on the Kent Commercial Services Software Products and Associated Services Framework for a term of four years and three months, in accordance with the strategy set out in the report; and
- (ii) Delegate authority to the Strategic Director, Finance and Investment, in consultation with the Chief Legal Officer, to award and enter into any contract(s) and agreement(s) with the chosen supplier in accordance with the strategy set out in the report.