

MINUTES OF CABINET

Tuesday, 2 June 2015
(7:00 - 8:03 pm)

Present: Cllr Darren Rodwell (Chair), Cllr Saima Ashraf (Deputy Chair), Cllr Dominic Twomey (Deputy Chair), Cllr Laila Butt, Cllr Evelyn Carpenter, Cllr Cameron Geddes, Cllr Lynda Rice, Cllr Bill Turner and Cllr Maureen Worby

1. Declaration of Members' Interests

There were no declarations of interest.

2. Minutes (24 March 2015)

The minutes of the meeting held on 24 March 2015 were confirmed as correct.

3. Revenue and Capital Provisional Outturn 2014/15

The Cabinet Member for Finance and Central Services presented a report on the provisional revenue and capital outturn position for the 2014/15 financial year and a request by the Public Accounts and Audit Select Committee for funding to be allocated for an independent assessment of the financial evaluation that supported the decision taken by Cabinet under Minute 78 (16 December 2014) in respect of the "Rationalisation of Corporate Office Portfolio".

With regard to the latter issue, the Cabinet Member for Finance and Central Services commented that there was no reason to believe that the work undertaken by officers on that project was any less robust and thorough than on any other project that had been approved by the Council. He did not, therefore, support the allocation of any monies from reserves to accommodate the Select Committee's request.

In relation to the provisional outturn position, the General Fund position showed a projected year-end overspend of £0.07m against the net revenue budget of £165.3m, which when added to the programmed use of £1m of reserves during the year would result in the General Fund balance decreasing to £26.03m at the year end. The Housing Revenue Account (HRA) showed a breakeven position for the year while the Capital Programme showed a projected outturn of £128.866m compared to the revised budget of £143.153m.

The Cabinet Member commended the work undertaken to minimise the revenue overspend position but stressed that the position was not sustainable going forward, particularly bearing in mind the future pressures for the Council of the Government's welfare reforms. The Leader concurred that significant additional resources would need to be directed towards services for vulnerable adults and children and the Cabinet Member for Adult Social Care and Health also advised on an assessment that she had been involved in at work which exemplified the difficulties many people would face as a result of the Government's reforms.

In noting the range of revenue and capital roll-forwards that were proposed in the

report, Members reiterated the need for allocated capital expenditure to be fully utilised in-year and suggested that the Council's contract management and programming should be reviewed to ensure the delivery of future projects. Officers clarified Members' enquiries in relation to several capital projects listed in the report and the Cabinet Member for Children's Services and Social Care reiterated the need for a better understanding of the demography of the Borough in order for the Council to properly plan for the future. On that point, the Chief Executive referred to the limited capacity currently within the Council to undertake such work but he added that his new management restructure proposals would help to address that area.

It was also noted that a report would be presented to the July meeting of the Cabinet on the impact of the Chancellor of the Exchequer's Emergency Budget Statement to be announced earlier that month.

Cabinet **resolved** to:

- (i) Note the provisional outturn position for 2014/15 of the Council's revenue budget, which showed a £70,000 overspend, as detailed in paragraphs 2.1 to 2.10 and Appendix A of the report;
- (ii) Note the provisional outturn against the 2014/15 savings targets, which showed a £510,000 shortfall against the target of £8.721m, as detailed in paragraph 2.11 and Appendix B of the report;
- (iii) Note the provisional outturn break-even position for the Housing Revenue Account as detailed in paragraph 2.7 and Appendix C of the report and the transfer of the commercial properties to the General Fund, as approved by the Council's external auditors;
- (iv) Approve the requests to roll forward revenue budgets into 2015/16 totalling £6.22m and the resulting budget amendments, as detailed in Appendix D of the report;
- (v) Note the provisional outturn position for 2014/15 of the Council's capital budget, which showed a spend of £128.9m against the revised budget of £143.1m, as detailed in paragraph 2.12 and Appendices E and F of the report;
- (vi) Approve the requests to roll forward slippage and re-profiled spend in capital projects to 2015/16, giving a revised capital budget of £130.12m for 2015/16, as detailed in Appendix E of the report; and
- (vii) Decline the request from the Public Accounts and Audit Select Committee for funding for an external review of officers' financial evaluation which supported the recommendations of the "Rationalisation of Corporate Office Portfolio" report approved by Cabinet on 16 December 2014 (Minute 78).

4. Review of School Places and Capital Investment - Update June 2015

Further to Minute 117 of the last meeting, the Cabinet Member for Education and Schools presented an update report in respect of the various school expansion

projects aimed at addressing the demand for school places in the Borough, focussing in particular on the provision for 2017 and beyond.

The Cabinet Member alluded to the Council's financial responsibilities in relation to all schools in the Borough, including Academy and Free Schools, and the restrictions faced by the Council when considering additional pupil provision. The Council's preferred approach had, and continued to be, the expansion of the existing school portfolio as that was strongly believed to be the best way forward. Attention was also drawn to the risk management assessment in the body of the report which reflected the pressures faced by the Council.

The Cabinet Member referred to proposed secondary school projects at Eastbrook, Gascoigne, Dagenham Park and Warren Schools and advised that a review of post-16 (sixth form) provision was also being undertaken. In response to an enquiry, the Cabinet Member confirmed that although the Borough was not immune from the national problems associated with the recruitment of teaching staff, the reputation of the Borough's schools meant that prospective candidates viewed Barking and Dagenham positively and schools were able to recruit good quality teaching staff.

The Leader was pleased to advise that despite the pressures on the Borough's schools, Barking and Dagenham had achieved the highest percentage of first preference placements of Reception Year pupils across London for the new 2015/16 academic year.

Cabinet **resolved** to:

- (i) Note the position regarding the establishment of new schools as set out in the report;
- (ii) Endorse the principles of the projected forecast demand for school places and note the Council's position in the overall growth of London;
- (iii) Support the review of place demand for post-16 provision, noting the expected need for additional places by 2018; and
- (iv) Agree that the post September 2017 projects set out in section 5 of the report that are at an early stage of planning be included in the Future Planning of School Places development programme, including the establishment of a Free School, to be known as Greatfields School, following approval by the Department for Education.

5. Proposed Establishment of an Additional Resource Provision at Eastbury Primary School

The Cabinet Member for Education and Schools introduced a report on a proposal for Eastbury Primary School to assume sole responsibility for the provision of specialist support for primary-age children with a severe hearing impairment.

The Cabinet Member referred to the funding arrangements for the project and the longer-term proposals to expand the primary and secondary provision.

Cabinet **resolved** to approve the establishment of an Additionally Resourced Provision at Eastbury Primary School for children with statements of Special Educational Needs who have a diagnosis of severe hearing impairment.

6. Procurement of Various Children's Centre Nursery Services

The Cabinet Member for Education and Schools introduced a report on the procurement of contracts for the provision of various Children's Centre nursery services across the Borough.

During the discussions on the proposals, the Leader referred to the recent Government announcement that free nursery provision for three and four year olds would be extended for working families. The Corporate Director of Children's Services advised that the detail of the Government's proposals was still awaited, including the funding arrangements, but suggested that the impact of the proposals would be significant for the Council, as approximately 2,000 extra places would have to be provided. The Corporate Director confirmed that the specifications for the proposed contracts under consideration took into account the need for future flexibility.

As the Government's extended nursery provision proposals were only aimed at working families it was likely that the most vulnerable children would not benefit, as was the case for a number of other Government initiatives. Members acknowledged the need for the Council to give added focus to those excluded from the Government's new initiatives.

The Corporate Director of Children's Services advised that a further report would be presented to Cabinet once the detail of the Government's extended nursery proposals was known.

Cabinet **resolved** to:

- (i) Agree the procurement of five year contracts, with extension options up to three years, for the provision of nursery services at Gascoigne, Sue Bramley and William Bellamy Children's Centre Nurseries (Lot 1), Becontree and Sydney Russell Children's Centre Nurseries (Lot 2) and Abbey and John Perry Children's Centre Nurseries (Lot 3), on the terms set out in the report; and
- (ii) Delegate authority to the Corporate Director of Children's Services, in consultation with the Cabinet Member for Education and Schools, the Chief Finance Officer and the Head of Legal and Democratic Services, to award and enter into the contracts and co-terminus leases to the successful bidders in accordance with the strategy.

7. Review of Pre-Application Fees and Planning Charges

The Cabinet Member for Regeneration introduced a report on a review of the charges made for officers' advice to developers and householders prior to the submission of planning applications, as well as the introduction of Planning Performance Agreements for major developments taking place in the Borough.

The Cabinet Member advised that the proposed new charges had been benchmarked against other local authority rates and the most recent data suggested that the proposed fee for the pre-application meeting with written response for Category A Strategic Developments should be set at a higher level than the £4,000 shown in the report.

Cabinet **resolved** to:

- (i) Agree the planning pre-application charges, which include a new charge for home extensions and alterations, as set out in Appendix 1 to the report subject to the amendment of the fee in respect of Category A Strategic Developments for the pre-application meeting with written response, which shall be set at £6,000; and
- (ii) Authorise the Divisional Director of Regeneration to utilise Planning Performance Agreements for Major Developments and agree such terms and fees as he considers are an effective recompense for the Development Management services so employed.

8. North East London Strategic Alliance (NELSA)

The Leader presented a report on the formal establishment of the North East London Strategic Alliance (NELSA) whose key purpose was to develop and articulate a clear vision for north east London and to provide strategic leadership to ensure that a shared vision was realised.

The Leader referred to some of the key initiatives being discussed by NELSA Leaders, which included the lobbying of Government to encourage the devolution of powers to bodies such as NELSA and the extension of the Crossrail 2 project further along the east London riverside. Responding to a point about the alignment of boundaries for healthcare provision across London, the Chief Executive commented that different boundaries were necessary for different types of services but he concurred with the view that the devolution of healthcare responsibilities was the way forward.

The Leader also announced that he had been appointed as London Councils' Shadow Portfolio Holder for Health and would be one of its members on the London Health Board.

Cabinet **resolved** to:

- (i) Agree that the London Borough of Barking and Dagenham joins and participates as a member of NELSA on the terms set out in the report;
- (ii) Agree that the Council enter in to and sign up to the NELSA Partnership Protocol, contained at Appendix A to the report, the Inter-Authority Agreement, contained at Appendix B to the report, and any other necessary documents to be entered into by or between the six participating Boroughs in order to facilitate the Council's membership of NELSA; and
- (iii) Approve the appointment of the Leader of the Council as the Council's nominated representative on NELSA and the two Deputy Leaders as

nominated substitutes in the event of the Leader being unable to attend a NELSA meeting.

9. Debt Management Performance and Write-Offs 2014/15 (Quarter 4)

The Cabinet Member for Finance and Central Services introduced the performance report for the fourth quarter period ending 31 March 2015 in respect of the debt management function carried out by the Revenues and Benefits Service within Elevate East London, together with performance data for the full year.

The Cabinet Member referred to the overall positive collection rates for 2014/15 but warned that the Government's welfare reforms would impact on many residents in the Borough so it was even more important to closely monitor rent and Council Tax payments to ensure that residents were supported as early as possible if they began having difficulty making payments. Clarification was also provided in respect of some of the variations in debt and collection levels at 31 March this year compared to last.

Cabinet **resolved** to:

- (i) Note the performance of the debt management function carried out by the Revenues and Benefits service operated by Elevate East London, including the performance of enforcement agents; and
- (ii) Note the debt write-offs for the fourth quarter of 2014/15 and that a number of the debts would be published in accordance with the policy agreed by Cabinet.

10. Death of Charles Kennedy

The Leader expressed the Council's sadness at the untimely passing of Charles Kennedy, former Member of Parliament and Leader of the Liberal Democrats. The Leader commented that Mr Kennedy was a man of the highest integrity and was well liked and respected across all political parties.