

# MINUTES OF CABINET

Tuesday, 21 July 2015  
(7:00 - 8:33 pm)

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

**Apologies:** Cllr Dominic Twomey and Cllr Bill Turner

## 21. Declaration of Members' Interests

There were no declarations of interest.

## 22. Minutes (23 June 2015)

The minutes of the meeting held on 23 June 2015 were confirmed as correct.

## 23. Budget Monitoring 2015/16 - April to May 2015 (Month 2)

Members received a report on the Council's capital and revenue position for the 2015/16 financial year, as at 31 May 2015.

The General Fund showed a projected end of year spend of £158.6m against the approved budget of £151.4m. The projected overspend of £7.2m was attributable to the ongoing pressures within the Children's Services department and Councillor Geddes, presenting the report on behalf of the Cabinet Member for Finance, advised that the position was being closely monitored and a detailed report on the issue would be presented to the Cabinet's next meeting. Councillor Geddes referred to the identification of £1.2m from the Central Expenses budget to mitigate some of the pressure but stressed the importance of finding a permanent solution in view of the Council's limited reserves.

The Housing Revenue Account (HRA) showed a predicted breakeven position while the forecast outturn for the Capital Programme was £129.6m against the budget of £130.1m. The report also set out details of a proposed loan of £900,000 from the Dedicated Schools Grant (DSG) reserve to Eastbury Primary School to cover a deficit that had accrued over the past two financial years.

Cabinet **resolved** to:

- (i) Note the projected outturn position for 2015/16 of the Council's General Fund revenue budget at 31 May 2015, as detailed in paragraphs 2.1, 2.4 to 2.10 and Appendix A of the report;
- (ii) Note the progress against the agreed 2015/16 savings at 31 May 2015, as detailed in paragraph 2.11 and Appendix B of the report;
- (iii) Note the overall position of the HRA at 31 May 2015, as detailed in paragraph 2.12 and Appendix C of the report;

- (iv) Note the projected outturn position for 2015/16 of the Council's capital budget at 31 May 2015, as detailed in paragraph 2.13 and Appendix D of the report;
- (v) Approve the following budget transfers totalling £2.9m from Central Expenses to support the increased in-year demographic demand pressures within the Children's Services directorate (£1.2m) and the identified shortfalls in respect of the centralisation of Learning and Development and Marketing budgets (£1.1m) and the abandoning of proposals for further shared services with Thurrock Council (£0.6m), as detailed in paragraph 2.11 of the report:

<b>Existing Budget</b>	<b>£'000</b>
• Pension Contribution	1,300
• Redundancy Costs	500
• Welfare Reform Bad Debt provision	500
• Thurrock Shared Services budget	300
• Legacy Contingency budget	300
<b>Total</b>	<b>2,900</b>

- (vi) Approve a loan of £0.9m from the DSG reserve to cover the cumulative deficit at Eastbury Primary School, on the terms set out in paragraph 2.6 of the report.

## **24. Medium Term Financial Strategy Update**

Councillor Worby introduced a report that provided an update on the Medium Term Financial Strategy (MTFS), approved as part of the Budget Framework 2015/16 report to Assembly on 24 February 2015, together with details of the proposed launch of the Council's Ambition 2020 programme and the Growth Commission.

Councillor Worby explained that the Ambition 2020 programme would identify a series of options to close the circa £72m budget gap that was projected by 2020/21, while at the same time deliver the Council's political ambitions. The savings that the Council had already had to make since 2010 and the projected further cuts by Government up to 2020/21 meant that the Council would, by the end of the decade, be spending less than half than it was at the beginning of the decade. Cuts of that magnitude required the Council to apply a radical, new approach to the way that it operated while continuing to meet the needs of the local community.

Alongside the Ambition 2020 programme, a new Growth Commission would be responsible for progressing the Council's ambitions to create 35,000 new homes and 10,000 new jobs over the next 15 years. Councillor Worby stressed that attracting new businesses and delivering the largest regeneration programme since the creation of the Becontree Estate were key components of the Council's plans for a Borough that was fit for the 21<sup>st</sup> Century and the Growth Commission would be the mechanism to drive that forward.

With regard to the additional capacity that was required to support both projects, it was noted that the Council's Divisional Director of Commissioning and

Safeguarding, Meena Kishinani, had been seconded to the position of Ambition 2020 Programme Director while Mike Emmerich, who had been instrumental in developing the devolution plans for Manchester, had been brought in to head up the Growth Commission. Also, funding of £1.5m was required to pump-prime the projects.

Cabinet Members spoke in support of the proposals and the Leader commented on the positive message that the initiatives would send out to local residents and the business community.

In respect of the MTFs, it was noted that the latest assessment showed an increase in the budget gap for 2016/17 to £5.71m. The original budget gap of £2.152m was planned to be met from reserves but in view of the increase it was now proposed that officers commence a savings exercise as part of the Ambition 2020 programme. In response to an enquiry, the Chief Finance Officer advised that the projections within the MTFs assumed an additional £5m in Council Tax income and a further £3m from an increase in the Council Tax Base as a result of the building of new homes in the Borough for the five-year period up to 2020/21.

Cabinet **resolved** to:

- (i) Agree the Council's MTFs as detailed in the report and note the projected circa £72m budget shortfall from 2016/17 through to 2020/21;
- (ii) Agree to the creation of the Ambition 2020 programme as the vehicle for identifying options to close the projected budget gap and deliver the Council's ambitions;
- (iii) Agree the allocation of £1m to fund the initial stages of the Ambition 2020 programme;
- (iv) Agree to allocate up to £0.5m from reserves to fund the Growth Commission;
- (v) Note the impact of the Chancellor's Emergency Budget on 8 July on the Council's in-year position; and
- (vi) Agree that officers commence a savings process in respect of the 2016/17 budget gap of £5.71m, in the first instance working these up as "quick wins" in the Ambition 2020 programme.

## **25. Proposed Youth Zone Development - Parsloes Park**

(The Chair agreed to bring forward consideration of this item in view of the interest in the subject from those in the public gallery.)

The Leader of the Council presented a report on proposals to provide programmed activities and support for young people in a new, state-of-the-art Youth Zone facility in Parsloes Park.

The Leader advised that he had visited two similar projects in the north of England earlier in the year and was very excited at the prospect of Barking and Dagenham

hosting the first Youth Zone in London. In respect of the costs associated with the construction and running of the Youth Zone facilities, it was proposed that the Council would fund 50% of the construction costs in the form of a £3m capital grant, with the remaining £3m being met from investment secured through The Queen's Trust and the Jack Petchey Foundation. OnSide Youth Zone, the registered charity behind the Youth Zone concept, had also been successful in securing the full revenue funding for the project for at least the first three years and was confident of securing on-going funding commitments from private and other investors. The Leader also referred to the personal support for the project from the Chair of Agilysis, the Council's partner in the Elevate East London joint venture, who had offered to lead the Youth Zone Board once it was established.

Cabinet Members expressed their support for the initiative and raised a number of issues which included:

- **Make-up of the Board of Trustees** – The Leader advised that representatives from the Council, local businesses and the community would be invited to join the Board.
- **Social Impact and Lasting Legacy** – Assessments of the impact of the OnSide Youth Zone projects that were operating in the north of England showed that levels of anti-social behaviour and childhood obesity reduced following the introduction of the new facilities, while hundreds of young people had successfully moved from school into work or further education due to the support and encouragement they received via Youth Zone.
- **Facilities at the Youth Zone** – The Cabinet Member for Environment particularly welcomed the inclusion of music suites which she hoped would lead to more young people choosing to pursue music as a subject at school and beyond. Members were also very pleased to note that areas of the building would be dedicated for female-only activities and there would be a dedicated programme of activities and support for young people with disabilities.

It was recognised that Parsloes Park was the ideal location for the Youth Zone as it was in the heart of the Borough and accessible by public transport from across the Borough. The Cabinet Member for Regeneration suggested that if there were ever plans to create a second facility in the Borough, the Barking Riverside area would be an excellent location in view of the significant regeneration of that area in the years to come.

Cabinet **resolved** to:

- (i) Agree, in principle, the development of a Youth Zone in Parsloes Park subject to planning approval;
- (ii) Agree the provision of £3m capital grant funding to the Barking and Dagenham Youth Zone as the Council's contribution to the overall capital development costs of the project;
- (iii) Delegate authority to the Corporate Director of Adult and Community Services, in consultation with the Corporate Director of Children's Services,

the Chief Finance Officer and the Head of Legal and Democratic Services, to approve the final details of the project in respect of the grant funding agreement, lease, facility mix, connection to other Parsloes Park refurbishment proposals and operational detail;

- (iv) Agree ongoing strategic support through representation on the Barking and Dagenham Youth Zone Board of Trustees; and
- (v) Note that whilst there was a guaranteed nil revenue funding requirement for three years there was potential future revenue risk if the Barking and Dagenham Youth Zone failed to attract sufficient future funding support.

## **26. Barking Housing Zone**

Further to Minute 8 (4 August 2014), the Cabinet Member for Housing presented a report on the selection of the Barking Town Centre area as one of nine Housing Zones under the Greater London Authority's London Housing Zones programme.

The Council's successful bid related to 10 specific projects in and around the Town Centre which would be supported by a total of £42.3m Housing Zone funding to deliver 2,295 new homes. Of the total funding, the Council would receive £13.122m of which £8.6m would be in the form of a non-repayable grant and the remaining £4.5m as an interest-free grant payable on completion of the respective developments. It was noted that not all of the 10 projects were subject to additional funding and the Council's role in each would vary from merely assessing planning applications through to leading on delivery.

The Cabinet Member referred to the 10 projects within the Housing Zone – Gascoigne West, Cambridge Road, London Road / James Street, Crown House, North Street, Kingsbridge, Abbey Sports centre, Abbey Road, London Road / North Street and Gascoigne East (Phase 1) – and advised on a further four schemes – 32-58 Ripple Road, Gurdwara Way / Whiting Avenue, Clockhouse Avenue / Broadway and land behind the Barking Enterprise Centre – which were important to the regeneration of the Town Centre but not currently identified as Housing Zone schemes.

The Cabinet Member commented that the projects were integral to the Council's growth and regeneration ambitions and, alongside other commercial developments planned for the area, would help to attract residents that wanted to make a home in the Borough. The Leader also referred to the programme of cultural events across the Borough which was helping to change people's perceptions.

In response to questions raised by the Cabinet Members for Crime and Enforcement and for Environment, the Cabinet Member for Housing clarified that:

- The Police's Designing Out Crime team would be involved in all new development projects of 10 or more homes;
- The planning application / approval system would ensure that disruption was minimised across the various construction sites;
- The results of the study by Countryside Properties into how the Council and

partners could support the delivery of a better and broader mix of retail, food and drink offer in the Town Centre would be shared with all Members; and

- Consultation with residents had commenced in respect of the Gascoigne West site and every effort would be made to meet their expectations.

Cabinet **resolved** to:

- (i) Agree to enter into the Overarching Borough Agreement with the Greater London Authority, forming the basis for the Housing Zone arrangements with the Council as set out in paragraph 1.9 of the report;
- (ii) Delegate authority to the Chief Executive, in consultation with the Cabinet Members for Housing and Regeneration, the Chief Finance Officer and the Head of Legal and Democratic Services, to enter into an Intervention Agreement with the Greater London Authority for the Gascoigne West site, as shown in Appendix 4 to the report, for £4.3m grant funding and £3.5m recoverable grant, as detailed in paragraphs 2.4 to 2.7 of the report;
- (iii) Agree the principle of a comprehensive development of the Cambridge Road site, as shown in Appendix 5 to the report, in partnership with Swan New Homes as detailed in paragraphs 2.8 to 2.11 of the report, subject to a further report to Cabinet setting out the business case and seeking agreement to enter into a Development Agreement;
- (iv) Agree the principle of the Council's land at London Road / James Street, as shown in Appendix 6 to the report, forming part of a comprehensive redevelopment and to delegate authority to the Chief Executive, in consultation with the Cabinet Member for Regeneration, the Chief Finance Officer and the Head of Legal and Democratic Services, to finalise the terms of the Development Agreement;
- (v) Delegate authority to the Chief Executive, in consultation with the Cabinet Member for Regeneration, the Chief Finance Officer and Head of Legal and Democratic Services, to enter into an Intervention Agreement with the Greater London Authority for the London Road / James Street site;
- (vi) Agree the principle of a comprehensive redevelopment of the Crown House site as shown in Appendix 7 to the report and, should negotiations with leaseholders not progress, authorise the use by the Council of its Compulsory Purchase Order (CPO) making powers pursuant to Section 226 of the Town and Country Planning Act 1990 (as amended) for the acquisition of the leasehold interests in the properties for the purposes of securing land needed to allow the redevelopment of the areas, as detailed in paragraphs 2.16 to 2.19 of the report;
- (vii) Authorise the Chief Executive, in consultation with the Head of Legal and Democratic Services, to take all necessary steps to secure the making, confirmation and implementation of a CPO in respect of the Crown House site, including the publication and service of all Notices and the presentation of the Council's case at any Public Inquiry;

- (viii) Agree to seek a development partner for the Crown House site with a further report to Cabinet to approve the details of any Development Agreement and Intervention Agreement with the GLA.
- (ix) Agree that officers explore the feasibility of a comprehensive redevelopment of the 32-58 Ripple Road site, as shown in Appendix 8 to the report, and report back to Cabinet with a recommended course of action;
- (x) Agree the principle of the Gurdwara Way / Whiting Avenue site, as shown as site I in Appendices 2 and 3 to the report, being developed for low cost home ownership or custom build, subject to a further report to Cabinet setting out the detail of any proposals;
- (xi) Agree that officers explore the feasibility of the Council acquiring and comprehensively redeveloping the Clockhouse Avenue / Broadway site, as shown as site K in Appendices 2 and 3 to the report, and report back to Cabinet on a recommended course of action; and
- (xii) Agree to the procurement of a partner to design, manufacture, supply and install an off-site modular mixed used development on the land behind Barking Enterprise Centre, as shown as site L in Appendix 1 to the report, on the terms set out in paragraph 2.24 of the report and with the results of the procurement reported back to Cabinet for approval.

## **27. Housing Asset Management Strategy**

The Cabinet Member for Housing introduced the Housing Asset Management Strategy (HAMS) which set out proposals to ensure that Housing-owned assets were maintained to a good standard and that future decisions on refurbishment or reinvestment would ensure good quality housing stock into the future.

The Cabinet Member advised that the Council presently owned over 18,500 tenanted homes and a further 3,300 leasehold properties. Across the next 10 years, there would be over £300m capital investment and a further £180m in planned and responsive repairs and maintenance via the Housing Revenue Account (HRA), in addition to significant investment in the building of new Council properties. The HAMS would establish the principles and priorities by which investment decisions would be taken and had two principal objectives:

- 1) Delivering a high quality housing stock that meets the needs of our tenants and leaseholders; and
- 2) Optimising the use and value of the housing assets.

The Cabinet Member added that the HAMS would be closely integrated with the Housing Strategy 2012-2017 and the HRA Business Plan.

Arising from the discussions, it was suggested that a report on the implementation of the Strategy should be presented to Cabinet at the end of the first year. It was also noted that the impact of the Chancellor's Emergency Budget and other Government announcements on a number of housing-related issues were currently being assessed by Finance and Housing officers and details would be

shared with Cabinet Members in due course.

Cabinet **resolved** to:

- (i) Approve the Housing Asset Management Strategy for 2015 – 2020, as at Appendix 1 to the report; and
- (ii) Request that a progress report on the implementation of the Strategy be presented to Cabinet in 12 months.

## **28. Barking and Dagenham Local Plan - Issues and Options**

The Cabinet Member for Regeneration presented a report on the review of the Council's Local Plan, which sets out the Council's and its partners' plans for the Borough over the next 15 years and the policies to deliver that change.

The Cabinet Member advised that the current Local Plan was adopted in 2010 and the Issues and Options report represented the first stage in a two-year process of review. The new Local Plan would look at the implications of the vision to deliver 35,000 new homes and 10,000 new jobs across seven growth hubs by 2030 and the infrastructure that would be needed, such as transport, schools and healthcare, to support that level of growth.

The Cabinet Member commented on a number of specific issues covered in the Issues and Options report, which included the expectation that certain industrial sites that were unlikely to attract investment and create new jobs could be made available for retail or housing purposes, as new businesses placed less reliance on industrial areas. The report also focused on the importance of promoting successful communities through new infrastructure and reference was made to the creation of two new stations linked to Crossrail in the Chadwell Heath area and the London Overground line extension to Barking Riverside.

The Cabinet Member for Education and Schools referred to new nursery provision in the Borough and was also pleased to note that the important role of the B&D College and The Adult College in addressing the skills gap would be properly reflected in the Local Plan documentation when it was presented for final approval in two years' time.

The Cabinet Member for Adult Social Care and Health acknowledged the role of the Local Plan in establishing the principles by which future planning proposals and applications would be determined and suggested that the appropriate level of flexibility needed to be built in to the documentation to avoid the need for an entire review every five years. The Cabinet Member for Regeneration undertook to discuss with officers how to make it a more 'live' document.

The Chief Executive concluded that the Local Plan was an essential component in the achievement of the Ambition 2020 and Growth Commission objectives and he stressed the importance of not getting diverted from that path.

Cabinet **resolved** to:

- (i) Agree the Local Plan Issues and Options report at Appendix 1 to the report,



for public consultation;

- (ii) Agree the Local Plan Local Development Scheme at Appendix 2 to the report;
- (iii) Agree the Local Plan Statement of Community Involvement at Appendix 3 to the report; and
- (iv) Agree the Local Plan Sustainability Appraisal Scoping Report at Appendix 4 to the report.

## **29. Discretionary Business Rate Relief Policy**

The Cabinet Member for Education and Schools introduced a report on a revised Discretionary Business Rate Relief Policy to reflect the budget reduction of £50,000 from 2016/17 which was approved by the Cabinet on 16 December 2014 (Minute 71 refers).

The Cabinet Member explained that the new Policy was aligned with Local Authority best practice and retained eligibility for non-profit making, charitable or philanthropic bodies that were able to demonstrate a benefit to the Borough and its residents as well as being linked to the Council's priorities. The tightening of the criteria within the new Policy would reduce the types of ratepayers who would be considered for relief in the future, such as those that already received funding from the Council, Housing Associations and those in buildings used for worship or the promotion of religious belief. In respect of the latter, the Cabinet Member advised that an application had been made to the Valuation Office for certain religious premises to be removed from the valuation list.

Cabinet **resolved** to:

- (i) Approve the Discretionary Business Rate Relief to Charities and Not for Profit Organisations Policy as attached at Appendix A to the report, which reflects the budget for 2015/16 and beyond;
- (ii) Note the potential impact of the new policy on local ratepayers currently in receipt of Discretionary Business Rate Relief;
- (iii) Agree the establishment of a Discretionary Business Rate Relief Appeal Panel, consisting of three Cabinet Members one of whom shall be the Cabinet Member for Finance, and authorise the Chief Finance Officer, in consultation with the Cabinet Member for Finance, to finalise the arrangements for the Appeal Panel; and
- (iv) Note that the necessary amendments to the Council's Constitution to reflect the new arrangements would be made by the Monitoring Officer.

## **30. Policy Framework for the Council's Heritage Collection**

The Leader of the Council introduced a report on the framework of documents that would support the renewal of Valence House Museum's accreditation with the National Accreditation Scheme for Museums and Galleries and the inaugural

accreditation of the Archives and Local Studies Centre via The National Archives' new accreditation scheme.

Cabinet **resolved** to:

- (i) Approve the accreditation framework of policies for Valence House Museum and the Archives and Local Studies Centre as set out at Appendices 1 - 9 to the report; and
- (ii) Note the Council's undertaking not to dispose of any item in the museum collection for primarily financial reasons.

### **31. Disposal of Surplus Library Book Stock**

The Leader presented a report on the outcome of a review of the Borough's library book stock and proposals to dispose of surplus stock.

The review had identified a large number of books that had no relevance to the local area and were no longer being used by library members. A number of those books were of potentially high value and it was therefore proposed to offer the surplus stock for sale, either through book dealers or via auction, with the proceeds being retained within the Library Service. Members discussed the costs associated with, and the benefits of, the preferred sale options.

Cabinet **resolved** to:

- (i) Agree the disposal of surplus book stock held by the Council's Library Service in accordance with the proposals set out under Option 1 (sale by book dealers) and Option 2 (sale by auction) of the report; and
- (ii) Authorise the Corporate Director of Adult and Community Services, in consultation with the Chief Finance Officer, to finalise the disposal arrangements.