

MINUTES OF CABINET

Monday, 15 February 2016
(7:00 - 8:10 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

Also Present: Cllr Sade Bright and Cllr James Ogungbose

88. Declaration of Members' Interests

There were no declarations of interest.

89. Minutes (19 January 2016)

The minutes of the meeting held on 19 January 2016 were confirmed as correct.

90. Budget Monitoring 2015/16 - April to December (Month 9)

The Cabinet Member for Finance and Central Services introduced the report on the Council's capital and revenue position for the 2015/16 financial year, as at 31 December 2015.

The General Fund showed a projected end of year spend of £5.7m against the approved budget of £151.4m, which represented an improvement of £0.4m on the position reported for the end of November. The Cabinet Member advised that the overspend continued to be kept under constant review and he anticipated a further improvement in the position by the end of the financial year.

The Housing Revenue Account (HRA) continued to show a break-even position with a projected end of year reserve of £8.7m while expenditure on the Capital Programme was forecast to exceed the reprofiled budget of £134.7m by approximately £6.9m due, in the main, to the acceleration of several school expansion projects.

Cabinet **resolved** to:

- (i) Note the projected outturn position for 2015/16 of the Council's General Fund revenue budget at 31 December 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 December 2015, as detailed in paragraph 2.11 and Appendix B of the report;
- (iii) Note the overall position for the HRA at 31 December 2015, as detailed in paragraph 2.12 and Appendix C of the report; and
- (iv) Note the projected outturn position for 2015/16 of the Council's capital budget as at 31 December 2015, as detailed in paragraph 2.13 and

91. Budget Framework 2016/17

The Cabinet Member for Finance and Central Services introduced the Council's proposed budget framework for 2016/17 which incorporated the following:

- The Medium Term Financial Strategy (MTFS) for 2016/17 to 2020/21;
- The General Fund budget for 2016/17;
- The level of Council Tax for 2016/17;
- Funding reductions to 2019/20;
- The financial outlook for 2017/18 onwards;
- The Capital Programme for 2016/17 to 2020/21.

The proposed General Fund net budget for 2016/17 was £150.314m, compared to the net budget for 2015/16 of £151.444m. The Cabinet Member explained that the Local Government Finance Settlement (LGFS) for 2016/17 had been slightly better than expected, although the longer-term impact of the Government's public sector funding cuts meant that significant savings would be required in order to meet a projected £63m budget gap by 2020/21.

With regard to Council Tax for 2016/17, the Cabinet Member advised that the Assembly would be asked to agree a 1.99% increase to the amount levied by the Council. Together with a 2% increase for the Adult Social Care precept and an anticipated reduction to the Greater London Authority (GLA) precept, the average Council Tax bill would increase by 43p per week. In respect of the Adult Social Care precept, the Cabinet Member for Adult Social Care and Health reiterated her objection to the Government's abdication of its responsibilities to properly fund essential care services for the elderly and vulnerable, adding that the 2% precept would not even cover the additional costs of applying pay increases under the Council's contracts with social care providers.

The Cabinet Member for Finance and Central Services clarified issues relating to the London Enterprise Panel top-slice for 2016/17 and it was noted that discussions were taking place amongst the four constituent Councils of the East London Waste Authority (ELWA) regarding the efficiency of the organisation and the level of increase to the ELWA levy. Members also supported that Leader's view that Government initiatives such as the 'Bedroom tax' and 'Pay to Stay' in relation to Council housing were a direct attack on hardworking families and individuals.

Cabinet **resolved to recommend the Assembly to:**

- (i) Approve a base revenue budget for 2016/17 of £150.314m, as detailed in Appendix A to the report;
- (ii) Approve the adjusted Medium Term Financial Strategy (MTFS) position for 2016/17 to 2020/21 allowing for other known pressures and risks at this time, as detailed in Appendix B to the report;
- (iii) Delegate authority to the Strategic Director of Finance and Investment, in consultation with the Cabinet Member for Finance, to finalise any

contribution required from reserves in respect of the 2016/17 budget, pending confirmation of levies and further changes to Government grants prior to 1 April 2016;

- (iv) Approve the Statutory Budget Determination for 2016/17 as set out at Appendix C to the report, which reflects an increase of 1.99% on the amount of Council Tax levied by the Council, plus a further 2% increase in relation to the Social Care Precept and the final Council Tax proposed by the Greater London Assembly (6.4%% reduction), as detailed in Appendix D to the report;
- (v) Approve the Council's draft Capital Programme for 2016/17 to 2020/21 as detailed in Appendix E to the report; and
- (vi) Approve the transfer of the one off collection fund surplus of £3.5m to the corporate redundancy reserve, as set out in section 2.11 of the report.

92. Council Tax Discretionary Relief Policy

Further to Minute 51(iii) (18 November 2014), the Cabinet Member for Finance and Central Services introduced the proposed policy for supporting local residents in extreme financial difficulty via a Council Tax discretionary relief fund.

The Cabinet Member confirmed that a sum of £50,000 would be set aside, which was expected to provide relief for approximately 375 Council Tax payers. In addition to the financial support, which would be in the form of a 100% discount for a period of up to two months, those in financial difficulty would also be signposted to other sources of help and advice as a means of establishing longer-term solutions.

Cabinet **resolved** to:

- (i) Approve the Council Tax Discretionary Relief Policy as attached at Appendix A to the report; and
- (ii) Agree that budget provision of £50,000 be made in 2016/17 to support the policy and to note that the adequacy of the budget shall be reviewed each year.

93. Treasury Management Strategy Statement 2016/17

The Cabinet Member for Finance and Central Services presented the draft Treasury Management Strategy Statement (TMSS) for 2016/17 which set out the Council's borrowing and investment plans for the year ahead.

The Cabinet Member referred to several of the key issues within the TMSS, one of which was a proposed increase to the level of investment with the Lloyds Banking Group in view of the improved outlook for the Group and its relative high returns, and clarified the reasons behind the increase in the Council's cash balance position. The Strategic Director of Finance and Investment responded to Councillor Carpenter's question regarding the implications for the Council of the recent turbulence in the financial markets, explaining that the immediate impact

had been on the Council's Pension Fund investments while the General Fund may be affected if bank base rates were to fall, as that would have an adverse impact on the likely achievement of income targets on investments.

Cabinet **resolved to recommend the Assembly** to adopt the Treasury Management Strategy Statement for 2016/17 and, in doing so, to:

- (i) Note the current treasury position for 2016/17 and prospects for interest rates, as referred to in section 6 of the report;
- (ii) Approve the Council's Borrowing Strategy, Debt Rescheduling Strategy and Policy on borrowing in advance of need for 2016/17 as referred to in section 9 of the report;
- (iii) Approve the Annual Investment Strategy and Creditworthiness Policy for 2016/17 outlining the investments that the Council may use for the prudent management of its investment balances, as set out in Appendix 2 of the report;
- (iv) Approve the Authorised Borrowing Limit of £800m for 2016/17, representing the statutory limit determined by the Council pursuant to section 3(1) of the Local Government Act 2003, as set out in Appendix 4 of the report;
- (v) Approve the Treasury Management Indicators and Prudential Indicators for 2016/17, as set out in Appendix 4;
- (vi) Approve the Minimum Revenue Policy Statement for 2016/17, representing the Council's policy on repayment of debt, as set out in Appendix 5 of the report;
- (vii) Maintain the authority delegated to the Strategic Director of Finance and Investment, in consultation with the Cabinet Member for Finance, to proportionally amend the counterparty lending limits agreed within the Treasury Management Strategy Statement to take into account the increase in cash from the European Investment Bank and also the subsequent decrease in cash balances as payments are made to the Special Purpose Vehicle; and
- (viii) Next review the delegated responsibility in (vii) above as part of the 2015/16 Treasury Management Outturn Report to the Assembly.

94. Gender Equality Charter

The Leader of the Council invited Councillor Sadie Bright, the Members' Gender Equality Champion, to introduce the Council's draft Gender Equality Charter.

Councillor Bright commented that she was extremely proud of the fact that Barking and Dagenham was the first local authority in the country to develop a Gender Equality Charter, which she felt reflected the Council's ambition to create a fair and equal society. The four main themes of the Charter were:

- Access to power and representation in public life;

- Economic inequality and impact of caring responsibilities;
- Culture, including gender stereotyping; and
- Violence against women.

Councillor Bright advised that the Charter had been developed with the help and support of the local voluntary sector, the Police, Health agencies, Schools, local businesses and the local community and it was hoped that all would sign up to the Charter's plan of action. The intention was for the Charter to be formally launched on 10 March 2016, as part of the Council's second annual Women's Empowerment Month.

Cabinet Members placed on record their thanks to Councillor Bright and officers within the Equalities and Diversity team for their work in developing the Charter. Councillor Ashraf also thanked the Leader for his commitment to equalities, making the point that under the new administration the majority of Cabinet Members were women and the Council as a whole was represented by approximately 40% of women councillors, well above the national average. It was also pointed out that the Barking constituency had been represented in Parliament by women MPs since 1974, firstly by the late Jo Richardson who was a central figure in the women's rights movement and by Margaret Hodge since 1994.

Several Cabinet Members spoke in full support of the Charter and the Council's commitment to equalities, while reference was also made to a number of other initiatives such as the White Ribbon domestic violence campaign which the Council was at the forefront of. Arising from the discussions, issues were also raised in respect of:

- a) Implementation of the Action Plan – Councillor Bright advised that local businesses in particular would be asked to support the achievement of the priorities through active promotion in the workplace and the sponsorship of events;
- b) Main Themes of the Charter – It was acknowledged that the theme “Culture, including gender stereotyping” should be bolstered by the inclusion of reference to discrimination and that the issue of body image was only one component of stereotyping;
- c) Promotion of the Charter – Alongside the range of initiatives planned to support awareness of and support for the Charter, it was suggested that a presentation should be given to all Members of the Council at a future meeting of the Assembly.

Cabinet **resolved** to:

- (i) Adopt the Gender Equality Charter and Action Plan at Appendix A to the report, subject to the amendments agreed at the meeting; and
- (ii) Agree to launch the Charter during Women's Empowerment month in March 2016.

95. Home-to-School Travel Assistance Policy

The Cabinet Member for Education and Schools presented a report on the outcome of a review of the Council's current home-to-school travel assistance

policy.

The Cabinet Member advised that the review had taken account of revised statutory guidance issued by the Department for Education (DfE) in July 2014 and the ongoing pressures on the service's budget. A number of different options had been considered and the two key changes to the policy were:

- a) A narrowing of the eligibility criteria for home-to-school travel assistance to mirror the Council's statutory obligations; and
- b) A removal of automatic entitlement to travel provision for certain groups where no automatic legal duty to offer travel assistance existed, with greater use of discretion on a case-by-case basis.

The revised proposals had been subject to full public consultation over a 12-week period and had received the overwhelming support of respondents. The Cabinet Member for Finance and Central Services referred to the projected savings from the revised proposals which were intended to bring the service back within budget, although it was pointed out that the financial projections were based on the current number of service users and an increase to that number would have an adverse impact.

Cabinet **resolved** to:

- (i) Note the outcome of the public consultation on the draft proposed revisions to the Council's Home to School Transport Assistance Policy, as set out in the consultation report at Appendix 1 to the report;
- (ii) Agree the proposed revisions to the policy as set out in section 2 of the report; and
- (iii) Adopt the new Home to School Transport Assistance Policy as set out at Appendix 2 to the report.

96. Contract for Provision of Private Hire Vehicle Transport Services to SEND Children, Young People and Vulnerable Adults

The Cabinet Member for Education and Schools introduced a report on proposals relating to the provision of private hire transport services for children and young people with special educational needs and/or disabilities (SEND) and vulnerable adults, which included the procurement of a new framework contract and the extension of the current arrangements while the new contract was procured.

Cabinet **resolved** to:

- (i) Agree that the Council acts as the lead borough for the procurement of a four year framework contract for the provision of private hire transport services (with and without Passenger Assistants) for children and young people with special educational needs and/or disabilities (SEND) and vulnerable adults in accordance with strategy set out in this report;
- (ii) Agree that the existing contract to be extended for a period of four months to 31 August 2016; and

- (iii) Delegate authority to the Corporate Director of Children's Services, in consultation with the Cabinet Member for Education and Schools, the Strategic Director of Finance and Investment and the Director of Law and Governance, to award and enter into the contract and access agreements.

97. Outcome of Consultation on Care and Support Charging Policy

Further to Minutes 61 and 62 (10 November 2015), the Cabinet Member for Adult Social Care and Health reported on the outcome of the public consultation in respect of proposed revisions to the Council's Care and Support Charging Policy and the introduction of a scheme to enable the Council to reclaim Disabled Facilities Grant funding in certain circumstances.

The Cabinet Member referred to the considerable consultation that had taken place and confirmed that the proposals had been generally well received.

Cabinet **resolved** to:

- (i) Adopt the revised Care and Support Charging Policy attached at Appendix 1 to the report which would mean that with effect from April 2016:
 - (a) The same amount of Disability Related Expenditure (DRE) disregard shall be applied to all service users when assessing the amount they contribute to their care.
 - (b) The new DRE disregarded amounts of £5, £15 or £25 shall be phased in as disability benefit rates are uplifted.
- (ii) Agree to the principle of charging for care and support services provided to carers who meet the eligibility criteria for services in their own right but that no charges be introduced for the 2016/17 financial year; and
- (iii) Agree the introduction of a scheme, in accordance with the Housing Grants, Construction and Regeneration Act 1996, whereby some or all of a Disabled Facilities Grant may be recoverable via the placing of a local land charge where a person in receipt of a grant has a financial interest in the property, in line with the conditions set out in paragraphs 6.4 and 6.5 of the report and with effect from April 2016.

98. Youth Zone Development - Lease and Rent Arrangements

Further to Minute 25 (21 July 2015), the Leader introduced a report on the proposed terms of the lease and rent arrangements in respect of the new Youth Zone facility in Parsloes Park.

The Leader advised that in line with the Council's policy in respect of property leasing arrangements approved by the Cabinet under Minute 51 (22 October 2013), the proposal was to seek full market rent for the facility and to provide an equivalent grant in view of the project's contribution to the Council's corporate priorities. The Leader also confirmed that in the unlikely event of OnSide Youth Zone, the registered charity behind the project, failing to deliver the service in the

future the building would revert to the Council as the freeholder of the land and under the terms of the lease.

Cabinet **resolved** to:

- (i) Agree to provide a grant to the Barking and Dagenham Youth Zone equivalent to the annual rental of £5,800 that would be paid for the duration of the 125 year lease with RPI (or successor indicator) linked reviews at 25-year intervals, providing the conditions of use are upheld, as detailed in Option 3 in the report; and
- (ii) Note that the annual rental grant shall be subject to the Youth Zone securing planning approval.

99. Expansion of Abbey Children's Centre Nursery Service and Procurement of John Perry Children's Centre Nursery Service

The Cabinet Member for Education and Schools presented a report on alternative proposals in respect of the future provision of nursery services at Abbey and John Perry Children's Centres.

Under Minute 6 (2 June 2015), the Cabinet had approved the outsourcing of the two remaining in-house Children's Centre nurseries. The Cabinet Member advised, however, that although the procurement exercise had attracted interest from several excellent providers, the high pension liabilities that would have transferred to the new provider had resulted in no tenders being submitted. Officers had therefore undertaken a review of all possible options and the preferred option involved the Council retaining and expanding the Abbey Children's Centre nursery and absorbing the remaining staff from the John Perry Children's Centre nursery into the expanded facility, allowing the John Perry Children's Centre nursery service to be re-tendered as a more attractive proposition.

Cabinet **resolved** to:

- (i) Agree to the retention of Abbey Children's Centre nursery as a Council provided service and its expansion to create an additional 40 places with effect from September 2016;
- (ii) Note that the current Council staff at John Perry Children's Centre nursery would be redeployed at the appropriate time to fill the staff vacancies created by the expansion at Abbey Children's Centre Nursery;
- (iii) Agree the procurement of a five-year contract, with an extension option of up to three years, for the provision of nursery services at John Perry Children's Centre nursery with effect from September 2016, as detailed in the report; and
- (iv) Delegate authority to the Corporate Director of Children's Services, in consultation with the Cabinet Member for Education and Schools, the Strategic Director of Finance and Investment and the Director of Law and Governance, to award and enter into the contract and coterminous lease to

the successful bidder in accordance with the strategy.

100. Planning Guidance Note - Land at Former Thames View Health Centre, Bastable Avenue, Barking

The Cabinet Member for Regeneration introduced a report on the proposed guidance to be issued to potential developers, in the form of a Planning Guidance Note (PGN), in respect of the former Thames View Health Centre site.

The Cabinet Member advised that the site was owned by the NHS and the Council held an interest in a small part. The intention was for the site to be marketed for predominantly residential use, with potential for community and/or commercial space at ground floor level. In response to a question, the Cabinet Member confirmed that the PGN would require an archaeological assessment and habitat survey to be carried out prior to the commencement of any development and he agreed to provide Councillor Carpenter with further details.

Cabinet **resolved** to adopt the Planning Guidance Note in respect of land at the former Thames View Health Centre, Bastable Avenue, Barking, as set out at Appendix 1 to the report.

101. Pay Policy Statement 2016/17

The Cabinet Member for Finance and Central Services presented the draft Pay Policy Statement for the Council for 2016/17 which set out the key elements of the Council's pay policy as required under the Localism Act 2011.

The Cabinet Member commented on the proposed increase to the Local Living Wage rate to 9.40 per hour with effect from 1 January 2016 and the changes to the senior management structure to support the Council's growth agenda and Ambition 2020 programme. In respect of the latter it was noted that progress had been made towards the overall £1m saving in senior management costs.

The Cabinet Member also referred to the comparative information in the Pay Policy Statement which showed that at Divisional Director-level and above the Council paid at or below the median pay rates for London Boroughs, while the higher-than-average ratio between the Chief Executive's salary level and the median earnings figure for all Council employees was attributable to the retention of in-house services such as catering and cleaning in Barking and Dagenham.

Cabinet **resolved** to:

- (i) Agree the new Local Living Wage rate of £9.40 (up from £9.20) with effect from 1 January 2016 in accordance with paragraph 3.3 of Appendix A to the report; and
- (ii) Recommend the Assembly to approve the Pay Policy Statement for the London Borough of Barking and Dagenham for 2016/17 as set out at Appendix A to the report, for publication on the Council's website with effect from 1 April 2016.