

MINUTES OF CABINET

Tuesday, 24 May 2016
(7:00 - 7:37 pm)

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

Apologies: Cllr Saima Ashraf

1. Declaration of Members' Interests

There were no declarations of interest.

2. Minutes (19 April 2016)

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

3. Provisional Revenue and Capital Outturn 2015/16

The Cabinet Member for Finance, Growth and Investment presented a report on the provisional revenue and capital outturn position for the 2015/16 financial year.

The General Fund position showed a projected year-end overspend of £2.9m against the net revenue budget of £151.4m, which represented a significantly improved position to that projected throughout the year. The Cabinet Member advised that the improved position was largely attributable to the Children's Social Care Ambition and Financial Efficiency (SAFE) Programme, agreed by the Cabinet on 13 October 2015, starting to have an impact. The overall effect of the overspend and the draw-down from reserves during the year to finance the Ambition 2020 and Growth Commission projects would result in the General Fund balance decreasing from £26.0m to £21.1m, which the Cabinet Member suggested was a healthy balance going forward and well above the £15m threshold target set by the Assembly.

The Housing Revenue Account (HRA) showed a breakeven position and an end of year balance of £8.7m, while the Capital Programme showed a projected outturn of £146.0m compared to the revised budget of £134.7m. The Cabinet Member commented that the additional spending on capital projects reflected the Council's commitment to enhancing the Borough's infrastructure, particularly in relation to school provision.

Members also noted details of proposed revenue and capital roll-forwards into 2016/17 budgets and the provisional outturn position of the directorate savings targets for 2015/16.

The Cabinet Member for Corporate Performance and Delivery referred to issues relating to residential care numbers, visitor numbers for the new Abbey Sports Centre and Council house eviction levels. Cabinet Members and officers alluded to some of the issues that had impacted on those areas and the Cabinet Member

for Corporate Performance and Delivery agreed to clarify the full nature of his enquiries after the meeting, following which a detailed response would be circulated to all Cabinet Members.

Cabinet **resolved** to:

- (i) Note the provisional outturn position for 2015/16 of the Council's revenue budget as detailed in paragraphs 2.1 to 2.13 and Appendix A of the report;
- (ii) Note the provisional outturn against the 2015/16 savings targets in paragraph 2.14 and Appendix B of the report;
- (iii) Note the provisional outturn position for the HRA as detailed in paragraph 2.15 and Appendix C of the report;
- (iv) Approve the requests to roll forward revenue budgets into 2016/17 as noted in paragraph 2.4 and the resulting budget amendments contained in Appendix D of the report;
- (v) Note the provisional outturn position for 2015/16 of the Council's capital budget as detailed in paragraph 2.16 and Appendix E of the report; and
- (vi) Approve the requests to roll forward slippage and re-profiled spend in capital projects to 2016/17 as contained in Appendix E of the report.

4. Procurement of New Housing IT System

The Cabinet Member for Finance, Growth and Investment introduced a report on the proposed procurement of a replacement IT system as part of the Housing Transformation Programme, which would incorporate the areas of housing assets, housing advice, housing applicants, council tenancies, leaseholders, market rent sector residents, homelessness, rent and service charge records, repairs and maintenance and statutory compliance functions.

The Cabinet Member explained that many of the systems used within the current Housing IT network were not fit-for-purpose going forward and the intention was to procure a solution that offered flexibility, adaptability and functionality. In response to an enquiry, the Cabinet Member confirmed that the specification would include 'future-proofing' requirements to ensure that the new system was capable of interfacing with existing and future Council IT systems, in line with the Council's IT Strategy.

Cabinet **resolved** to:

- (i) Agree that the Council proceeds with the procurement of a new housing IT system and a maintenance and support contract, as provided for within the approved Housing Transformation Programme (HTP) and in accordance with the strategy set out in the report; and
- (ii) Delegate authority to the Strategic Director for Customer, Commercial and Service Delivery, in consultation with the Cabinet Member for Finance, Growth and Investment, the Strategic Director of Finance and Investment

and the Director of Law and Governance, to award and enter into the contracts and access agreements, for the initial and relevant extended periods.

5. Council Sites - Land Disposals and Acquisitions

Further to Minutes 90 (27 January 2015) and 121 (19 April 2016), the Cabinet Member for Finance, Growth and Investment presented a report on the current position regarding 64 - 68 Church Street and the former Ship and Anchor Public House site, as well as proposals relating to an industrial site within the Barking Riverside Gateway Housing Zone.

With regard to 64 - 68 Church Street, Dagenham, the Cabinet Member advised that following unsuccessful negotiations with the adjoining landowner to dispose of the Council's interests in the site it was now proposed to offer to purchase the adjoining site and for the Council to lead on the redevelopment.

In respect of the former Ship and Anchor Public House site at Becontree Heath in which the Council and a private landowner held interests, five offers to purchase the site for housing development had been received. It was noted that the final terms of a sale would be subject to negotiation and, in a number of cases, were conditional on planning approval.

The intention in relation to Barking Riverside Gateway Housing Zone was for the Council to acquire the long leasehold interest of an industrial unit in the area, which was strategically important to the Council's longer-term vision for the area. The Cabinet Member advised on the outcome of initial discussions with the site owner and referred to the likely cost of acquiring the site, the future value of the Council's combined freehold and leasehold interest in the site and the potential rental income from acquiring the leasehold which would cover the costs of financing the acquisition.

The Cabinet Member for Corporate Performance and Delivery raised issues regarding the likely tenure mix of a residential development at the former Ship and Anchor Public House site and the Council's strategic approach to the marketing of major regeneration opportunities in the Borough. The Cabinet Member for Economic and Social Development gave a view on the type of housing that he would expect to be developed on the former Ship and Anchor site and reference was made to the strategy that set out the Council's ambitions for development and tenure mix across the Borough. The Cabinet Member for Economic and Social Development and the Leader also responded to the point regarding the marketing of the Borough's major regeneration opportunities.

Cabinet **resolved** to:

- (i) Approve the alternative disposal route in respect of the Council's freehold interest in 64 - 68 Church Street, Dagenham by making an offer to acquire the adjoining site, subject to a formal valuation and on terms outlined in the report;
- (ii) Approve the disposal of the Council's interest in the former Ship and Anchor Public House site to the preferred bidder, Lindhill, on terms outlined in the

report;

- (iii) Approve the acquisition of an industrial site within the Barking Riverside Gateway Housing Zone, as shown edged red in the plan at Appendix 3 and on the terms set out in Appendix 4 to the report, in order to contribute to the wider regeneration of the Riverside area;
- (iv) Delegate authority to the Strategic Director of Finance and Investment, in consultation with the Cabinet Member for Finance, Growth and Investment and the Director of Law and Governance, to negotiate terms and agree the contract documents to fully implement and effect the transactions relating to the above sites; and
- (v) Authorise the Director of Law and Governance, or an authorised delegate on her behalf, to execute all of the legal agreements, contracts and other documents on behalf of the Council.

(Part of this item was considered after a resolution had been passed to exclude the public and press from the meeting due to the commercially confidential nature of the information, in accordance with paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972 (as amended).)