

MINUTES OF ASSEMBLY

Wednesday, 22 February 2017
(7:00 - 8:25 pm)

PRESENT

Cllr Syed Ghani (Chair)

Cllr Syed Ahammad	Cllr Sanchia Alasia	Cllr Saima Ashraf
Cllr Abdul Aziz	Cllr Simon Bremner	Cllr Sade Bright
Cllr Laila M. Butt	Cllr Peter Chand	Cllr Faruk Choudhury
Cllr Irma Freeborn	Cllr Cameron Geddes	Cllr Rocky Gill
Cllr Kashif Haroon	Cllr Chris Hughes	Cllr Amardeep Singh Jamu
Cllr Jane Jones	Cllr Elizabeth Kangethe	Cllr Giasuddin Miah
Cllr Dave Miles	Cllr James Ogungbose	Cllr Adegboyega Oluwole
Cllr Moin Quadri	Cllr Hardial Singh Rai	Cllr Tony Ramsay
Cllr Chris Rice	Cllr Lynda Rice	Cllr Darren Rodwell
Cllr Danielle Smith	Cllr Sam Tarry	Cllr Dominic Twomey
Cllr Jeff Wade	Cllr Lee Waker	Cllr John White
Cllr Maureen Worby		

APOLOGIES FOR ABSENCE

Cllr Edna Fergus	Cllr Jeanne Alexander	Cllr Evelyn Carpenter
Cllr Josephine Channer	Cllr Danielle Lawrence	Cllr Mick McCarthy
Cllr Margaret Mullane	Cllr Linda Reason	Cllr Faraaz Shaukat
Cllr Bill Turner	Cllr Phil Waker	

56. Declaration of Members' Interests

There were no declarations of interest.

57. Minutes (25 January 2017)

The minutes of the Assembly held on 25 January 2017 were confirmed as correct.

58. Leader's Statement

The Leader of the Council presented a verbal statement updating the Assembly on a range of matters since the last meeting including:

- Thanks to officers who had been working behind the scenes throughout the year to make sure that the budget proposals that the Cabinet Member for Finance, Growth and Investment had been preparing with Cabinet Members for 2017/18 were robust;
- His work as an Executive Member with London Councils which had helped to highlight the Borough's potential as an arts and cultural hub; and
- His appointment by the Mayor of London as a Cultural Ambassador and

member of the Mayor's Cultural Board.

59. Appointments

The Assembly **resolved** to appoint:

- Councillor Amardeep Singh Jamu to the membership of the Safer and Stronger Community Select Committee; and
- Councillor Hardial Singh Rai as a trustee of the Barking and Ilford United Charities Board.

60. Budget Framework 2017/18 and Medium Term Financial Strategy 2017/18 - 2020/21

A video highlighting the Borough's key developments and during 2016 was shown before the Cabinet Member for Finance, Growth and Investment introduced the Council's proposed budget framework for 2017/18 which incorporated the following:

- the Medium Term Financial Strategy (MTFS) for 2017/18 to 2020/21;
- the General Fund budget for 2017/18;
- the level of Council Tax for 2017/18;
- funding reductions to 2020/21
- the financial outlook for 2018/19 onwards;
- the Capital Programme for 2017/18 to 2020/21; and
- a strategy for the Flexible Use of Capital Receipts.

The Cabinet Member explained that the budget proposals for next year and beyond moved away from the traditional 'salami-slicing' of service budgets and were a reflection of the Council's new investment-led approach. Due to historical deprivation factors, Barking and Dagenham was more reliant on Government grant than any other London Borough, with 84% of the Council's funding coming directly from the Government. However, the Government's programme of austerity measures would mean that, by the end of the decade, Barking and Dagenham's budget would have been halved since 2010. The Cabinet Member commented that it was therefore essential for the Council to reduce its reliance on Government funding and generate new income opportunities through innovation and regeneration.

The General Fund net budget for 2017/18 would be £144.686m, compared to the net budget for 2016/17 of £150.314m. A 1.99% increase was proposed to the Local Authority Precept element of Council Tax and a further 3% Adult Social Care Precept increase. The Cabinet Member confirmed that the revenue received from the 3% increase would be ring-fenced for adult social care services. The Council had a growing population with more children and elderly people who needed the Council's support.

The Cabinet Member also acknowledged that, in hindsight, the Council should not have frozen Council Tax for seven consecutive years up to 2014/15, as a 2% year-on-year increase over that period would have strengthened the Council's base budget position by circa £15m.

The Cabinet Member highlighted some of the other key elements of the budget proposals which included plans to invest £750m over the coming years to provide new, affordable housing in the Borough, the creation of a £250m Investment Budget and £100m Land Acquisition Budget to support the Council's investment and regeneration plans, together with a further £1/3 billion investment in the Borough's schools, parks and street cleaning and enforcement services.

The Cabinet Member confirmed that the Chief Executive had achieved his objective to reduce the cost of the 'top 5%' within the organisation by £1m from the baseline position as at May 2015, with permanent establishment costs set to be £1.036m lower on 1 April 2017.

The Assembly spoke in support of the proposals and in response to questions, the Cabinet Member advised that:

- The proposed budget would enable enforcement officers to be more mobile and introduce mobile CCTV to help tackle fly-tipping in the Borough;
- The Council had introduced a number of initiatives to help those on lower incomes, such as the sub-market rents for those in B&D Reside properties;
- Any proposed redevelopment at The Heathway would be subject to public consultation;
- The budget projected that the Council's reserves would be at £17.5m in March 2018, although future years' reserves would not be known until the transformation programme had been completed. The Cabinet Member commented that the Council had previously resolved that the minimum level of reserves would be £15m; and
- The Council needed to focus on the retention of businesses, rather than increasing business rates, and was looking to encourage more businesses to come to the Borough.

In accordance with paragraph 10.3.2 of Part 2, Chapter 3 of the Council Constitution, the budget was put to a recorded vote and was **agreed** as follows:

For: Councillors Ahammad, Alasia, Ashraf, Aziz, Bremner, Bright, Butt, Chand, Choudhury, Freeborn, Geddes, Ghani, Gill, Haroon, Hughes, Jamu, Jones, Kangethe, Miah, Miles, Ogungbose, Oluwole, Quadri, Ria, Ramsay, C Rice, L Rice, Rodwell, D Smith, Tarry, Twomey, Wade, L Waker, White and Worby. (35)

Against: None (0)

Abstain: None (0)

The Assembly **resolved** to:

- (i) Approve a base revenue budget for 2017/18 of £144.686m, as detailed in Appendix A to the report;

- (ii) Approve the adjusted Medium Term Financial Strategy (MTFS) position for 2017/18 to 2020/21 allowing for other known pressures and risks at this time, as detailed in Appendix B to the report, including the additional cost of borrowing to accommodate the capital costs associated with the implementation of the MTFS;
- (iii) Delegate authority to the Chief Operating Officer, in consultation with the Cabinet Member for Finance, Growth and Investment, to finalise any contribution required to or from reserves in respect of the 2017/18 budget, pending confirmation of levies and further changes to Government grants prior to 1 April 2017;
- (iv) Approve the Statutory Budget Determination for 2017/18 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, a further 3% increase in relation to the Social Care Precept and the final Council Tax proposed by the Greater London Assembly (1.5% increase), as detailed in Appendix D to the report;
- (v) Approve the Council's draft Capital Programme for 2017/18 to 2020/21 totalling £373.877m, as detailed in Appendix E to the report;
- (vi) Approve the Strategy for the Flexible Use of Capital Receipts at Appendix H to the report and, in doing so, note that the projected savings targets are subject to final business cases and confirmation at future meetings; and
- (vii) Approve the indicative 2017/18 allocation to Early Years providers (3-4 year olds) of £15.441m and the centrally retained funding, which shall be limited to £1.081 million in 2017/18 and reduce further to an estimated £0.772 million in 2018-19.

61. Treasury Management Strategy Statement 2017/18

The Cabinet Member for Finance, Growth and Investment presented the draft Treasury Management Strategy Statement (TMSS) for 2017/18 which set out the Council's borrowing, investment and funding plans for the year ahead.

The TMSS included a proposal to provide a loan of up to £3.5m to Be First, the Council-owned company that would be responsible for all aspects of the Council's regeneration agenda including the delivery of circa 2,000 new homes each year for the next 20 years. The Cabinet Member commented that as well as the regeneration benefits that such a level of development would bring to the Borough, the Council would also benefit from increased New Homes Bonus and additional Council Tax revenue.

The Assembly **resolved** to adopt the Treasury Management Strategy Statement for 2017/18 and in doing so, to:

- Note the current treasury position for 2017/18 and prospects for interest rates, as referred to in section 6 of the report;
- Approve the Council's Borrowing Strategy, Debt Rescheduling Strategy and

Policy on borrowing in advance of need for 2017/18 as referred to in section 9 of the report;

- Approve the Annual Investment Strategy and Creditworthiness Policy for 2017/18 outlining the investments that the Council may use for the prudent management of its investment balances, as set out in Appendix 1 to the report;
- Approve the Authorised Borrowing Limit of £902m for 2017/18, representing the statutory limit determined by the Council pursuant to section 3(1) of the Local Government Act 2003, as set out in Appendix 3 to the report;
- Approved the Treasury Management Indicators and Prudential Indicators for 2017/18, as set out in Appendix 3 to the report;
- Approved the Minimum Revenue Provision Policy Statement for 2017/18, representing the Council's policy on repayment of debt, as set out at Appendix 4 to the report;
- Maintain the delegated authority to the Chief Operating Officer, in consultation with the Cabinet Member for Finance, Growth and Investment, to proportionally amend the counterparty lending limits agreed within the Treasury Management Strategy Statement to take account of any increase in cash from borrowing and any subsequent decrease in cash balances as payments are made to the Special Purpose Vehicle;
- Agree to review the delegated responsibility as part of the 2017/18 Treasury Management Outturn Report;
- Approve a loan of up to £3.5m to Be First, which is the new Council-owned company to manage the delivery of the Borough regeneration agenda;
- Approve a loan of up to £150,000 for Traded Services;
- Agree to delegate authority to the Chief Operating Officer, in consultation with the Cabinet Member for Finance, Growth and Investment, to agree contractual terms, including the rate, duration and security as part of the loan agreements with Be First and Traded Services; and
- Note that further reports would be presented to the Cabinet in the event that the required working capital loans for Be First and Traded Services exceed the limits set out above.

62. 2017/18 Local Implementation Plan Funding Submission

The Cabinet Member for Economic and Social Development presented a report to the Assembly on the 2017/18 Local Implementation Plan Funding Submission.

The Local Implementation Plan (LIP) was the Council's transport strategy and delivery plan for improvements to the transport network in the borough.

The Cabinet Member advised that the Council had been asked to submit a

transitional one-year spending plan for 2017/18 while Transport for London (TfL) developed a new Transport Strategy for London which reflected the new Mayor's priorities. The proposed programme of investment focused on:

- Tackling existing road safety, congestion and accessibility issues in Thames View and on Thames Road, River Road and Renwick Road;
- Continuing the programme of public realm improvements in Barking Town Centre;
- Studies to inform future LIP schemes at Gale Street, the Wood Lane/Rainham Road roundabout and the High Road/Whalebone Lane junction;
- A review of the Heathway between Church Elm Lane and Parsloes Avenue;
- Funding for road safety schemes across the borough, including where necessary plans for improvements outside all borough primary schools;
- Funding for cycle training and school travel planning; and
- Funding to determine feasibility and costs of a Barking to Stratford direct rail link.

The Assembly welcomed the LIP, particularly in relation to school traffic and asked that Cabinet Member consider the restriction of traffic lights in built up areas, such as The Heathway, to avoid long traffic queues.

The Assembly **resolved** to approve the 2017/18 Local Implementation Plan funding submission to Transport for London, as set out at Appendix 1 to the report.

63. Pay Policy Statement 2017/18

The Cabinet Member for Finance, Growth and Investment presented the draft Pay Policy Statement for the Council for 2017/18 which set out the key elements of the Council's pay policy, as required by the Localism Act 2011.

It was noted that the Cabinet had considered the report at its meeting on 13 February 2017 and, in recommending it to the Assembly, also agreed to apply the uplift in the London Living Wage with effect from 31 October 2016, which increased the minimum hourly rate of pay from £9.40 to £9.75 per hour.

The Assembly **resolved** to approve the Pay Policy Statement for the London Borough of Barking and Dagenham for 2017/18 as set out at Appendix A to the report, for publication on the Council's website with effect from April 2017.

64. Motions

None were received.

65. Questions With Notice

None were received.