

MINUTES OF CABINET

Tuesday, 15 October 2019
(7:03 - 8:46 pm)

Present: Cllr Darren Rodwell (Chair), Cllr Saima Ashraf (Deputy Chair), Cllr Dominic Twomey (Deputy Chair), Cllr Evelyn Carpenter, Cllr Cameron Geddes, Cllr Syed Ghani, Cllr Margaret Mullane, Cllr Lynda Rice and Cllr Maureen Worby

Apologies: Cllr Sade Bright

53. Declaration of Members' Interests

There were no declarations of interest.

54. Minutes (17 September 2019)

The minutes of the meeting held on 17 September 2019 were confirmed as correct.

55. Budget Monitoring 2019/20 - April to August (Month 5)

The Cabinet Member for Finance, Performance and Core Services presented a report on the Council's revenue budget monitoring position for the 2019/20 financial year as at 31 August 2019 (Month 5).

The General Fund position was largely unchanged from the previous month, with full-year expenditure forecast to be £158.544m against the budget of £148.82m. Once planned drawdowns from reserves and surpluses from Collection Fund and Business Rates budgets had been taken into account, the overall budget gap was projected at £7.012m.

The Housing Revenue Account showed a projected overspend of £1.266m against the budget of £104.909m.

The Cabinet Member referred to the ongoing pressures within service areas as a result of the Government's ongoing austerity programme, the impact on the Council's reserves position and the short-term management actions being implemented ahead of a detailed report to the next Cabinet meeting.

Cabinet **resolved** to:

- (i) Note the projected revenue outturn for Council services as detailed in Appendix A to the report;
- (ii) Note the implications for the reserves position and the need to identify in-year action in relation to General Fund expenditure, as set out in section 2 of the report;
- (iii) Note the forecast outturn on the Housing Revenue Account as set out in section 13 and Appendix B of the report; and

- (iv) Approve the revised profile of the HRA Capital Programme as set out in section 14 and Appendix C of the report.

56. **Brexit Preparedness**

The Cabinet Member for Finance, Performance and Core Services introduced a report on the preparations across the Council with regard to Brexit and the potential negative impacts that may arise.

The Cabinet Member referred to the main areas of risk and mitigating actions detailed in the report, which covered aspects such as EU funding and the wider economic impact, contractual matters, supply chains, service provision and staffing, community cohesion and the delivery of capital projects. It was noted that the Council had also been liaising with the Government, regional bodies and key local voluntary sector organisations on a range of relevant matters.

The Cabinet Member advised on some of the practical steps already taken to ensure the delivery of key Council services during any transition period. He also referred to a new Brexit webpage to be launched on the Council's website which would include links to other useful information such as the EU Settlement Scheme. In that respect, it was noted that the arrangements for vulnerable people living in the Borough seeking settled status appeared to be running very smoothly. Other issues discussed included the potential impact on local schools and their involvement in the Council's preparations, as well as the NHS's preparations and the possible impact on NHS staffing levels if low-paid staff from overseas were deemed ineligible to work after Brexit, as appeared to be the case under the Government's current plans.

Cabinet **resolved** to note the areas of risk, mitigating actions and preparations being undertaken by the Council in respect of Brexit.

57. **'Faith Builds Community' Policy**

The Cabinet Member for Community Leadership and Engagement presented a report introducing the draft 'Faith Builds Community: Working Together in Barking and Dagenham' policy that had been developed in collaboration with faith communities.

The Cabinet Member commented that people of faith made up a large percentage of the local community and as the demographics of the Borough changed, this was reflected in our faith communities. The Faith Policy built on the commitments made by the Council in the Borough Manifesto and had an overall vision of "A better connected, faith friendly borough, where people of all backgrounds feel safe, celebrated and included". The vision was underpinned by the following key themes and the delivery of the actions aligned to them would assist the Council in meeting its duties under the Equality Act 2010:

- Celebrating Faith Based Social action
- Responding to Hate Crime and Prejudice
- Accessing Spaces and Buildings
- Safeguarding Vulnerable People

- Respecting Different Faiths
- Faiths Working Together
- Promoting Diverse Voices

The Cabinet Member advised that the Barking and Dagenham Faith Policy would be launched during Interfaith Week in November and would be one of the first of its kind in the country.

Cabinet Members were in unanimous support of the Faith Policy and spoke in particular on the inspiring foreword by Bishop Trevor Mwamba, Chair of the Barking and Dagenham Faith Forum, the shared space proposals and the important role of faith groups in helping to combat serious crime and support the most vulnerable in the community through initiatives such as food banks.

Cabinet **resolved** to:

- (i) Approve the 'Faith Builds Community: Working Together in Barking and Dagenham' policy, as set out at Appendix 1 of the report;
- (ii) Note the proposed approach to faith, collaboratively designed with faith organisations in the Borough, and associated priorities and actions; and
- (iii) Delegate authority to the Director of Policy and Participation, in consultation with the Cabinet Member for Community Leadership and Engagement, to make minor or routine amendments to the policy as the work with the Faith Forum continues to evolve, so that it continued to be effective in supporting the partnership.

58. Allocation of Community Infrastructure Levy to Strategic Projects

Further to Minute 5 (19 June 2018), the Cabinet Member for Regeneration and Social Housing introduced a report on the proposed allocation of the current year's Strategic Community Infrastructure Levy (CIL) funding.

The Cabinet Member advised that a total of 18 projects had been submitted for consideration for a share of the £2.64m funding that was available. Nine had been assessed by officers and the Local Plan Steering Group as meeting the approved criteria and all were recommended for approval. One of the projects was the Box Up Crime initiative, where a team of volunteers worked with upwards of 600 young people a week from the ages of 7-24 to help them transition from gang and other criminal activities and take up boxing as an alternative, with the funding providing separate male and female changing facilities with accessible showers and toilets.

Cabinet Members expressed their support for the proposals and asked officers to ensure that ward councillors were fully informed of progress on projects within their areas.

Cabinet **resolved** to:

- (i) Agree the allocation of Community Infrastructure Levy funding to the following strategic projects:

- Kingsley Hall refurbishment project - £300,000 (subject to further discussions to agree how the project could best meet identified social infrastructure needs for local faith communities);
 - Box Up Crime refurbishment of premises - £300,000;
 - East End Women's Museum fitting out premises - £250,000;
 - Becontree Centenary Estate Improvement projects - £774,789 over three years;
 - Tackling litter in parks - £96,000;
 - Barking Riverside Thames Clipper Extension - £600,000;
 - Building a Green Community Infrastructure - £117,800;
 - Safer Parks, Healthier Communities - £84,000 over three years; and
 - Barking and Dagenham Local Football Facility - £160,000.
- (ii) Agree that all awards shall be subject to the Director of Inclusive Growth, in consultation with the relevant Cabinet Member, being satisfied that the intended recipients of Strategic CIL funding operate inclusive access policies in line with the Council's equalities values.

59. B&D Reside Business Plan 2019-2022

Further to Minute 78 (22 January 2019), the Cabinet Member for Regeneration and Social Housing presented a report on the latest structural and governance issues relating to B&D Reside, the Council's municipal housing company, and its Business Plan for 2019/20.

One of the key drivers to Reside's future success was the establishment of a subsidiary company within its structure that would become a Registered Provider of Social Housing (an RP). Officers had undertaken a detailed options appraisal and the preferred option was to set up a wholly owned Not-for-Profit RP, Barking and Dagenham Homes Limited.

The Cabinet Member also referred to the key activities to be undertaken over the next 12 months and an updated Tenancy and Rent Policy Framework that supported the aim that Reside homes would be allocated to those who need them.

Cabinet Members spoke on the significant benefits associated with the creation of the Reside structure, which included genuinely affordable social housing for local people as well as providing an income stream that would support Council services in the years ahead. It was noted that the draft performance measures contained within the Business Plan would be reviewed at the next meeting of the Council's Shareholder Panel and Reside representatives.

Cabinet **resolved** to:

- (i) Approve the Reside Business Plan for 2019/20, as attached at Appendix A to the report;
- (ii) Note the options appraisal and business case for Barking and Dagenham Homes Ltd to become a Registered Provider of Social Housing as set out in section 3 of the report, and agree that the company should proceed to become a Registered Provider of Social Housing;

- (iii) Delegate authority to the Director of Law and Governance to prepare and execute any relevant articles of association, partnership agreements, loans or and any other relevant legal documents on behalf of the Council to register Barking and Dagenham Homes Ltd as a Registered Provider;
- (iv) Delegate authority to the Director of Law and Governance to authorise/execute any leases or other agreements required so that 41 units at Becontree Heath can be transferred to the Registered Provider at the appropriate time;
- (v) Approve the Tenancy and Rent Policy Framework that shall govern Reside's approach to those matters, as outlined in section 4 of the report; and
- (vi) Approve the revised Shareholder Agreement between the Council and Barking and Dagenham Reside Regeneration Limited, as set out at Appendix 2 of Appendix A to the report.

60. Delivery of 'Made In Dagenham' Film Studios

Further to Minute 13 (19 June 2018), the Cabinet Member for Regeneration and Social Housing presented a report on the latest issues relating to the Council's ambitions for major film/TV studios and associated media related activity at the former Sanofi site, Rainham Road South, Dagenham.

The period of exclusivity previously given to the preferred bidder for the studio development project had elapsed without sufficient progress being made. At that point and in order to maintain momentum, Be First officers had held discussions with other industry operators and produced a Business Plan that set out a range of options, from the Council fully funding the build and then running the studios (maximum intervention) through to selling the site following planning approval (minimum intervention) and with a range of options in between.

The Cabinet Member advised that securing planning approval had been a significant barrier to the successful delivery of a number of other studio development projects across the UK. To that end, it was proposed that the Council fund pre-development costs of up to £3.4m pending a further report to Cabinet on the detail of the delivery options.

In response to issues raised, the Cabinet Member confirmed that the Council's land purchases at the former Sanofi site had already increased in value and the additional uplift that could reasonably be expected from achieving planning approval for a studio development would more than cover the Council's pre-development costs.

Cabinet **resolved** to:

- (i) Delegate authority to the Chief Operating Officer to appoint a design team in accordance with the Council's Contract Rules to work up and submit a full planning application along the lines of the site masterplan shown at Appendix 1 to the report, on behalf of the Council;

- (ii) Agree to allocate up to £3.4m to cover pre-development costs from the Investment and Acquisition Budget to allow the project to seek planning approval and to take Phase 1 of the scheme (shown in Appendix 2 of the report) through to RIBA Stage 4 design;
- (iii) Note that a future Cabinet report shall seek approval for the delivery option, with the Business Plan highlighting a range of options;
- (iv) Authorise the Chief Operating Officer, in consultation with the Director of Law and Governance, to negotiate and award any agreements to give effect to recommendations (i) and (ii) above; and
- (v) Authorise the Director of Law and Governance, or an authorised delegate on her behalf, to execute all the legal agreements, contracts and other documents on behalf of the Council in relation to recommendations (i) and (ii) above.

61. Sex Establishment Licensing Policy 2019 - 2022

The Cabinet Member for Enforcement and Community Safety introduced a report on proposed updates to the Council's Sex Establishment Licensing Policy.

The Cabinet Member advised that the current policy had been subject to a detailed review to ensure that it was fully reflective of local authority best practice and incorporated the latest legal powers. A significant new addition to the policy was the adoption of legal provisions to regulate sex entertainment venues, covering lap dancing and striptease venues.

The Cabinet Member referred to the positive feedback from a 10-week consultation carried out during the summer on the Council's new policy proposals and confirmed that the package of measures would also help in the Council's endeavours to eliminate modern slavery in the Borough.

Several Members spoke in favour of the new policy and the Leader commented that the new arrangements would support the Council's aspirations for a vibrant night-time economy while preventing activities that were derogatory and encouraged exploitation.

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

- (i) Adopt the provisions contained in Section 27 of the Policing and Crime Act 2009 extending the local sex establishments licensing regime to also include sex entertainment venues; and
- (ii) Adopt the Sex Establishment Licensing Policy 2019 as set out at Appendix 2 to the report, including the associated Standard Licensing Terms, Conditions and Restrictions for Sex Establishments as set out at Appendix 3 to the report.

62. Gascoigne East Phase 2 - Appointment of Demolition Contractor

The Cabinet Member for Regeneration and Social Housing introduced a report

regarding the appointment of the main contractor for the Gascoigne East Phase 2 development area to carry out the demolition works at the site.

The Cabinet Member explained that original plans to follow a competitive procurement route had been abandoned for several reasons, which included an increasing level of anti-social behaviour linked to the site and other considerations which impacted directly on the main contractor's delivery arrangements.

Cabinet **resolved** to:

- (i) Waive the requirement to tender, in accordance with the Council's Contract Rules, and agree that the Council proceeds with the direct award of a contract to Willmott Dixon Construction for the demolition phase of the Gascoigne East Phase 2 project in the total sum of £4,292,220, as set out in the report;
- (ii) Authorise the Director of Inclusive Growth, in consultation with Cabinet Members for Social Housing and Regeneration and Finance, Performance and Core Services, the Director of Law and Governance and the Chief Operating Officer, to award and enter into the contract with Willmott Dixon for the demolition works at Gascoigne East Phase 2; and
- (iii) Note that the financial and delivery details of the project were separately approved as part of the Investment and Acquisition Strategy report to Cabinet on 17 September 2019 (Minute 46).

63. Energy Company Obligation (ECO3) Programme

The Cabinet Member for Regeneration and Social Housing introduced a report on an initiative under the Energy Company Obligation scheme to partner with Eon on the development of a two-year borough-wide energy efficiency programme across all housing tenures for qualifying households. The report also set out proposals for a separate, £2.6m project to deliver a deep retrofitting pilot in appropriate Council-owned dwellings on the Becontree Estate, to coincide with the 2021 centenary anniversary of the Estate's creation, aimed at significantly enhancing the thermal comfort of dwellings while also cutting carbon emissions and fuel bills.

Cabinet Members expressed their support for the proposals and asked that ward councillors be advised of relevant projects in their areas.

Cabinet **resolved** to:

- (i) Approve the appointment of Eon as preferred partner to develop a two-year programme of general retrofitting works for qualifying households across all tenures, and in particular dove-tailing the delivery of the scheme with the existing HRA Capital Programme;
- (ii) Approve the appointment of Energiesprong as technical advisers in the procurement and delivery of a deep retrofitting pilot on the Becontree Estate; and
- (iii) Delegate authority to the Director of Inclusive Growth, in consultation with

the Cabinet Member for Regeneration and Social Housing, the Director of Law and Governance and the Director of My Place, to enter into the contracts and all other necessary or ancillary agreements.

64. Redevelopment of former Woodward Library Site, Woodward Road, Dagenham

Further to Minute 92 (17 January 2017), the Cabinet Member for Regeneration and Social Housing presented a report on plans to redevelop the former Woodward Library site and surrounding land (excluding the Julia Engwell Clinic) to provide 56 affordable homes and c.651m² of community space.

The Cabinet Member referred to the projected cost of the overall scheme, the management arrangements for the housing units via the B&D Reside structure and the positive feedback towards the proposals from the public consultation.

Cabinet Members were particularly pleased to note that the local community's views on the use of the community space would be addressed during the detailed design stage and that the potential for a Police Hub at the development would also be taken forward.

Cabinet **resolved** to:

- (i) Approve that, subject to the grant of an acceptable planning permission and receipt of satisfactory construction tender prices, the project be financed and held within the residential asset class of the Council's Investment and Acquisition Strategy;
- (ii) Approve that, subject to planning, the site be redeveloped to provide:
 - (a) 100% Affordable Housing of which:
 - 70% Affordable Rent (AR) up to 80% of Market Rent (39 units)
 - 30% London Affordable Rent (17 units); and
 - (b) c.651m² of community space;
- (iii) Agree the estimated Total Scheme Development costs of £20,821,302;
- (iv) Agree to allocate up to £3,998,754 (inclusive of the £842,284 acquisition cost already incurred) from the Investment and Acquisition Budget to fund the pre-development costs;
- (v) Agree that the land assembly costs of £842,284 be repaid to the Land Acquisition budget at award of construction contract and the transfer of the required legal interest to the Reside entity;
- (vi) Agree to the principle of borrowing up to £15,533,302 within the General Fund from the Public Works Loan Board to finance the development and ownership of the affordable rent homes via a loan agreement made between the Council and the affordable rent Special Purpose Vehicle;
- (vii) Delegate authority to the Director of Inclusive Growth, in consultation with

the Director of Law and Governance, the Chief Operating Officer and the Cabinet Members for Finance, Performance and Core Services and Social Housing and Regeneration, to negotiate terms and agree the contract documents to fully implement and effect the project;

- (viii) Authorise the Director of Law and Governance, or an authorised delegate on her behalf, to execute all the legal agreements, contracts and other documents on behalf of the Council; and
- (ix) Approve in principle the appropriation of the land, as shown edged red in the plan at Appendix 2 to the report, under Section 122 of the Local Government Act 1972 from the Housing Revenue Account to the General Fund.

65. Business Telephony Services

The Cabinet Member for Finance, Performance and Core Services introduced a report on the proposed procurement arrangements in respect of the Council's telephony services.

The procurements related to the three workstreams of mobile telephony services, Contact Centre provision and a replacement for the current desk-top office telephony system. The Cabinet Member suggested that the proposals would bring a much more agile approach, in line with the Council's New Ways of Working, as well as achieving financial savings.

Cabinet **resolved** to:

- (i) Delegate authority to the Chief Operating Officer, in consultation with the Director of Law and Governance, to conduct the following procurements and award and enter into the contracts and all other necessary or ancillary agreements with the successful bidder(s) in accordance with the strategy set out in the report;
- (ii) Approve the procurement of a Business Telephony Service on an initial two-year contract, with two optional extension periods of up to 12 months each, via a mini competition on the new Crown Commercial Services (CCS) Network Services 2 – (RM 3808), in accordance with the strategy set out in the report;
- (iii) Approve the set-up of a Dynamic Purchasing System (DPS) Procurement Framework to facilitate the purchase of mobile devices and any associated consumables, in accordance with the strategy set out in the report;
- (iv) Approve the direct award to EE, via the new Network Services 2 – (RM 3808) Framework with Crown Commercial Services, for a SIM only provision for 776 SIM-only services, in accordance with the strategy set out in the report;
- (v) Approve the procurement of a Contact Centre as a Service (CCaaS) on an initial two-year contract, with two optional extension periods of up to 12 months each, via a mini competition on the new Crown Commercial

Services G-Cloud 11 Framework, in accordance with the strategy set out in the report; and

- (vi) Approve the procurement, under the existing agreed term contract with Softcat PLC via Elevate East London LLP, of a two-year up-lift of Microsoft Teams Office 365 call plans, in accordance with the strategy set out in the report.