

MINUTES OF CABINET

Tuesday, 12 July 2022
(7:03 - 9:01 pm)

Present: Cllr Darren Rodwell (Chair), Cllr Saima Ashraf (Deputy Chair), Cllr Dominic Twomey (Deputy Chair), Cllr Sade Bright, Cllr Cameron Geddes, Cllr Syed Ghani, Cllr Kashif Haroon, Cllr Elizabeth Kangethe and Cllr Maureen Worby

Also Present: Cllr John Dulwich

Apologies: Cllr Jane Jones

12. Declaration of Members' Interests

There were no declarations of interest.

13. Minutes (21 June 2022)

The minutes of the meeting held on 21 June 2022 were confirmed as correct.

14. Barking & Dagenham Response to the Cost-of-Living Crisis

The Cabinet Member for Community Leadership and Engagement introduced a progress report on the Borough response to the cost-of-living crisis.

Building on the community-led response that proved so effective during the COVID-19 pandemic, the Council and social sector partners were working together to support local residents in the face of the worsening impact of fuel, heating and food cost rises, alongside generally rising levels of inflation. The high level of deprivation in the Borough meant that those factors were having an increasingly significant impact on a large proportion of the Borough, many of whom were already struggling to make ends meet, and the situation would only get worse as winter approached.

The Cabinet Member referred to initiatives already introduced in the Borough to support local residents, such as BD CAN and the Homes and Money Hub. A key initiative under the new proposals would be the establishment of a Cost-of-Living Alliance, which arose from a recent Cost-of-Living Summit arranged by the Council. The Alliance would involve Council service teams delivering a package of training that would enable social sector partners to support residents before they hit crisis point, as part of a preventative approach, while supporting other community groups in the local area. The Citizens Advice Bureau would play a central co-ordinating role, working closely with the Homes and Money Hub, while offering an option for escalation for those residents whose situation was more severe. In addition, the Council was leading on ways for partners to collaboratively access funding from Central Government and other sources that could be used to support residents who were having difficulties.

Cabinet Members criticised the Government for its lack of understanding of, and response to, the cost-of-living crisis and commended the proactive action being

taken by the Council and social sector partners to mitigate the impact on a local level. It was also noted that although the Council had recently secured funding of circa £1.2m towards addressing health inequalities in the Borough, if the Government used the 2021 census data for the allocation of local authority funding the Council would be receiving an additional £20m per annum.

Cabinet **resolved** to:

- (i) Note the development of a Cost-of-Living Alliance, the steps towards its formation and required activity to further develop the model; and
- (ii) Note that a further report shall be presented in October 2022 to update the Cabinet on the development of the Alliance.

15. Medium Term Financial Strategy and Reserves Policy 2022/23 to 2026/27

Further to Minute 84(ii) (21 February 2022), the Cabinet Member for Finance, Growth and Core Services introduced a report on the Council's draft Medium Term Financial Strategy (MTFS) and Reserves Policy for the period 2022/23 to 2026/27 in relation to General Fund expenditure.

The Cabinet Member explained that the draft MTFS had been developed against the backdrop of the financial uncertainty caused by the cost-of-living crisis, inflation, delays to Fair Funding reforms and Business Rates retention arrangements, whilst also taking into account other anticipated demands and pressures. He also pointed out that the Borough had the second highest population growth in London and the third highest in the country as well as a deprivation level showing that 48% of children were living in poverty, which only reinforced the need for Fair Funding reforms to be implemented to ensure that Barking and Dagenham received the appropriate level of funding from Government to support the local community.

The MTFS identified a cumulative funding gap of £14.8m over the five-year period, which represented a significant reduction on the £26.3m gap identified in the report to the February meeting. To ensure an ongoing financially balanced position, the intention was to close the gap through savings, the continued implementation of transformation programmes to deliver sustainability in the longer-term and the identification of new investment opportunities. The Cabinet Member stressed, however, that with so many uncertainties at the present time, the current position must be treated with caution. On that issue, attention was drawn to examples within the report which included the local government pay award, which had been budgeted at 2% per annum but was likely to be significantly above that figure in view of the current level of inflation.

The report also set out principles for a robust reserves policy, although the Cabinet Member referred to the earlier discussions regarding the cost-of-living crisis which, in the absence of appropriate additional funding from Government, would inevitably impact on reserves.

Cabinet **resolved** to approve the Medium Term Financial Strategy and Reserves Policy 2022/23 to 2026/27 as set out in Appendices A and D to the report and the proposed approach to ensure the financial health of the Council over the medium

term.

16. Proposed Council Tax Support Scheme 2023/24

Following on from the earlier discussions regarding the Borough response to the cost-of-living crisis, the Cabinet Member for Community Leadership and Engagement introduced a report on the proposal to amend the Council's Council Tax Support (CTS) Scheme for future years as a way of helping low-income residents in most need of financial support.

By Minute 59 (26 January 2022), the Assembly had approved the CTS Scheme for 2022/23 which set a minimum Council Tax payment threshold of 25% for qualifying, working age claimants. In light of the cost-of-living crisis, the Council had brought forward a review of the CTS scheme and it was now proposed that, for 2023/24, the minimum payment threshold be reduced to 15%, thereby giving qualifying claimants up to 85% relief. Furthermore, the intention was to move away from the centrally defined default CTS scheme for 2024/25 and replace it with a scheme that addressed discrepancies between the old and new (Universal Credit) benefits systems. It was noted that due to the requirement to consult on changes to the CTS Scheme, it was not possible to introduce the 15% change for the current financial year and the work needed to move away from the centrally defined default CTS scheme had an implementation timetable of approximately 18 months.

In welcoming the proposals, the Cabinet Member for Finance, Growth and Core Services pointed out that, in the past, qualifying residents were eligible for Council Tax Benefit and could receive 100% relief from Council Tax. However, the Government changed the rules, which meant that every individual had to contribute, irrespective of their financial situation, and the costs associated with the CTS scheme fell directly on the Council.

Cabinet **resolved** to:

- (i) Support the proposed Model 2 for the 2023/24 CTS scheme, which would reduce the minimum payment applied within the CTS scheme by 10% to 15%;
- (ii) Note that the above proposal shall be subject to public consultation and formal approval by the Assembly in due course; and
- (iii) Support the proposal to replace the current CTS scheme with a new 'banded' scheme for 2024/25 and authorise the Director of Support and Collections to commence consultation and the modelling process to enable the replacement CTS scheme to be implemented for 2024/25.

17. Energy Company Obligation (ECO4) Programme

The Cabinet Member for Regeneration and Economic Development introduced a report on the fourth and final iteration of the Energy Company Obligation (ECO) scheme.

By Minute 63 (15 October 2019), the Council had partnered with E.ON Energy

Services for the third phase of the ECO, which had delivered the Cosy Homes scheme whereby more than 1,100 free energy efficiency installs had been delivered across all housing tenures. ECO3 ended in March 2022 and it was proposed to follow a similar procurement route for ECO4, with a view to engaging a partner to build on that legacy and help even more residents out of fuel poverty. In that regard, it was noted that ECO3 had helped the Borough in being recognised as the London Region's Best Largest Retrofit and Insulation Scheme at the Energy Efficiency Awards in November 2021.

The Cabinet Member clarified the eligibility criteria for the scheme and the types of works undertaken and took onboard the need for regular communication with residents to overcome some of the concerns raised in earlier schemes.

Cabinet colleagues spoke in support of the proposals and the Cabinet Member for Public Realm and Climate Change particularly welcomed them as another positive step to helping the Council achieve its commitment to become a Net Zero organisation by 2030 and for the wider Borough to become carbon neutral by 2050.

Cabinet **resolved** to:

- (i) Approve the expression of interest route to test the market and find a delivery partner to ensure the Council maximises the number of free energy efficiency installs under ECO4 across all tenures, subject to the endorsement of the Procurement Board;
- (ii) In respect of Council owned properties, waive the requirement to tender under paragraph 28.5 of the Council's Contract Rules in order for the Council to enter into a contract with the identified company to carry out energy efficient installs under ECO4, where appropriate; and
- (iii) Delegate authority to the Strategic Director, Inclusive Growth, in consultation with the Cabinet Member for Regeneration and Economic Development, the Chief Legal Officer and the Strategic Director, My Place, to appoint the successful bidder and enter into the contracts and all other necessary or ancillary agreements set out in the report, including accessing grant opportunities.

18. Barking and Dagenham School Improvement Partnership Business Plan 2022/23

The Cabinet Member for Finance, Growth and Core Services introduced the Barking and Dagenham School Improvement Partnership (BDSIP) Business Plan for 2022/23.

The Business Plan set out BDSIP's vision, values, and social and commercial ambitions for the year and provided an update against the 2021/22 financial performance and forecast for 2022/23. The Cabinet Member was pleased to report that all of the Borough's schools purchased services from the BDSIP and a key objective for the year was to increase the take-up from the wide range of services on offer. It was noted that BDSIP was a not-for-profit organisation and any increase in business would be reinvested in schools to improve the life-

chances of young people in the Borough.

The Cabinet Member highlighted the key objectives for 2022/23, which included:

- To increase the number of work experience opportunities for pupils which had been severely impacted by the COVID-19 pandemic and changes to working practices. On that issue, the Cabinet Member referred to a recent jobs fair that took place at the film studios development at Dagenham East which covered all types of jobs linked to the filming industry and provided a unique opportunity for over 700 secondary school pupils to learn more about the industry and become involved.
- That all schools be rated by Ofsted as “good” or “outstanding” - at the moment, 91% of Borough’s schools met that objective.

Cabinet Members spoke in support of the excellent work of the BDSIP and the relationship that it had established with schools, Headteachers and Governing Bodies.

Cabinet **resolved** to endorse the BDSIP Business Plan 2022/23 as set out in the appendices to the report.

19. Controlled Parking Strategy 2022-25

Further to Minute 19 (17 July 2018), the Cabinet Member for Enforcement and Community Safety presented a report on the progress of the first phase of the Council’s Controlled Parking Zone (CPZ) project as well as plans for the second phase and other proposed changes to current arrangements.

The Cabinet Member referred to the key objectives of the Council’s CPZ project, which focused on improving road safety particularly around schools, reduced traffic congestion, improved parking for residents and businesses, improved air quality and better access for pedestrians, and advised that further analysis work was being undertaken to assess the impact of the measures implemented in the first phase (Project 1). Those results would inform the roll-out of the second phase, CPZ Project 2, which was planned for Spring 2023 and would encompass a further nine areas of the Borough, primarily those neighbouring the CPZ areas in Project 1.

The Cabinet Member also spoke on the plans to implement lessons learned and feedback from local residents, businesses and schools during Project 1. Those proposals included an enhanced consultation and engagement process, a reduction in CPZ and Council car park charges for school and Council-employed staff, and revisions to the Dropped Kerb Policy to allow residents with a dropped kerb installed to obtain a permit allowing them to park free-of-charge outside their property.

The Cabinet Member confirmed that those driving fully-electric vehicles and many hybrid models would continue to be exempt from parking charges and further incentives were being considered to encourage people to drive cleaner vehicles in support of the Council’s net zero and air quality priorities.

In response to issues raised, the Cabinet Member confirmed that further resources

were being put into the back-office support service to ensure that additional demand for permit requests could be met. He also reiterated that the enhanced consultation and engagement arrangements would include social media campaigns as well as more traditional means to ensure that all affected residents were fully aware of proposals and had access to the service.

Cabinet **resolved** to:

- (i) Note the update provided with regards to CPZ Project 1, as set out in section 2.1 of the report;
- (ii) Approve the delivery of the new CPZ Project 2 from Spring 2023 following the completion of Project 1, as set out in section 2.2 of the report;
- (iii) Delegate authority to the Operational Director, Enforcement and Community Safety, in consultation with the Cabinet Member for Enforcement and Community Safety, to determine the timetable for implementation of Project 2;
- (iv) Agree the enhanced consultation and engagement arrangements in relation to CPZ schemes, as set out in paragraph 2.3 of the report;
- (v) Agree the amended terms of use and pricing structure for school permits and LBBB staff permits; as set out in paragraph 2.4 of the report; and
- (vi) Agree the introduction of a specific permit to enable residents to park across their dropped kerb within a CPZ; as set out in paragraph 2.5 of the report.

20. Parsloes Park 'Parklife' Project Review

The Cabinet Member for Community Leadership and Engagement presented a report on the progress of the Parklife project at Parsloes Park, which included the development of three artificial grass pitches (AGPs), a new sports pavilion with changing rooms for up to eight teams, gym facilities, sports café, public toilets, multi-use areas and social space, and increased costs that were impacting on the deliverability of the project.

By Minute 4 (19 June 2018), the Cabinet had agreed a funding package of circa £6m to deliver the project, with the majority of funding coming from The Football Foundation and other grant sources. Since that time, project costs had been steadily increasing and that position was further exacerbated by the impact of COVID-19 which resulted in project delays and, along with other factors, significant increases in construction and component costs. As a consequence, the total project cost was now estimated at £13.6m and while The Football Foundation had agreed to increase its overall contribution to £6.2m, there was a total funding gap of circa £6.1m without taking into account the £400,000 already pledged by the Council.

The Cabinet Member and other Cabinet colleagues spoke on the significant benefits of the flagship Parklife project to the local community and reiterated their support for its delivery.

Cabinet **resolved** to:

- (i) Agree that the Council proceeds with the Parklife project in Parsloes Park to deliver high-quality pavilion facilities to support local football growth in the Borough and associated sports and social activity, and enter the Grant Deed and Delivery Agreements;
- (ii) Agree the provision of additional funding of up to £6.1m, via prudential borrowing, to address the project shortfall;
- (iii) Delegate authority to the Strategic Director, Inclusive Growth, in consultation with the Cabinet Member for Community Leadership and Engagement and the Chief Legal Officer, to let the facilities to the National Football Trust on the terms set out in the report subject to compliance with s123 of the Local Government Act 1972; and
- (iv) Delegate authority to the Strategic Director, Inclusive Growth, in consultation with the Chief Legal Officer, procure and enter into all necessary contracts and agreements, in accordance with the Council's Constitution, to ensure completion of the Parklife project.

21. Draft Planning Obligations Supplementary Planning Document Update and Consultation

The Cabinet Member for Regeneration and Economic Development introduced a report on a draft Supplementary Planning Document (SPD) that provided supplementary planning guidance to developers, planning officers and residents as to how the Council intended to seek developer contributions, through planning obligations, to support the infrastructure required to deliver the Council's wider Local Plan ambitions for housing and employment growth in the Borough.

The Cabinet Member explained that the two main mechanisms for collecting developer contributions under the SPD would be via the Community Infrastructure Levy (CIL) and Section 106 (S106) agreements under the Town and Country Planning Act 1990. It was noted, however, that the Government's new Levelling Up Bill outlined proposed changes to the current CIL and S106 regime and, therefore, the draft SPD would be kept under review. The Cabinet Member also referred to the priority areas listed in the draft SPD that would qualify for S106 funding and encouraged Cabinet colleagues to review the listing to ensure that their portfolio priorities were fully covered.

Cabinet **resolved** to:

- (i) Approve the Draft Planning Obligations Supplementary Planning Document, as set out at Appendix A to the report, for public consultation; and
- (ii) Delegate authority to the Strategic Director, Inclusive Growth, in consultation with the Cabinet Member for Regeneration and Economic Development and the Chief Legal Officer, to make any appropriate amendments to the document following public consultation, prior to its submission to the Assembly for formal adoption.

22. Corporate Plan 2020-22 - Quarters 3 and 4 2021/22 Performance Monitoring

The Cabinet Member for Finance, Growth and Core Services introduced a report which summarised performance in quarters three and four of 2021/22 against the numerous metrics and deliverables contained in the Council's Corporate Plan 2020-22.

The Cabinet Member highlighted some of the key achievements, ambitions, challenges and areas of risk across portfolios, which included:

- the delivery of over 3,000 new affordable homes in the Borough by March 2023;
- a 43% increase in the number of children meeting the threshold for statutory intervention from Children's Social Care, from 2,349 at the end of 2019/20 to 3,357 at present;
- a 31% increase over the same period in the number of children meeting the extremely high child protection threshold;
- a return to pre-pandemic levels in Early Years provision;
- a record number of Year 11 students progressing to an education destination; and
- the lowest ever recorded number of young people aged 16-18 not in education, employment or training (NEETs).

The Deputy Cabinet Member for Performance and Data Insight added that, as had been discussed earlier in the meeting, the cost-of-living crisis was an increasing risk across a range of areas despite the Council's proactive, preventative approach. Other Cabinet Members spoke on aspects of their respective portfolios and it was acknowledged that the advent of the new Integrated Care System would require thought to be given to new overarching, strategic objectives relating to health and social care to be added to the performance monitoring regime.

Cabinet **resolved** to note the performance highlights and areas of improvement relating to quarters 3 and 4 of the 2021/22 financial year, as set out in Appendix 1 to the report.

23. Contract for Provision of Liquid Fuel and Ancillary Products

The Cabinet Member for Public Realm and Climate Change presented a report on the retendering of the contract for the provision of liquid fuel to serve the Council's transport fleet.

The Cabinet Member advised that the previous contract had expired on 31 March 2022 and a new short-term contract had been entered into to ensure a continuity of service. The assessment of options for a new, four-year contract had identified the Crown Commercial Services (CCS) Liquid Fuels Framework as the preferred approach due to economies of scale that could be achieved.

Cabinet **resolved** to:

- (i) Agree that the Council proceeds with the procurement of contracts for the provision of liquid fuel and ancillary products through the CCS Liquid Fuels

RM6177 framework agreement, in accordance with the strategy set out in the report; and

- (ii) Delegate authority to the Director of Public Realm, in consultation with the Cabinet Member for Public Realm and Climate Change and the Chief Legal Officer, to conduct the procurement and award and enter into the contract(s) and any other ancillary agreements with the successful bidder(s).

24. Contract for the Provision of Temporary Accommodation for Homeless Families

The Cabinet Member for Community Leadership and Engagement introduced a report on proposals that would assist the Council to meet its statutory responsibilities to homeless families through the provision of temporary accommodation, pending the provision of longer-term housing solutions.

The Cabinet Member advised that the Council continued to reduce the number of homeless households in temporary accommodation, with the current level at circa 1,400. Outside of stock owned and managed by the Council, it also relied on several contracted housing providers to meet its statutory obligations. The current contract for the additional provision had been extended to 31 May 2023 and the intention was to procure a new, maximum four-year framework contract.

Cabinet **resolved** to:

- (i) Note the extension of the existing contracts for the final year of the current temporary accommodation contract from 3 June 2022 to 2 June 2023;
- (ii) Agree that the Council proceeds with the procurement of a new contract for the provision of temporary accommodation for homeless families commencing 3 June 2023, in accordance with the strategy set out in the report; and
- (iii) Authorise the Director of Support and Collections, in consultation with the Cabinet Member for Community Leadership and Engagement, the Strategic Director, Finance and Investment and the Chief Legal Officer, to conduct the procurement and award and enter into the contract(s) and all other necessary or ancillary agreements with the successful bidder, in accordance with the strategy set out in the report.

25. Procurement of Electricity and Gas Supplies and Ancillary Services

Further to Minute 30 (18 September 2018), the Cabinet Member for Finance, Growth and Core Services presented a report on the proposal to appoint LASER, a company owned by Kent County Council that procured energy on behalf of local authorities, to act as the Council's specialist energy procurement broker.

A range of procurement and supply options had been considered in light of the significant energy price rises and volatility in the market due to the conflict in Ukraine. The Cabinet Member explained that LASER was currently negotiating a new, maximum four-year energy supply contract that would cover energy supplies

from 1 October 2024, when the current contract expired. However, purchasing under the new contract could commence from 1 October 2022, thereby enabling the Council to mitigate energy price rises and limit price fluctuations going forward.

Cabinet **resolved** to:

- (i) Approve the appointment of LASER as the Council's energy broker to procure gas and electricity supplies and associated meter services such as Meter Operation and Data Collection Services on behalf of the Council, in accordance with the procurement strategy set out in the report;
- (ii) Authorise the Strategic Director, My Place, in consultation with the Strategic Director, Inclusive Growth, the Cabinet Member for Finance, Growth and Core Services and the Chief Legal Officer, to conduct the procurement and award and enter into the contract(s) and all other necessary or ancillary agreements, including finalising the preferred purchasing strategy (basket option) in accordance with the strategy set out in the report; and
- (iii) Delegate authority to the Strategic Director, My Place, in consultation with the Strategic Director, Inclusive Growth, the Cabinet Member for Finance, Growth and Core Services and the Chief Legal Officer, to progress arrangements in relation to Power Purchasing Agreements (PPAs) in the event that they become a viable option in the future, including conducting any procurement and awarding and entering into any contract(s) and other necessary or ancillary agreements.

26. Private Business

Cabinet **resolved** to exclude the public and press for the remainder of the meeting by reason of the nature of the business to be discussed which included information exempt from publication by virtue of paragraphs 3 and 5 of Part 1, Schedule 12A to the Local Government Act 1972 (as amended).

27. Proposed Freehold Sale of the Former Welbeck Steel Site, 8 River Road, Barking

Further to Minutes 67 (11 December 2018), 35(v) (20 October 2020) and 37 (21 September 2021), the Cabinet Member for Finance, Growth and Core Services presented a report on a proposal to dispose of the former Welbeck Steel site, 8 River Road, Barking, to Hackman Studios.

The Cabinet Member advised that the site had been purchased by the Council in 2019 and was currently leased to Eastbrook Studios, a subsidiary of Hackman Studios, under an initial 10-year arrangement as part of the major film studio development project taking place in the Borough. To support the company's plans to invest in the site for film production and secure a long-term tenant, Hackman Studios had approached the Council regarding the purchase of the site.

The Cabinet Member alluded to the various conditions that would be included in the sale contract to protect the Council's interests, the wider benefits for the Borough and the immediate River Road / Thames Road area and synergies with the Council's draft Local Plan and the Mayor's London Plan. A sale would also

provide the Council with a capital receipt significantly higher than the purchase price paid by the Council in 2019, which could be used to support other projects within the Council's Investment and Acquisition Strategy. The report also referred to proposed arrangements for determining the fee payable to Be First for its efforts in securing such a positive outcome for the Council.

Cabinet **resolved** to:

- (i) Approve the disposal of the former Welbeck Steel site, shown edged red in Appendix 1 to the report, to Hackman Studios, in accordance with the Heads of Terms set out in Appendix 2 to the report;
- (ii) Authorise the Strategic Director, Finance and Investment, in consultation with the Chief Legal Officer, to enter into all necessary documents to finalise the transaction; and
- (iii) Delegate authority to the Strategic Director, Finance and Investment, in consultation with the Cabinet Member for Finance, Growth and Core Services, to approve a fee payment to Be First to project manage the proposed disposal.