

MINUTES OF CABINET

Tuesday, 15 November 2022
(7:02 pm)

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

Also Present: Cllr John Dulwich

Apologies: Cllr Sade Bright

46. Declaration of Members' Interests

There were no declarations of interest.

47. Minutes (18 October 2022)

The minutes of the meeting held on 18 October 2022 were confirmed as correct.

48. Revenue Budget Monitoring 2022/23 (Period 6, September 2022)

The Cabinet Member for Finance, Growth and Core Services introduced the Council's revenue budget monitoring report for the 2022/23 financial year as at 30 September 2022 (period 6).

The Council's General Fund revenue budget for 2022/23 was £183.06m and the forecast outturn position at the end of September projected a net overspend of £13.637m once movements to and from reserves and income had been taken into account. The Cabinet Member commented that whilst that represented an improvement of almost £4m compared to the previous month, mainly due to the Investment Reserve being used to cover lost income from dividends and a management action plan to reduce overspending in the Community Solutions service, it was imperative that Cabinet colleagues and Directors continued to identify savings and efficiencies within their respective areas to avoid a significant call on the Budget Support Reserve at the year end.

The Cabinet Member referred to the difficulties being experienced across local government, including Conservative-led Councils, stemming from the Government's underfunding of the public sector, which was exacerbated in areas of high deprivation such as Barking and Dagenham. In that regard, it was noted that a recent study by the Office for National Statistics (ONS) identified Barking and Dagenham as having the highest rate of deprivation in the country, with 62.4% of residents falling into at least one of the four deprivation indicator categories. Cabinet Members also poured scorn on the Government's lack of understanding of what was happening in society and its failure to implement Levelling Up and Fair Funding, as well as its tactic of shifting the blame for increased taxes on local residents by forcing the vast majority of Councils across the country to have to increase the rate of the local Council Tax by the maximum level allowed in order to continue to provide essential services.

The Cabinet Member was pleased to report that in line with agreed policy, the Council had increased the minimum hourly rate of pay for employees and apprentices in line with the increase to the London Living Wage which took effect from 22 September 2022.

Cabinet **resolved** to:

- (i) Note the projected revenue outturn forecast for the 2022/23 financial year as set out in section 2 and Appendix A of the report; and
- (ii) Note that the Council had applied the increase to the London Living Wage from £11.05 to £11.95 per hour for employees and apprentices operating in service areas covered by Green Book terms and conditions, with effect from 22 September 2022.

49. Household Support Fund (October 2022 - March 2023)

The Cabinet Member for Community Leadership and Engagement introduced a proposed policy and allocation schedule in respect of the distribution of Household Support Fund (HSF) grant funding of £2.162m awarded to the Borough for the period October 2022 to March 2023.

The Cabinet Member alluded to the general criteria set by the Government for the allocation of the funding and the specific plans for Barking and Dagenham, aimed at providing a wide range of accessible support to households in financial hardship. The plans included £960,000 for vouchers for children in receipt of free school meals to continue to receive free meals during the school holiday periods, which was expected to benefit approximately 12,000 children, a further £150,000 set aside for local Food Banks and Community Food Hubs and an allocation of £630,000 for an open grant application process, with each application considered on its individual merits.

Cabinet **resolved** to:

- (i) Agree the Council's policy and intended allocation of the Household Support Grant of £2.162m, covering the period 1 October 2022 to 31 March 2023, as detailed in section 2 of the report; and
- (ii) Delegate authority to the Director of Support and Collections, in consultation with the Cabinet Member for Community Leadership and Engagement, to vary the allocation of funding and scheme criteria to reflect any changes in demand, where appropriate.

50. Fees and Charges 2023

The Cabinet Member for Finance, Growth and Core Services introduced a report on the proposed fees and charges for Council services, the majority of which would come into effect from 1 January 2023.

The Council's Charging Policy established that fees and charges would, in the main, be increased in line with the Consumer Price Index (at August each year).

The Cabinet Member advised, however, that with inflation at 9.9% he had asked officers to adopt a slightly different approach this year to ensure that fees and charges for 2023 were only increased by the amount necessary to ensure that the Council continued to recover its costs (including overheads) and, at the same time, recognising the additional financial pressures already faced by the local community as a consequence of the cost-of-living crisis. That meant, for example, that services where the main cost element was staff time would only be increased by the average Local Government Pay Award rate of 6.6% and a range of service fees and charges would be frozen at 2022 levels, as had been suggested by the Council's Overview and Scrutiny Committee when it had considered the proposals on 5 October 2022.

Cabinet **resolved** to:

- (i) Agree the proposed fees and charges as set out in Appendix A to the report, to be effective from 1 January 2023 unless otherwise stated;
- (ii) Note the fees and charges no longer applicable from 1 January 2023, as set out in Appendix B to the report; and
- (iii) Delegate authority to the Strategic Director, Children and Adults, in consultation with the Strategic Director, Finance and Investment and the relevant Cabinet Members, to set fees and charges to be applied from September for schools and academic year-based activities.

51. Annual Education Performance Review 2021/22 and Proposed Education Priorities for 2023-2026

The Cabinet received a report on the annual education performance review for 2021/22 and the development of priorities for the Education and Participation Strategic Plan 2023-2026.

The Cabinet Member for Children's Social Care and Disabilities introduced the item and explained the context of the successes and improvements in an area with high levels of deprivation, the inclusivity within the Borough's schools and the strong offer for vulnerable children and those with special educational needs, all against the backdrop of the disruption caused by the COVID-19 pandemic.

The Cabinet Member for Educational Attainment and School Improvement congratulated the Borough's schools and other educational establishments for their contributions to the ongoing improvements and commended the partnership approach that existed with the Council and other agencies. National research had shown that areas of high deprivation and the youngest pupils suffered most from the pandemic, yet the proportion of Borough schools rated 'Good' or 'Outstanding' by Ofsted stood at 95% (56/59 schools) which, for the first time, was above the latest published London benchmark of 93% and well above the national benchmark of 87%. The Cabinet Member also referred to several of the other key performance headlines for 2021/22 and highlighted the specific achievements for Looked After Children, those progressing to higher education and the Borough's Cultural Education Partnership 'Inspiring Futures' which celebrated its 10th year of providing broader support for young people's health and wellbeing.

Cabinet Members welcomed the report and conveyed their appreciation to the Borough's young people and to the Council's Commissioning Director, Education, who was present at the meeting, with a round of applause.

Cabinet **resolved** to:

- (i) Reaffirm the Council's commitment to strengthening and developing partnerships with Barking and Dagenham's family of schools, Barking and Dagenham School Improvement Partnership (BDSIP), Barking & Dagenham College, CU London, UCL PEARL and other key partners to achieve the best possible outcomes and opportunities for the Borough's children and young people;
- (ii) Note performance against the priorities of the Education and Participation Strategy 2018-22 as set out in section 2 of the report and in the dataset at Appendix A to the report; and
- (iii) Note the proposed priorities for the Education and Participation strategic plan for 2023-26 as set out in Appendix B to the report.

52. Treasury Management and Investment and Acquisition Strategy 2022/23 Mid-Year Review

Further to Minute 88 (21 February 2022), the Cabinet Member for Finance, Growth and Core Services introduced a report on the mid-year review of the Council's treasury management activities and Investment and Acquisition Strategy for 2022/23.

The Cabinet Member stressed the importance of successful treasury management and investment and acquisition activities as they underpinned much of the Council's regeneration aspirations as well as everyday service provision. The report gave an update on the current economic situation, the impact of interest rate rises and the Council's borrowing position which, although significant, was based on a very prudent approach that had been commended as best practice by the Chartered Institute of Public Finance and Accountancy (CIPFA).

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

- (i) The Treasury Management Strategy Statement Mid-Year Review 2022/23;
- (ii) The economic update covering the increase in inflation and the potential for a further increase in the Bank of England Base Rate;
- (iii) That the value of the treasury investments and cash as at 30 September 2022 totalled £109.2m and that the treasury investment strategy outperformed its peer group, with a return of 1.27% against an average of 0.95% for London Local Authorities (as at 30 June 2022);
- (iv) That the value of the commercial and residential loans lent by the Council as at 30 September 2022 totalled £168.1m at an average rate of 3.3%;
- (v) That the total borrowing position as at 30 September 2022 totalled

£1,086m, with £295.9m relating to the Housing Revenue Account and £791.1m to the General Fund;

- (vi) That interest payable was forecast to be £15.8m against a budget of £15.7m;
- (vii) That interest receivable was forecast to be £7.2m against a budget of £7.5m, representing a deficit of £0.3m;
- (viii) That capitalised interest was forecast to provide a surplus of £9.0m;
- (ix) That Investment and Acquisition Strategy income was forecast to be £6.7m against a budget of £7.0m, representing a deficit of £0.3m;
- (x) That the IAS surplus, held in a reserve, was currently £29.3m and is forecast to increase to £37.6m by the end of the year, of which £11.0m is ring fenced for lease and leaseback properties;
- (xi) The post Gateway 4 cashflows, including the impact of Gascoigne East 3B and the pressures on the current pipeline schemes, as outlined in paragraph 9.2 of the report; and
- (xii) That in the first half of the financial year the Council complied with all 2022/23 treasury management indicators.

53. Approach and Procurement of Phase 2 of the Council's Predictive Analytics Programme (One View)

The Deputy Cabinet Member for Performance and Data Insight introduced a report on proposals relating to the procurement of phase 2 of the Council's One View programme, the state-of-the-art predictive analytics platform that brought together a range of data to provide the Council with a single view of its residents and their needs.

The Deputy Cabinet Member advised that the One View programme had enabled the Council to interact far more effectively with its residents and he highlighted the pilot project initiated by the Homes and Money Hub which targeted several households identified as potentially being in financial difficulty. That exercise helped households to source additional income and avoid enforcement action and its success meant that the approach was now being rolled out as business-as-usual by the Homes and Money Hub.

The initial four-year contract was due to expire in March 2023 year and, due to the specialist nature of the contract, the intention was to negotiate directly with the current software supplier, Xantura, for a further three-year contract. The Deputy Cabinet Member also spoke on the potential savings that the Council could expect to achieve from phase 2 of the programme and the plans to extend its use to more service areas within the Council in order to provide an even more holistic service to its residents.

Cabinet colleagues spoke in strong support of the One View project and its potential to improve lives across the Borough, particularly when used in

conjunction with the latest Office for National Statistics (ONS) data. The Acting Chief Executive also reported on praise bestowed on the Council at an Institute of Government seminar regarding the way that it collected and used data in relation to interventions.

Cabinet **resolved** to:

- (i) Agree to procure phase 2 of the predictive analytics programme (currently delivered in the form of One View) in accordance with the strategy set out in the report; and
- (ii) Delegate authority to the Director of Strategy, in consultation with the relevant Cabinet Members, the Strategic Director, Finance and Investment and the Chief Legal Officer, to conduct the negotiation and award and enter into the contracts and relevant extension periods and all other necessary or ancillary agreements with the supplier, subject to the appropriate funding being agreed as part of the 2023/24 budget setting process.

54. Procurement Strategy for Corporate Laptop / Desktop Computer Device Refresh

The Cabinet Member for Finance, Growth and Core Services presented a report on proposals for the procurement of new laptops and desktop computers to replace existing stock across the Council which was nearing its end-of-life.

The Cabinet Member referred to the projected costs associated with the procurement, the tender evaluation criteria which included a 10% Social Value assessment, and the plans to recycle and remanufacture the old stock.

Cabinet **resolved** to:

- (i) Agree that the Council proceeds with the procurement of replacement computer hardware and services, in accordance with the strategy set out in the report;
- (ii) Note the establishment of a contingency budget of £210,000 per annum for years 2 to 4 to procure replacement laptops as and when required;
- (iii) Agree the arrangements for the re-manufacturing of old devices at nil cost to the Council, as set out in paragraph 1.8 of the report; and
- (iv) Delegate authority to the Strategic Director, Finance and Investment, in consultation with the Cabinet Member for Finance, Growth and Core Services and the Chief Legal Officer, to award and enter into contract(s) / agreement(s) with the successful contractor(s), subject to the appropriate funding being agreed as part of the 2023/24 budget setting process.