

MINUTES OF ASSEMBLY

Wednesday, 28 February 2024
(7:00 - 8:34 pm)

PRESENT

Cllr Irma Freeborn (Chair)
Cllr Tony Ramsay (Deputy Chair)

Cllr Andrew Achilleos	Cllr Dorothy Akwaboah	Cllr Saima Ashraf
Cllr Princess Bright	Cllr Sade Bright	Cllr Josie Channer
Cllr Muhib Chowdhury	Cllr Alison Cormack	Cllr John Dulwich
Cllr Cameron Geddes	Cllr Syed Ghani	Cllr Rocky Gill
Cllr Kashif Haroon	Cllr Victoria Hornby	Cllr Manzoor Hussain
Cllr Jane Jones	Cllr Elizabeth Kangethe	Cllr Mohammed Khan
Cllr Donna Lumsden	Cllr Giasuddin Miah	Cllr Margaret Mullane
Cllr Fatuma Nalule	Cllr Adegboyega Oluwole	Cllr Glenda Paddle
Cllr Simon Perry	Cllr Michel Pongo	Cllr Moin Quadri
Cllr Regina Rahman	Cllr Hardial Singh Rai	Cllr Chris Rice
Cllr Lynda Rice	Cllr Ingrid Robinson	Cllr Muhammad Saleem
Cllr Muazzam Sandhu	Cllr Faraaz Shaukat	Cllr Summya Sohaib
Cllr Harriet Spoor	Cllr Dominic Twomey	Cllr Phil Waker
Cllr Maureen Worby	Cllr Sabbir Zamee	

APOLOGIES FOR ABSENCE

Cllr Faruk Choudhury	Cllr Edna Fergus	Cllr Paul Robinson
Cllr Darren Rodwell	Cllr Emily Rodwell	Cllr Jack Shaw
Cllr Lee Waker	Cllr Mukhtar Yusuf	

60. Declaration of Members' Interests

There were no declarations of interest.

61. Minutes (31 January 2024)

The minutes of the meeting held on 31 January 2024 were confirmed as correct.

62. Leader's Statement

There was no Leader's Statement.

63. Appointments

There were no appointments.

64. Budget Framework 2024/25 and Medium Term Financial Strategy 2024/25 - 2027/28

The Cabinet Member for Finance, Performance and Core Services presented the Council's proposed budget framework for 2024/25 which incorporated the following:

- Proposed General Fund revenue budget for 2024/25;
- Proposed level of Council Tax for 2024/25;
- Medium Term Financial Strategy (MTFS) 2024/25 to 2026/27;
- Draft Capital Budget for 2024/25 and revised Capital Programme 2024/25 to 2026/27;
- Strategy for the Flexible Use of Capital Receipts 2024/25;
- Chief Financial Officer's Statutory Finance Report (Section 25 Statement)

The proposed General Fund net budget for 2024/25 was £221.745m, which incorporated a drawdown from reserves of £8.809m to balance the 2024/25 budget after the inclusion of £15.595m of savings and £54.129m of growth from the 2023/24 revised budget. In order to achieve that budget, it would be necessary for the Council to increase its element of the Council Tax by 4.99%, made up of 2.99% for general spending and 2% that would be ringfenced as an adult social care precept. The Greater London Authority element of the Council Tax would increase by 8.6%.

The Cabinet Member outlined the steps taken by the Council to achieve a balanced budget for 2024/25 in the context of high inflation, the cost-of-living crisis, increasing pressures and demand for social care services and the continued uncertainty around local government finances. The Government's delay in introducing Fair Funding reforms meant that Barking and Dagenham continued to be significantly disadvantaged due to its population increase and high levels of deprivation which were not being properly funded by the Government.

The Cabinet Member also highlighted a number of other important aspects within the report, which included:

- The key principles that underpinned the Council's Medium Term Financial Strategy, as set out under paragraph 4.14 of the report;
- The key financial risks for both the local government sector as a whole and those specific to Barking and Dagenham, as detailed in section 18 of the report;
- The key implications of the Local Government Finance Settlement for 2024/25, as set out under paragraph 7.7 of the report, and the continued failure of the Government to provide local authorities with any confidence to plan for the future;
- The service budgets for 2024/25, which included details of the growth, inflation and savings to be achieved in each area, as set out under paragraph 12.1 of the report;
- The Council's reserves position for 2024/25, which meant that the main budget reserve would remain above the £12m minimum level previously set even after the drawdown to achieve a balanced budget for 2023/24; and
- The outcome of the budget consultation exercise recently undertaken which reflected the local community's acknowledgement of the need for the Council to

increase Council Tax by the maximum amount allowed in order to deliver its aspirations and the priorities that were most important to residents.

In response to questions, the Cabinet Member advised that pressures on the budget were coming from across the borough impacting on all services; however, pressures were fundamentally coming from Government with a third of funding for the Council lost and the fair funding deal not yet being finalised. Demand for Council services had increased considerably, creating a huge funding gap of £4bn over next two years to keep services where they were now across the country. Councils were struggling to find resources to cover the gaps and were being encouraged by Government to spend reserves, when most Councils, if not all, had already looked into the use of reserves to balance budgets.

The Cabinet Member advised that the cost of placements for those in social care were skyrocketing in both childrens and adults services, with particular concern regarding private providers.

The Cabinet Member further advised that whilst the Council had undertaken borrowing from the Public Works Loan Board, which were secure and locked in at low rates, the Council also had tangible assets in place to back up any debt.

With regard to savings, the Cabinet Member advised that savings proposals were monitored and went through a rigours process to ensure they were achievable before approved. Directors were held accountable by the Cabinet, who robustly challenged savings proposals that were put forward for approval.

The Cabinet Member took the opportunity to remind residents that there were discretionary funds in place from the Council for those who were struggling to pay their council tax.

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 Achilleos, Akwaboah, Ashraf, P Bright, S Bright, Channer, Chowdhury, Cormack, Dulwich, Freeborn, Geddes, Ghani, Haroon, Hornby, Hussain, Jones, Kangethe, Khan, Lumsden, Miah, Mullane, Nalule, Oluwole, Paddle, Perry, Pongo, Quadri, Rahman, Rai, Ramsay, C Rice, I Robinson, P Robinson, Saleem, Sandhu, Shaukat, Sohaib, Spoor, Twomey, P Waker, Worby and Zamee (42)

Against: Councillor L Rice (1)

Abstain: None (0)

(Note: Councillor Gill left the chamber at 19:38 and therefore was not present to vote)

The Assembly **resolved** to:

- (i) Agree that the basic amount of Council Tax (Band D equivalent) shall increase by 2.99%, and by a further 2% for the Adult Social Care precept, bringing the total increase to 4.99%;

- (ii) Agree that the Council Tax to be set for 2024/25 shall be £1,531.35 for a Band D property, comprising £1,310.70 for core Council Tax and £220.65 for the Adult Social Care precept, an increase of £43.61 and £29.17 per year respectively;
- (iii) Note that the Council shall levy an additional £471.40 on the Band D amount above on behalf of the Greater London Authority which represented an increase of 8.6%;
- (iv) Note the amount of 54,916.54 as the Council Tax Base for Barking and Dagenham for 2024/25, an increase of 1,589.69 on the previous year, in accordance with Regulation 3 of the Local Authorities (Calculation of Council Tax Base) Regulations 1992 made under the Local Government Finance Act 1992 (as amended);
- (v) Agree, in setting the Council's General Fund revenue budget, to set the Council Tax requirement at £84.096m for 2024/25;
- (vi) Consider and have due regard to budget consultation feedback with residents and businesses as set out in Section 20 to the report and note that no changes were recommended as a result;
- (vii) Agree the Statutory Budget Determination for 2024/25 as set out at Appendix D to the report;
- (viii) Approve the proposed General Fund Revenue Budget for 2024/25 as set out in Appendix A to the report, subject to any changes required from the final Local Government Finance Settlement;
- (ix) Delegate authority to the Strategic Director, Resources, in consultation with the Cabinet Member for Finance, Growth and Core Services, to make further changes to the 2024/25 budget proposals up to a maximum amount of £1.0m;
- (x) Agree the new savings and growth proposals as set out in Appendix B to the report;
- (xi) Agree that the current budget gap of £8.809m shall be funded from use of reserves for 2024/25 and to note that additional permanent savings proposals shall need to be identified;
- (xii) Approve the latest General Fund Medium Term Financial Strategy 2024/25 to 2026/27 as set out in section 4 and Appendix A to the report;
- (xiii) Note that the proposals maintain a General Fund balance of £12m in line with the Council's approved Reserves Policy (July 2023);
- (xiv) Note the projected reserve balances at 31 March 2025 following the planned use of £8.809m to achieve a balanced budget, as set out in Section 19 of the report;
- (xv) Approve the Council's provisional Capital Programme, including Investment and Acquisition Strategy (IAS) schemes, for 2024/25 to 2026/27 as detailed in section 8 and Appendix G to the report;
- (xvi) Agree to set a Capital Budget for 2024/25 at £209.462m, as detailed in Appendix G to the report;
- (xvii) Approve the Strategy for the Flexible Use of Capital Receipts 2024/25 at Appendix I to the report, in line with the regulatory requirements to facilitate the delivery of efficiency savings including capitalisation of redundancy costs;
- (xviii) Note the Chief Financial Officer's Statutory Finance Report (Section 25 Statement) as set out in Appendix H to the report and, in particular, their determination of "the robustness of the estimates made for the purposes of the calculations, and the adequacy of the proposed financial reserves"; and

- (xix) Note the changes to the report since its endorsement by the Cabinet on 19 February, as set out in paragraph 19.13 of the report.

65. Treasury Management Strategy Statement 2024/25 and Capital Strategy 2024/25 to 2026/27

The Cabinet Member for Finance, Growth and Core Services introduced the Treasury Management Strategy Statement (TMSS) 2024/25 report which set out the Council's borrowing, investment and funding plans for the year ahead.

The Cabinet Member highlighted the main points within the report, several of which had been considered as part of the Budget Framework 2024/25 discussion and had been recommended by the Cabinet at its meeting on 19 February 2024.

The Assembly **resolved** to approve the Treasury Management Strategy Statement for 2024/25 and, in doing so, to:

- (i) Note the current treasury position for 2024/25 and prospects for interest rates, as referred to in sections 4 and 8 of the report;
- (ii) Approve the Annual Investment Strategy 2024/25 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;
- (iii) Approve the Council's Borrowing Strategy 2024/25 to 2026/27, as set out in Appendix 2 to the report;
- (iv) Approve the Capital Prudential and Treasury Indicators 2024/25 to 2026/27, as set out in Appendix 3 to the report;
- (v) Approve the Operational Boundary Limit of £1.9bn and the Authorised Borrowing Limit of £2.0bn for 2024/25, representing the statutory limit determined by the Council pursuant to section 3(1) of the Local Government Act 2003, as referred to in Appendix 3 to the report;
- (vi) Approve the Capital Strategy, including the Capital Programme for 2024/25 to 2026/27, as set out in Appendix 4 to the report;
- (vii) Approve the revised Minimum Revenue Provision Policy Statement for 2024/25, the Council's policy on repayment of debt, as set out in Appendix 5 to the report;
- (viii) Note that changes made to the Prudential Code and Treasury Management code, published in December 2021, have been fully implemented for the 2024/25 TMSS;
- (ix) Approve the Liability Benchmark data in section 11, including the impact of schemes agreed in 2022 but also the impact of pipeline schemes on the amount of borrowing required by the Council;
- (x) Delegate authority to the Strategic Director, Resources, in consultation with the Cabinet Member for Finance, Growth and Core Services, to

proportionally amend the counterparty lending limits agreed within the Treasury Management Strategy Statement to consider the increase in short-term cash held from borrowing;

- (xi) Note the economic, development and operational risks for the IAS schemes as outlined in section 8 and within the IAS and Borrowing reports;
- (xii) Note the Council's total borrowing is £1.260bn, split into £296m for the HRA, £689m of long-term borrowing and £275m of short-term borrowing;
- (xiii) Approve the CFR projections of £2.022bn for 2024/25, £2.11bn for 2025/26 and £2.02bn for 2026/27; and
- (xiv) Note that the Investment and Acquisitions Strategy shall be updated and presented for approval in April 2024.

66. Overview and Scrutiny Committee Annual Report 2022/23

The Chair of the Overview and Scrutiny Committee (OSC) presented an Annual Report highlighting the work of the Overview and Scrutiny Committee during the 2022/23 municipal year.

The Chair opened her presentation with a brief overview about the structure and function of the Committee explaining the purpose of scrutiny and its importance to the operation of the Council by helping to improve services for the benefit of the local community. OSC had a wide remit and was able to look into internal Council services, as well as those of our external partners such as the Police, BDSIP and Be First, holding decision makers to account, including the Cabinet, whilst reviewing policy and in so doing, making recommendations for improvement.

The year had again begun by meeting with Cabinet Members, Directors and officers to learn more about their thoughts around key issues, which also helped to guide the Committee in developing a meaningful work programme. The Chair recognised the support given by Cabinet Members who were committed to the scrutiny process and had always attended OSC meetings wherever possible, listening to the Committee's feedback and responding to any questions.

OSC covered a wide range of items during 2022/23, of which the Chair highlighted a few of the achievements including suggestions to improve job prospects for post-18 SEND individuals, alongside highlighting the importance of graduate opportunities with the introduction of the Film Studios, UCL PEARL and the City of London wholesale markets. Recommendations to improve BDTP services and the Customer Contact Centre following extremely high demand during the pandemic were made by the Committee.

The Committee also engaged with the Metropolitan Police and shared their concerns regarding issues such as women's safety as part of the Community Safety Partnership Plan 2023-26.

Additionally, the Committee recognised the importance of strengthening the Council's relationship with faith groups in the Borough, and so pushed for better cross-group working between faith groups to facilitate positive relationships.

In conclusion the Chair thanked Masuma Ahmed, Claudia Wakefield and Alex Powell for their support to her and the Committee and also thanked Leanna McPherson, Lois Taylor and Ayesha Malik for their continued support.

The Assembly **resolved** to note the report.

67. Reactivation of Uphill and Waters Education Foundation

The Cabinet Member for Educational Attainment & School Improvement presented the report on the reactivation of Uphill and Waters Education Foundation.

The Council was seeking to re-activate a dormant trust fund that could be used to support young people's education and entry into employment in the borough. The Uphill and Waters Education Foundation had been inactive for many years. Reactivation of the Foundation according to the terms laid out in its constitution will enable it to work with the Council to continue to provide resources for young people.

The Foundation would also allow the Council to build on the work that had begun through use of the Colin Pond Trust over the past three years, which had already had a demonstrable impact on retaining our schools' top performing GCSE students at in-borough institutions. Approximately £90,000 was available, which would be invested in order to sustain the fund over many years.

The Assembly **resolved** to:

- (i) Support the proposal to reactive the Uphill and Waters Educational Foundation to provide additional resources to disadvantaged young people in the Borough;
- (ii) Appoint Councillors Kangethe and Jones and Jane Hargreaves, Commissioning Director, Education, to serve as Council-appointed Trustees to the Foundation;
- (iii) Note that the London Borough of Redbridge shall be asked to appoint a Redbridge Councillor as a Trustee to the Foundation; and
- (iv) Delegate authority to the Commissioning Director, Education, to appoint a member of the local clergy as the ex-officio Trustee to the Foundation.

68. Pay Policy Statement 2024/25

The Cabinet Member for Finance, Growth and Core Services presented a report of the Pay Policy Statement 2024/25.

Under the terms of the Localism Act 2011 the Council must agree, before the start of the new financial year, a pay policy statement relating to the remuneration of its chief officers and the remuneration of its other employees. The Act also set out the matters which must be covered in the statement.

The Council's draft Pay Policy Statement for 2024/25 was attached Appendix A and set out the expected position at 1 April 2024.

The Assembly **resolved** to approve the Pay Policy Statement for the London Borough of Barking and Dagenham for 2024/25 as set out at Appendix A to the report, for publication on the Council's website with effect from April 2024.

69. Motions

There were no motions.

70. Questions With Notice

There were no questions with notice.