

## **THE EXECUTIVE**

Tuesday, 16 February 2010  
(5:00 - 5:16 pm)

**Present:** Councillor L A Smith (Chair), Councillor J L Alexander, Councillor G J Bramley, Councillor H J Collins, Councillor R Gill, Councillor Mrs V Rush and Councillor P T Waker

**Also Present:** Councillor J E McDermott

**Apologies:** Councillor R C Little and Councillor M A McCarthy

### **118. Declaration of Members' Interests**

There were no declarations of interest.

### **119. Minutes (19 January 2010)**

Agreed.

### **120. Urgent Action - Amendment to Calculation and Setting of the Council Tax Base 2010/11**

Received a report advising on the action taken by the Chief Executive, under the urgency procedures contained within paragraph 17.1 of Article 1, Part B of the Council's Constitution, to correct an error in relation to the Council Tax Base figure that was reported to our meeting on 22 December 2009 (Minute 105 refers).

Noted that the Chief Executive amended the amount calculated as the Tax Base for the year 2010/11 to 51,630.5 Band 'D' properties in accordance with the Local Authorities (Calculation of Tax Base) Regulations 1992.

### **121. Council Debt Write Offs**

Received and noted a report from the Corporate Director of Customer Services on the value and type of debts written off from the Income, Collection, Rents and Benefits Service areas as uncollectible for the third quarter of 2009/10 (October to December 2009), together with comparative information for previous periods.

Further noted that a number of these debts will be publicised in accordance with the policy agreed by Minute 69 (6 November 2007).

### **122. Proposed Expansion of Cambell Infant School**

Further to Minute 45 (11 August 2009), received a report from the Corporate Director of Children's Services on the proposal to increase the standard admission number at Cambell Infant School to 120 pupils in each of the three year groups (Reception, Year 1 and Year 2) with effect from 1 September 2010.

Noted that interim arrangements were made with effect from September 2008 to increase the intake for Reception and Year 1 to four forms of entry and this proposal will formalise that arrangement as well as introducing an additional form

for Year 2 pupils. The expansion is part of wider plans to increase school places in the infant age range in order to meet Borough-wide demand.

**Agreed**, in order to assist the Council to achieve its Community Priority of “Inspired and Successful” and to fulfil its duty to provide every child in the Borough with a school place, to the formal expansion of Cambell Infant School from a three form to a four form entry Infant School with effect from the start of the Autumn Term 2010.

### **123. Commissioning of Domestic Violence Advocacy Services**

Received a report from the Corporate Director of Adult and Community Services on proposals to procure a Domestic Violence Advocacy Service on behalf of the Barking and Dagenham Partnership.

The present service had been managed within the Council since 2005 and an independent review undertaken in 2009 recommended that, in line with national best practice, the service be commissioned out to the voluntary or third sector as an interim arrangement while a formal procurement route was pursued for more permanent arrangements. Noted that funding of £720,000 over three years has been identified by the partner agencies to support the various initiatives that will be provided under the new service, which will include three maternity based advocates within the local Health Trust.

**Agreed**, in order to assist the Council and the Partnership to achieve the Community Priorities of ensuring that residents are “Safe” and “Healthy”, to:

- (i) The procurement of a three year contact for the provision of a Domestic Violence Advocacy Service on behalf of the Barking and Dagenham Partnership, as detailed in the report; and
- (ii) Authorise the Corporate Director of Adult and Community Services, in consultation with the Corporate Director of Finance and Commercial Services and Legal Partners, to award the contract to the preferred bidder.

### **124. Budget Monitoring 2009/10**

Received a report from the Corporate Director of Finance and Commercial Services providing an update on the Council’s revenue and capital position for the 2009/10 financial year as projected at 31 December 2009.

The current forecast for revenue expenditure across the Council shows in-year pressures amounting to £2.8m, for which current recovery plans have identified expected savings of £2.1m. In addition there are net potential corporate risks of a further £0.7m, which represents an improved position to that reported for the period up to 31 October. In this latter respect, noted proposals to off-set some of the corporate revenue pressures through the release of other specific reserves which are no longer required, as well as other proposals in relation to re-profiling of capital schemes and virements between revenue budgets in order to better reflect the current position. The Corporate Director commented that she is optimistic that a balanced budget position will be achieved by the year end.

**Agreed**, as a matter of good financial practice, to:

- (i) The transfer of £1.2m from specific and ear-marked reserves to the general balance as detailed in paragraph 3.1.6 of the report;
- (ii) The re-profiling of certain capital schemes as detailed in section 5 of the report and Appendix D;
- (iii) The revenue and capital virements as detailed in section 6 of the report;
- (iv) Note the current projected position for 31 March 2010 of the Council's revenue and capital budget as detailed in the report and Appendices A and C;
- (v) Note the position for the Housing Revenue Account as detailed in the report and Appendix B;
- (vi) Note that in light of the current potential overspend, departments are continuing work to identify and deliver recovery plans to eliminate overspends;
- (vii) Note that the Corporate Director of Finance and Commercial Services has imposed mechanisms to reduce in-year expenditure;
- (viii) Note that potential further actions may be required; and
- (ix) Note the third quarter Financial Health Indicators as detailed in Appendix E to the report.

**125. \* Council Plan Update 2010-11 Incorporating the Medium Term Financial Strategy (MTFS) 2010-2011 to 2012-2013**

Received a report from the Corporate Director of Finance and Commercial Services on the Council Plan and Medium Term Financial Strategy (MTFS). The Plan sets out how the Council intends to deliver its priorities over the next few years and the MTFS which it incorporates is the mechanism by which the Council plans its future finances.

**Recommend the Assembly**, in order to assist the Council to achieve all of its Community Priorities and as part of the budgetary framework process for 2010/11, to approve:

- (i) The Council Plan as set out at section 1 of Annex 1 to the report;
- (ii) The MTFS as set out at sections 2 to 13 of Annex 1 to the report which includes:
  - a. The Capital Strategy as detailed at section 8;
  - b. The Reserves and Contingency Strategy as detailed at section 12;
  - c. The budget options for 2010/11 and future years as set out in Appendix A to Annex 1; and
  - d. The investment decisions and assumptions as set out in Appendix B to Annex 1

**126. \* Housing Revenue Account Estimates and Review of Rents and Other Charges 2010/11**

Received a report from the Corporate Directors of Finance and Commercial Services and Customer Services on the Housing Revenue Account (HRA) estimates and rents and other related charges for 2010/11. The Corporate Director of Finance and Commercial Services also clarified the position regarding some inconsistencies between the figures in the body of the report and those that appeared in the recommendations.

Noted that the proposals will enable the HRA working balance to continue to be replenished to a more prudent level, following the significant call on the balance during 2008/09, without the need for unnecessary increases in charges. This is possible as a result of a range of efficiency measures including the renegotiation of charges made by statutory providers such as Essex Water Board and successful negotiations with Government in relation to the subsidy arrangements that surround the HRA.

**Agreed**, in order for the Council to meet its statutory responsibilities, produce a balanced Housing Revenue Account and assist in achieving the Community Priority of "Prosperous", to:

- (i) The HRA estimates for 2010/2011, as set out in Appendix 1 to the report;
- (ii) A Council dwelling rent increase of 1.76%, calculated in accordance with the Government's rent restructuring policy, which represents an average weekly rent increase of £1.28 ;
- (iii) An increase to tenant service charges of 2.97% (average of £0.21 per week);
- (iv) An increase to communal heating and hot water charges of 13.68% (average of £1.26 per week);
- (v) An increase to garage rents of 1.76% (average of £0.19 per week);
- (vi) The increases referred to in (ii) to (v) above taking effect from 5 April 2010;
- (vii) Note that rents for commercial properties will increase in line with lease agreements; and
- (viii) The creation of a heating and hot water account to calculate charges over a three year cycle.

**127. \* The Capital Programme 2010/11- 2013/14**

Received a report from the Corporate Director of Finance and Commercial Services on the proposed Capital Programme for 2010/11 to 2013/14.

The overall programme amounts to £394m of investment, primarily around the Primary Schools Investment and Building Schools for the Future programmes but also to support key priorities such as new Council house building. The Corporate Director also referred to the balance of funding needed for the Skills Centre which

has been included in the draft programme to ensure that this scheme can progress, although it was noted that external funding will continue to be sought for this scheme.

**Agreed**, in order to assist the Council to achieve all of its Community Priorities via a prudent and affordable Capital Programme, to:

- (i) Note the position of the 2009/10 Capital Programme as detailed in Appendix A to the report;
- (ii) Note the current capital accounting arrangements and prudential indicator capital guidelines as set out in section 3 of the report; and
- (iii) **Recommend the Assembly** to approve:
  - a. The overall Council Capital Programme for 2010/11 to 2013/14 as detailed in Appendix B, which includes New Build Council Housing funding of £10.011m (£0.307m in 2009/10) and Skills Centre funding of £13.409m (£0.491m in 2009/10); and
  - b. The Prudential Indicators for the Authority as set out in Appendix C.

#### **128. \* Budget and Council Tax 2010/11**

Received a report from the Corporate Director of Finance and Commercial Services on the proposed revenue estimates and level of Council Tax for 2010/11.

The Corporate Director advised that the proposals represent a prudent and balanced approach to the need to overcome pressures on the budget, replenish reserves and invest in key services while at the same time setting a budget that is both deliverable and sustainable. The budget for 2010/11 has been set within the context of the Council Plan and Medium Term Financial Strategy and the Cabinet Member for Finance and Human Resources commented that the proposals form a strong basis for meeting the increasingly difficult decisions that the Council will face as a result of the pressures on public sector finance now and in the years to come.

**Agreed**, in order to assist the Council to achieve all of its Community Priorities through the setting of a prudent budget and Council Tax, to:

- (i) **Recommend the Assembly** to approve:
  - a. A Council Tax increase of 0% for 2010/11, representing a freeze in Council Tax levels for the 2nd year in succession, as set out at Appendices A and B to the report;
  - b. The budget options and budget as set out at Appendices C, D and E to the report;
  - c. The position on Reserves as set out in paragraph 2.6 of the report.
- (ii) Note the continuing need to identify relevant efficiency gains throughout the organisation; and
- (iii) Authorise the Corporate Director of Finance and Commercial Services to allocate initial savings targets across all services for the 2011/2012 budget

process, to commence in April 2010.

#### **129. \* Fees and Charges 2010/11**

Received a report from the Corporate Director of Finance and Commercial Services on the proposed fees and charges for Council services for 2010/11.

Noted that in view of the current financial difficulties faced by local businesses and residents it is proposed that the vast majority of fees and charges are increased by an aggregate of just 1%.

**Agreed**, as part of the budgetary framework process for 2010/11, to:

- (i) The proposed fees and charges for 2010/11 as set out in Appendix A to the report, to be effective from the earliest, most appropriate date after 1 April 2010;
- (ii) Delegate authority to the Corporate Director of Children's Services, in consultation with the Corporate Director of Finance and Commercial Services and the Cabinet Member for Education and Children's Wellbeing, to set fees and charges which are applied from September for school and academic year based activities;
- (iii) Delegate authority to the Corporate Director of Adult and Community Services, in consultation with the Corporate Director of Finance and Commercial Services and Cabinet Member for Culture and Sport, to further reduce the charges applicable to the Leisure Pass Scheme in the event that additional external funding is secured and that any changes are at neutral cost to the Council; and
- (iv) Delegate authority to the Corporate Director of Finance and Commercial Services, in consultation with the relevant Cabinet Member, to agree any appropriate amendments to fees and/or to set new fees which may arise during 2010/11.

#### **130. \* Treasury Management Annual Strategy and the Council's Prudential Indicators**

Received a report from the Corporate Director of Finance and Commercial Services on the proposed Treasury Management Annual Investment Strategy Statement, Treasury and Prudential Indicators, Annual Investment Strategy and Borrowing Limits for 2010/11, in line with statutory requirements under Section 15(1) of the Local Government Act 2003.

**Recommend the Assembly** to approve the Treasury Management Strategy Statement for 2010/11 and, in doing so:

- (i) To agree an authorised borrowing limit of £200million for 2010/11 as the statutory limit determined under section 3(1) of the Local Government Act 2003, as detailed in section 4 of the report;
- (ii) To adopt the Borrowing Strategy and Debt Rescheduling Strategy for 2010/11 as detailed in sections 7 and 8 respectively of the report;

- (iii) To adopt the Minimum Revenue Provision Strategy for 2010/11 which sets out the Council's policy on repayment of debt, as detailed in section 9 of the report;
- (iv) To adopt the Annual Investment Strategy for 2010/11, which outlines the investments that the Council may use for the prudent management of its investment balances and benchmarks set for external managers, as set out in section 10 of the report;
- (v) To agree the Treasury Management Indicators and Prudential Indicators for 2010/11 as set out at Appendix A to this report; and
- (vi) To agree the Treasury Management Practices and Scheme of Delegation as set out at Appendix D and the Reporting Arrangements at Appendix E to this report.

### **131. Corporate Grants and Commissioning Programme 2009/10**

Received a report from the Corporate Director of Adult and Community Services on the proposed corporate grants and commissioning programme for 2010/11, together with a summary of the achievements of those groups that received funding last year. The report also outlined proposals for the Council and Legal Services Commission to jointly procure a contract for the provision of a Community Legal Advice Centre in the Borough.

Noted that all grant applications received were assessed against the Council's agreed criteria and those that are recommended will enable achievement of the overall objectives of building capacity in the third sector and making a contribution to community cohesion by bringing together all communities in the Borough.

**Agreed**, in order to assist in the achievement of corporate and partnership objectives and, in particular, the Community Priorities of "Fair and Respectful" and "Prosperous", to a corporate grants and commissioning programme for 2010/11 totalling £844,470 as follows:-

- (i) The renewal of commissions which commenced in 2008/9 to a total value of £216,600 as set out in Annex 1 (attached);
- (ii) The extension of commissions which commenced in 2008/9 but which were due to expire in 2009/10 to a total value of £145,000 as set out in Appendix 2 to the report;
- (iii) The renewal of commissions which commenced in 2009/10 to a total value of £87,600 as set out in Appendix 3 to the report;
- (iv) The entering into of a contract for a new Community Legal Advice Centre from 2010/11, estimated at a total cost to the Council of £196,500 per annum over three years, and to delegate authority to the Corporate Director of Adult and Community Services, in consultation with Legal Partners, to award the contract;
- (v) The award of grants of under £10,000 to a total value of £70,494 as set out

in Appendix 5 to the report;

- (vi) The award of small grants to a total value of £15,000 in line with the process described in paragraph 4.2 of the report;
- (vii) The allocation of funding totalling £17,500 for talented and gifted young people in line with the process described in paragraph 4.4 of the report;
- (viii) To delegate authority to the Corporate Director of Adult and Community Services to allocate funds from the remaining contingency budget of £95,776, in consultation with the Cabinet Member for Safer Neighbourhoods and Communities, in order to respond to any urgent issues or emerging priorities that may arise during 2010/11; and
- (ix) The rejection of grant applications as set out in Appendix 7 to the report.

(\* The Chair agreed that these items could be considered at the meeting as a matter of urgency under the provisions of Section 100B (4) (b) of the Local Government Act 1972.)



## ANNEX 1

## COMMISSIONS LET DURING 2008/9 PROPOSED FOR RENEWAL IN 2010/11

Name of Organisation/Commission	Funding proposed
<b>Barking &amp; Dagenham African Welfare Association (BADAWA)</b> Strategic youth organisation supporting community cohesion and citizenship	£10,400
<b>Barking and Dagenham Volunteer Bureau</b> To develop and support volunteering in the borough	£18,000
<b>Barking Muslim Social &amp; Cultural Society</b> To provide a service to develop opportunities for Muslim communities which are for reason of race or culture significantly socially excluded and or/require capacity building to generate equal access to opportunities and to build connections with other communities	£14,400
<b>Caress</b> To facilitate an LGBT forum in the borough	£16,000
<b>Centre for Independent, Integrated, Inclusive Living Consortium (CIIL)</b> To facilitate a disability forum in the borough	£16,000
<b>Faith Forum</b> To facilitate a faith forum in the borough	£16,000
<b>Harmony House</b> To provide a focus for services and activities meeting local need through community building, promoting community development and community cohesion	£25,000
<b>Relate North East London</b> To provide counselling support for people on low income	£13,500
<b>Victim Support</b> To provide support for victims of crime	£36,500
<b>Wellgate Community Farm</b> To provide a free local open access farm	£30,000
<b>Youth League UK</b> To help integrate marginalised young people and increase community cohesion among young residents of the borough	£10,400
<b>YWCA Vineries Young Women's Project</b> Promoting community cohesion and citizenship through work with young women	£10,400

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