

CABINET

Tuesday, 13 November 2012
(5:00 - 6:12 pm)

Present: Councillor L A Smith (Chair), Councillor R Gill (Deputy Chair), Councillor J L Alexander, Councillor H J Collins, Councillor C Geddes, Councillor M A McCarthy, Councillor L A Reason, Councillor P T Waker, Councillor J R White and Councillor M M Worby

Also Present: Councillor J E McDermott

47. Declaration of Members' Interests

The following Members declared non-pecuniary interests in relation to item 6 (Schools' Capital Programme - Basic Need Allocation (Phase 2)) as they were Council-appointed Governors on schools listed in the report:

- Councillor C Geddes - Barking Abbey Comprehensive
- Councillor R Gill - Barking Abbey Comprehensive and Manor Infant
- Councillor L Smith - Robert Clack Comprehensive
- Councillor J White - Robert Clack Comprehensive

48. Minutes (18 September 2012)

The minutes of the meeting held on 18 September 2012 were confirmed as correct.

49. Budget Monitoring 2012/13 - April to September 2012

The Cabinet Member for Finance presented a report on the Council's revenue and capital budget position for the 2012/13 financial year as at 31 July 2012.

The General Fund showed an improved position with a projected year-end under-spend of £0.6m, compared to a £0.9m overspend reported to the last meeting. The Cabinet Member advised that within the overall under-spend position there was a continued pressure of approximately £600,000 relating to the under-recovery of court cost income within the Revenue and Benefits service provided by Elevate which was being contained by deliberate actions to deliver under-spends in other areas. Furthermore, a new risk had emerged this month in relation to the Local Authority Error Rate threshold which could have cost implications of approximately £450,000 - £860,000 if the Council was unable to reclaim 100% benefit subsidy from the Department for Work and Pensions. The Divisional Director of Finance explained the background to the issue and confirmed that although the service was provided under the Elevate joint venture the Council would be fully liable for the loss, albeit that there would be small financial penalties imposed on Elevate for failing to meet contractual requirements. He also referred to the steps being taken by Elevate management to mitigate the position and the weekly monitoring of the situation by the Council. In the light of questions raised by Cabinet Members regarding the sharing of risks, the thresholds at which risks

are set and performance targets under the Elevate joint venture, officers were asked to prepare an urgent report for consideration by Cabinet Members on the matter.

The Housing Revenue Account (HRA) continued to show a projected break-even position and the Capital Programme was also largely on target. The Cabinet Member advised that in addition to the 'star chamber' meetings that he had held with senior management in respect of General Fund budgets, he had asked for similar arrangements to be made to review other budgets such as the HRA, Public Health Grant and the schools' Direct Support Grant.

Cabinet **noted**:

- (i) The projected outturn position for 2012/13 of the Council's revenue budget at 30 September 2012, as detailed in paragraphs 2.3 to 2.11 and Appendix A of the report;
- (ii) The progress against the 2012/13 savings targets at 30 September 2012, as detailed in paragraph 2.12 and Appendix B of the report;
- (iii) The position for the Housing Revenue Account at 30 September 2012, as detailed in paragraph 2.13 and Appendix C of the report; and
- (iv) The projected outturn position for 2012/13 of the Council's capital budget at 30 September 2012, as detailed in paragraph 2.14 and Appendices D and E of the report.

50. Governance Arrangements for Barking and Dagenham Reside and Associated Proposals for the Housing Allocations and Lettings Policy

Further to Minute 84 (14 December 2011), the Cabinet Member for Housing presented a report on the proposed governance arrangements of the company, formerly known as Thames Partnership for Learning Regeneration 2 Limited (TPFLR 2 Limited), which was established to be responsible for the letting, management and maintenance of 477 new Council homes on land at William Street Quarter in Barking Town Centre and at the eastern end of Thames View, Barking.

The Cabinet Member explained that the company, to be renamed Barking and Dagenham Reside Limited, was a wholly owned subsidiary of the Council and the proposals within the report sought to put in place an effective governance structure. The Cabinet Member also referred to the proposed allocations and lettings policies for those homes on the new development sites which would be available for rent at 65% - 80% of market rent levels, aimed at ensuring that they were affordable for prospective tenants and also that priority was given to local people.

Cabinet **agreed**:

- (i) The following nominations to the governing board of Barking and Dagenham Reside:
 - Cabinet Member for Housing

- Cabinet Member for Regeneration
 - Cabinet Member for Finance
- (ii) The following additions to the Council’s “More Choice in Lettings” Housing Allocations and Lettings Policy, in accordance with the Homes and Communities Agency affordable housing policy:
- a) That new Council and Barking and Dagenham Reside homes to be let at social rent level or at 50% of local market rent be made available for tenancy in line with the current, standard Housing Allocations policy;
 - b) That new Council and Barking and Dagenham Reside homes to be let at levels above social rent or above 50% local market rent be made available for tenancy in line with the criteria set out in paragraphs 2.3.2 and 2.3.3 of the report.
- (iii) That the Annual Business Plan of Barking and Dagenham Reside be presented to Cabinet each year as part of the budget setting process and to enable the Council to exercise its role as the sole shareholder of the company; and
- (iv) That the company name be formally changed to “Barking and Dagenham Reside Limited” and to authorise the Corporate Director of Housing and Environment to sign the sole member's written resolution to that effect.

51. Schools' Capital Programme - Basic Need Allocation (Phase 2)

Further to Minutes 51 (18 October 2011) and 109 (14 February 2012), the Cabinet Member for Children’s Services presented a report on the proposed allocation of the remaining Basic Need funding for 2012/13 to support expansion and development projects aimed at addressing the growth in demand for school places in the Borough, together with details of the procurement proposals in respect of the projects.

The Cabinet Member commented on the work already underway to improve the school realm and create additional capacity across the Borough. The Corporate Director of Children’s Services referred specifically to proposed improvement works at Warren Comprehensive School and agreed to include the detailed proposals and costings in a future report.

With regard to the potential use of the Fanshawe Crescent site as a new primary education facility, the Corporate Director confirmed that the preferred proposal would require the relocation of the Music Service and approximately 80% of the Adult College services. Discussions would continue on the availability and suitability of alternative sites and the outcome of the discussions would dictate whether the new primary school facility would be able to be operational from the start of the 2013 or the 2014 academic year. The Corporate Director was asked to include details of those discussions in a further report to Cabinet on the preferred option for the new school, specifying whether it should be linked to an existing community primary school or Voluntary Aided primary school in the locality, or be established as an Academy.

In respect of the £2m funding that was previously set aside for the proposed amalgamation of William Ford and Village Schools which did not come to fruition, the Corporate Director explained the reasons why it was proposed to retain the sum as a contingency but the Cabinet Member for Finance stressed to importance of fully utilising the Council's capital funds each year.

On the general issue of ensuring that value for money was achieved on all projects, the Corporate Director referred to the important role of the Local Education Partnership while the Leader commented on the need for Headteachers and Governing Bodies to consider joint funding options, such as those entered into by the Council with Sydney Russell and Dagenham Park Comprehensive Schools for their major expansion projects.

Cabinet agreed:

- (i) The inclusion in the 2012/13 Capital Programme of the remaining £60m Basic Need grant funding, provided by the Department for Education to help address the need for additional school places, to support the programme of investment for projects set out at paragraph 4.5 and Appendix 1 of the report;
- (ii) To note the successful bid to the Education Funding Agency for £922,250 to increase sixth form provision at Trinity School;
- (iii) In principle, to the future use of the Fanshawe Crescent site, currently used by the Adult College and Music Service, to accommodate a three form of entry primary school and a nursery, subject to a further report to Cabinet on the outcome of consultation on the options referred to in paragraph 7 of the report;
- (iv) In principle, to the funding of works at Warren Secondary School to improve the interface with the public and its presence on Whalebone Lane, subject to a further report to Cabinet on the capital funding required to carry out the works;
- (v) The procurement proposals for the necessary works, goods and services for the individual projects as set out in paragraph 13.2 of the report, using the Council's Construction Framework contractors, Thames Partnership for Learning Limited (the Council's Local Education Partnership (LEP)) or other approved procurement route for the current year projects, to ensure that they are operational for the academic year starting September 2013; and
- (vi) To authorise the Corporate Director of Children's Services, in consultation with the Chief Financial Officer and the Head of Legal and Democratic Services, to approve the procurement strategies and award the respective project contracts set out in the report.

52. Domestic and Sexual Violence Strategy 2012-15

The Cabinet Member for Crime, Justice and Communities introduced the draft Domestic and Sexual Violence Strategy and Delivery Plan 2012-15 which had been developed by the Barking and Dagenham Community Safety Partnership (CSP).

The Cabinet Member advised that there had been a 4% reduction in reported domestic violence cases in the Borough during 2011 and the objectives and targets within the draft Strategy were aimed at building on the Council and its partner agencies' achievements to date. The Cabinet Member also confirmed that Public Health Grant funding would be available to support the CSP's work.

Cabinet **agreed** the Domestic and Sexual Violence Strategy and Delivery Plan 2012-15 attached as Appendices 1 and 2 to the report, for implementation by the Community Safety Partnership.

53. Council Owned Infill Sites for Housing

The Cabinet Member for Housing introduced a report on 18 Council-owned vacant or under-used sites that had been identified as potential development sites for new Council housing.

The Cabinet Member referred to the potential development areas, which were a mix of garage sites, car park sites and green sites with low amenity value and not protected in the Local Development Framework, and confirmed that all but one were designated Housing Revenue Account land. The sites could potentially accommodate 76 family homes and 50 flats at a total estimated cost of £18.9m over five years and reflected the Council's position as the biggest builder of social housing in London.

The Cabinet Member for Environment welcomed the proposal as a positive way of dealing with the demand for Council housing. It was noted that a separate report would be submitted to the Cabinet in the near future on proposals in respect of "eyesore sites" and officers were encouraged to review other opportunities for similar areas of land in the Borough and to explore the potential for the construction of more elderly persons' bungalows.

The Cabinet Member for Housing confirmed that changes to the Housing service would provide a more rigorous approach to housing inspections and the enforcement of Tenancy Agreements. With regard to the financial implications associated with refurbishment and new build properties, the Cabinet Member outlined the Right To Buy restrictions that are intended to protect the Council's investment in providing new housing and a discussion ensued on the merits of providing new homes compared to the major refurbishment of existing properties.

On the general issue of potential sites which would be the subject of future reports to Cabinet, the Leader asked officers to make arrangements for Cabinet Members to visit the sites in advance and to co-ordinate the timing of such reports as far as practicable.

Cabinet **agreed**:

- (i) In principle, to the bringing forward of the 18 under-used infill sites for residential development (Use Class C3) as listed in the report;
- (ii) To cease the letting of garages on the infill sites listed in the report with immediate effect;

- (iii) To delegate authority to the Chief Executive, in consultation with the Corporate Director of Housing and Environment, the Head of Legal and Democratic Services and the Cabinet Member for Housing, to agree terms and a detailed financial cost plan and procure the necessary design, consultancy and related services and works necessary to realise the developments in the manner proposed in the report, and to award and enter into all necessary and appropriate contracts and documentation to realise each scheme;
- (iv) To delegate authority to the Corporate Director of Housing and Environment, in consultation with the Cabinet Member for Housing, to determine the prioritising of the 18 projects listed in the report, taking into account factors such as the outcome of public consultation, the likely delivery timescales and funding availability; and
- (v) To officers examining the possibility of bringing forward other HRA owned sites for similar development.

54. Land Appropriation at Goresbrook Village

Further to Minute 27 (23 August 2011), the Cabinet Member for Regeneration presented a report on proposals to appropriate land at Goresbrook Village as part of the major redevelopment of the estate.

The Cabinet Member advised that the land in question was primarily covered by the car park and vehicle access into Goresbrook Village and part was affected by a covenant which restricted its use as a public park and recreation ground, which was arguably obsolete in view of the long standing use of the area for car parking and vehicle access.

Cabinet **agreed**:

- (i) The appropriation of land, shown edged red on the plan at Appendix 1 to the report, to planning purposes to facilitate housing redevelopment as part of the Goresbrook Village Estate Renewal Programme; and
- (ii) To authorise the Chief Executive, in consultation with the Head of Legal and Democratic Services, to commence the land appropriation process and place public advertisements to seek public opinion and responses to the proposed appropriation of the land currently used for housing, footpath, car park and vehicle access.

55. Interim Management Arrangements for Havering Youth Offending Team

The Cabinet Member for Crime, Justice and Communities introduced a report on interim arrangements that had been entered into with the London Borough of Havering regarding the management of its Youth Offending Team.

The Cabinet Member advised that the current arrangements were working well and that discussions were ongoing regarding the possibility of a fully integrated service.

Cabinet **agreed**:

- (i) To note the interim joint-working arrangements entered into in October 2012 with the London Borough of Havering in respect of its Youth Offending Team; and
- (ii) That a report be presented to Cabinet in January 2013 on the interim joint-working arrangements and on-going discussions with the London Borough of Havering regarding the potential entering into of a longer term arrangement from April 2013.

56. Safeguarding Adults Board Annual Report 2011/12

The Cabinet Member for Adult Services and Human Resources introduced the Barking and Dagenham Safeguarding Adults Board's Annual Report for 2011/12 which set out the key achievements during the year and the priorities going forward.

The Cabinet Member confirmed that Barking and Dagenham's Board was well placed to meet any new requirements arising from its expected change in status to a statutory body in 2013. The Divisional Director of Community Safety and Public Protection also referred to the Board's Action Plan as a good example of the excellent partnership working that occurs under the Board's remit.

Cabinet **noted** the Barking and Dagenham Safeguarding Adults Board Annual Report for 2011/12.

57. Annual Report on the Financial and Service Performance of the Elevate Joint Venture 2011/12

The Cabinet Member for Customer Services introduced the first full-year annual report of the Elevate East London LLP joint venture partnership between the Council and Agilisys.

The Cabinet Member referred to the three main objectives of the partnership, namely improved performance in the delivery of services, financial benefit to the Council through lower costs for delivery and the creation of jobs. In respect of the latter issue, the Divisional Director of Finance was asked to provide clarification to Cabinet Members of the eight new jobs created up to end of March 2012 within the main Elevate service.

Cabinet **noted** the summary of performance of Elevate East London LLP for the first full year (2011/12) as detailed in the report.

58. Urgent Action: Demographic Growth Capital Fund Grant - Trinity School Sixth Form Further Education Centre (FEC)

Cabinet received and **noted** a report on the following action taken by the Chief Executive under the urgency procedures contained within paragraph 17 of Article 1, Part B of the Council's Constitution:

- (i) Accept the capital grant of £922,250 from the Education Funding Agency to support the provision of 16-19 student teaching accommodation at Trinity

School on the terms and conditions detailed in Appendix 1 to the report;

- (ii) Agree to the inclusion of the project in the 2012/13 Capital Programme in the sum of £922,250; and
- (iii) Authorise the Corporate Director of Children's Services, in consultation with the Chief Financial Officer, Head of Legal and Democratic Services and the Cabinet Member for Children's Services, to approve the procurement route, appointment of the final contractor and the placing of an order.

59. Private Business

Agreed 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 paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972 (as amended).

60. Disposal of Goresbrook Leisure Centre Site

Further to Minute 28 (23 August 2011), the Cabinet Member for Finance introduced a report on the marketing of the former Goresbrook Leisure Centre site, which was being disposed of as part of the Council's wider plans for a major new leisure facility in Barking Town Centre, and the Chief Executive gave an update on the current position.

Cabinet **agreed**:

- (i) To note the report on the proposed disposal of the former Goresbrook Leisure Centre site and the latest position regarding the bidding process; and
- (ii) To delegate authority to the Chief Executive, in consultation with the Head of Legal and Democratic Services and the Cabinet Members for Finance and Regeneration, to conclude the sale of the site at best consideration for the Council and to complete all necessary legal agreements.