

CABINET

Wednesday, 19 December 2012
(12:00 - 12:42 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 P Burgon, Councillor E Carpenter, Councillor N S S Gill, Councillor H S Rai and Councillor S Tarry

61. Declaration of Members' Interests

The following Members declared non-pecuniary interests in relation to item 12 (School Funding Formula) as they were Council-appointed Governors of schools listed in the report:

- Councillor J Alexander
- Councillor C Geddes
- Councillor R Gill
- Councillor M McCarthy
- Councillor L Smith
- Councillor P Waker
- Councillor J White
- Councillor M Worby

Councillor Gill also declared a non-pecuniary interest in item 18 (Sale of Land to Gurdwara Singh Sabha London East) as he was a member of the Gudwara.

Councillor Worby also declared a non-pecuniary interest in item 5 (Budget Strategy 2013/14) as a sister-company to her employer, East Thames Group, would be impacted by the savings proposals.

62. Minutes (13 November 2012)

The minutes of the meeting held on 13 November 2012 were confirmed as correct.

63. Budget Monitoring 2012/13 - April to October 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 October 2012.

The General Fund continued to project an end of year under spend of £0.6m and the Cabinet Member referred to the main areas of over and under spend within each Directorate. The Housing Revenue Account (HRA) continued to show a projected break-even position, while the Capital Programme forecast was lower than previously reported due, in the main, to further slippage in the HRA programme for 2012/13.

Cabinet agreed:

- (i) To note the projected outturn position for 2012/13 of the Council's revenue budget at 31 October 2012, as detailed in paragraphs 2.3 to 2.11 and Appendix A of the report;
- (ii) To note the progress against the 2012/13 savings targets at 31 October 2012, as detailed in paragraph 2.12 and Appendix B of the report;
- (iii) To note the position for the HRA at 31 October 2012, as detailed in paragraph 2.13 and Appendix C of the report; and
- (iv) To note the projected outturn position for 2012/13 of the Council's capital budget at 31 October 2012, as detailed in paragraph 2.14 and Appendices D and E of the report.

64. Budget Strategy 2013/14

The Cabinet Member for Finance presented a report on the Council's budget preparations for 2013/14 and beyond and, in particular, the budget savings options for 2013/14 and 2014/15, which had been subject to public consultation and Select Committee scrutiny in recent months.

The Cabinet Member referred to the Government's relentless programme of cuts to public sector expenditure which had meant that the Council would have to have made savings of £90m over five years by 2014/15, a situation which could be further exacerbated when the Chancellor of the Exchequer announced the Local Government Finance Settlement for 2013/14 later in the day. The Cabinet Member commented that the Council had frozen its Council Tax for the past four years in recognition of the difficulties being faced by local residents as a result of the Government's austerity measures and that the Council would do everything possible to continue to provide excellent services to the local community despite the huge pressures that were being faced.

With regard to the proposals within the report, the Cabinet Member explained that the package of savings for 2013/14 and 2014/15, totalling £24.378m, were necessary in order for the Council to set a balanced budget whilst maintaining a sensible level of reserves to protect against the very uncertain future. He stated that the Council would continue to lobby the Government in an attempt to secure the correct level of funding that the Borough's growing population should attract; a fact borne out by the 2011 Census but so far ignored by the Government.

The Cabinet Member advised that the feedback from the consultation had been properly taken into account in the development of the final proposals and specific concerns expressed by the local community and via the Select Committee scrutiny process had resulted in several of the savings options being withdrawn or deferred. The Cabinet Member confirmed that he had personally read all the letters received as a result of the consultation and he placed on record his appreciation to Council colleagues and officers for their help in compiling the final package of proposals. The Divisional Director of Finance added that a separate, detailed consultation report would be circulated to Cabinet Members and published on the Council's website prior to the formal budget setting in February 2013.

In respect of a letter distributed by the Chief Executive of the Council for Voluntary Services (CVS), the Cabinet Member for Crime, Justice and Communities referred to the next report on the agenda regarding voluntary sector funding and confirmed that the Council would seek to support the voluntary sector by utilising any reductions it was able to make to its London Councils grant contribution. The Cabinet Member for Housing also referred to the pressures placed on the Council as a result of temporary housing accommodation needs and the steps being taken by the Council to mitigate the costs and reduce the problem.

Cabinet agreed:

- (i) To note the current projected financial position for the Council for 2013/14 and beyond as set out in the report;
- (ii) To note the responses to the budget consultation process via:
 - a) the Select Committees, as set out in paragraph 5.4 and Appendix E of the report;
 - b) public consultation through Leader's Question Time, the Council's website, Facebook and Twitter, as set out in paragraph 5.5 of the report;
 - c) Trade union and staff consultation, as set out in paragraph 5.6 of the report.
- (iii) In light of the above and having regard to the Equalities Impact Assessments at Appendix D to the report, to the implementation of the savings proposals for 2013/14 and 2014/15 as shown in Appendix B to the report;
- (iv) To note that the following savings options were withdrawn or reduced as a result of representations made via the budget consultation exercise:
 - ACS/SAV/07 - Voluntary Sector Grant
 - ACS/SAV/22 - Broadway Theatre
 - CEX/SAV/06 - Democratic Services Scrutiny Officer
 - ACS/SAV/08 - Sheltered Housing
 - ACS/SAV/10(f) - Employment Support Mental Health
 - FIN&RES/SAV/21 - Economic Development Team
 - H&E/SAV/19 - Green Waste
- (v) To note that the following savings option was deferred from 2013/14 into 2014/15 pending further consideration:
 - ACS/SAV/26 – Anti-Social Behaviour Team
- (vi) To note that the following savings option was brought forward to 2013/14 pending further consideration:
 - FIN&RES/SAV/12 – Internal Audit - Removal of Special Projects Budget
- (vii) To note that officers are to issue notice from January 2013 to those staff at

risk of redundancy as a result of the savings proposals listed in Appendix B to the report.

65. Corporate Grants and Commissioning Programme 2013/14 - 2014/15

The Cabinet Member for Crime, Justice and Communities introduced a report on the proposed corporate grants and commissioning programme for 2013/14 and 2014/15.

The Cabinet Member advised that, in the light of the budget savings agreed earlier in the meeting, the main focus of the programme was to protect advice services and volunteer support that provided the most immediate front-line benefit to residents. To that end, it was proposed to tender for two new services which combined a number of functions and current contracts in order to ensure that the Council obtained best value for money and that robust services could be delivered within the reduced budget.

Cabinet **agreed**:

- (i) The procurement strategy, as detailed in the report, in respect of the following:
 - The Voluntary and Community Sector Support Service
 - Advice, Case Work and Enhanced Welfare Benefits Service
- (ii) To authorise the Corporate Director of Adult and Community Services, in consultation with the Chief Financial Officer and the Head of Legal and Democratic Services, to award the contracts to the successful tenderers; and
- (iii) To delegate authority to the Corporate Director of Adult and Community Services, in consultation with the Cabinet Member for Crime, Justice and Communities, to determine the reallocation to the local voluntary sector of any funding that may become available during 2013/14 and 2014/15 as a result of further reductions to the Council's contribution to London Councils.

66. Performance House - Quarter 2, 2012/13

The Leader of the Council presented the corporate performance report for the second quarter period 1 July to 30 September 2012.

The Leader drew attention to two key areas of positive performance over the period, namely the increase to 64% of primary schools rated as outstanding or good and the significant reduction in the crime rate across the Borough which coincided with the introduction of the Estates Policing initiative, which was the subject of a report later in the meeting. In relation to negative areas of performance, the Leader referred to average staff sickness levels which had risen to 9.44 days per full-time equivalent. The Leader was pleased to confirm that all children requiring a school place in the Borough had now been allocated a place.

Cabinet **noted** the corporate performance information for the second quarter of the 2012/13 financial year.

67. Betting Shops - Withdrawal of Permitted Development Rights and Supplementary Planning Document

The Cabinet Member for Regeneration presented a report on proposals to control the conversion of high street premises into betting shops.

The Cabinet Member explained that in order to address the Council's long standing concerns over the social, economic and health impacts of betting shops it was intended to introduce a non-immediate Article 4 Direction under the Town and Country Planning (General Permitted Development) Order 1995 to require planning permission to be sought for the change of use of premises classified as Use Classes A3, A4 and A5 to betting shops (Use Class A2). As a further measure, a draft Supplementary Planning Document (SPD) explaining the Council's overall guidance on addressing the impacts of betting shops had been developed which established certain principles to prevent the clustering and concentration of such premises in the future.

Cabinet **agreed**:

- (i) That notice be given of the Council's intention to make a non-immediate Article 4 Direction, covering the whole Borough, withdrawing permitted development rights for permitted changes of use to betting shops;
- (ii) The draft Supplementary Planning Document 'Evening the Odds: Curbing the Proliferation of Betting Shops', attached at Appendix 1 to the report, for public consultation; and
- (iii) To note that following the outcome of consultation, a report would be presented to the Assembly seeking approval of the final Supplementary Planning Document 'Evening the Odds: Curbing the Proliferation of Betting Shops'.

68. Health and Wellbeing Strategy

The Cabinet Member for Health introduced the draft Health and Wellbeing Strategy which set out a vision for improving the health and wellbeing of Borough residents and reducing inequalities at every stage of people's lives, with a particular focus on life expectancy levels, by 2015.

The Cabinet Member advised that the Strategy had been jointly developed by the Council and its NHS partners through the Clinical Commissioning Group and had been endorsed by the shadow Health and Wellbeing Board at its meeting on 27 November 2012.

Cabinet **agreed** the Health and Wellbeing Strategy and Delivery Plan 2012-15 attached at Appendices 1 and 2 to the report.

69. Choice and Control: Delivering the Vision for Care and Support in the Home

The Cabinet Member for Adult Services and Human Resources presented a report on a new vision for the provision of care and support to those adults within the Borough who required assistance.

The Cabinet Member advised that the majority of current recipients of assistance had chosen to have their care provided by a personal assistant since the introduction of the Council's Personalisation programme, rather than through the more traditional homecare route. Satisfaction rates for those engaging a personal assistant were high and it was therefore proposed to extend the service via the remodelling of the in-house homecare team, the appointment of 200 new personal assistants and a reduction in the use of private homecare agencies. The Cabinet Member confirmed that the new approach would provide additional safeguards for the Borough's most vulnerable residents while enabling the Council to meet future demands and pressures within the current financial climate.

Cabinet agreed:

- (i) The vision of "most people receiving their care and support by an arrangement with a personal assistant";
- (ii) The organisational and staffing changes needed to deliver the vision, including the remodelling of the in-house Home Care team and the development of a smaller in-house team of personal assistants for those people most at risk;
- (iii) To note that the savings target of £220,000 in respect of home care services, agreed as part of the Budget Strategy for 2012/13 to 2014/15, would be delivered through the new approach; and
- (iv) That existing block contracts with home care companies should not be renewed when they expired in August 2013.

70. Disposal of Land at Collier Row Road, Romford

The Cabinet Member for Finance presented a report on the proposed sale of Council land at the southern boundary of Wellgate Community Farm to facilitate a new major, innovative family housing development in the north of the Borough.

The Cabinet Member for Finance referred to the key benefits of the development, which had received planning consent on 30 April 2012 for 88 five-bedroom detached houses subject to a Section 106 agreement to secure a four-bedroom house to the Council at Wellgate City Farm, enlargement and enhancement of the community farm including erection of new farm buildings, the transfer of 0.59 hectares of land to the Council and an education contribution of £200,000. The Cabinet Member for Regeneration commented on the proposed financial arrangements in respect of the sale of the Council's land and suggested that they represented the best possible deal for the Council in the light of the benefits that would be achieved.

Cabinet agreed:

- (i) The sale of 0.0623 hectares of Council-owned land at Collier Row Road, shown edged red in the plan at Appendix 1 to the report, to EcoGrove Ltd for £47,000; and
- (ii) To authorise the Chief Executive, in consultation with the Head of Legal and Democratic Services, to complete all necessary legal agreements to

conclude the sale of the land.

71. School Funding Formula

The Cabinet Member for Children's Services introduced a report on the proposed School Funding Formula for 2013/14.

The Cabinet Member explained that the Government intended to move towards a national funding formula for schools in the next spending review and, as part of those preparations, had introduced the Schools Forums (England) Regulations 2012 which required local authorities to reconstitute their Schools Forum. One of the key responsibilities of the new Schools Forum would be to implement the Department for Education's new funding system for distributing funding to schools and other providers.

The Cabinet Member advised that four models had been developed based on a set of key values and the outcome of the extensive consultation exercise had identified a preferred option, Model D, which was underpinned by the following principles:

- To ensure as few schools as possible were adversely affected by the new formula;
- To move more in line with the national primary: secondary funding ratio to reduce the impact of any potential national changes in future years;
- To recognise that running a split site brought extra costs (for both primary and secondary schools) and the new funding formula should not disadvantage those schools that would be amalgamating;
- To ensure where schools were particularly affected they would be able to apply to the Schools Forum if they faced financial difficulty; and
- To recognise that secondary schools were adversely affected by changes in sixth form funding at the same time, which had to be considered in deciding the level of shift.

Cabinet **agreed**:

- (i) To note the Barking and Dagenham Schools Forum Constitution at Appendix 1 to the report;
- (ii) To note the outcome of the School Funding Formula consultation process and the comments of the Schools' Forum on the proposed funding model for 2013/14, as detailed in the report;
- (iii) To support the following two principles:
 - a. That the funding formula for 2013/14 should not produce any school that 'loses' funding, with the exception of the two schools highlighted in the report which had specific issues that could not be addressed through the formula.
 - b. That rapid and fair progress should continue to be made towards narrowing the gap between the primary and secondary sectors.

- (iv) In the light of the above, to adopt Model D as the School Funding Formula for 2013/14, as detailed in paragraphs 2.12 - 2.13 and Appendix 6 of the report.

72. Framework Agreement for the Supply of Certain Foodstuffs

The Cabinet Member for Children's Services presented a report on proposed new arrangements for the supply of certain foodstuffs for use in the preparation of school meals following the expiry of the Council's current contractual arrangements on 31 December 2012.

Cabinet **agreed** that the Council be named as a participating authority in a four-year Framework Agreement, led by the London Borough of Havering and involving a number of other participating authorities, for the provision of (a) dried and chilled goods and groceries and (b) frozen goods for use in the preparation of school meals, on the terms detailed in the report.

73. Automatic Enrolment to the Local Government Pension Scheme

The Cabinet Member for Finance presented a report on new regulations introduced under the Pensions Act 2008 relating to the automatic enrolment of eligible staff into a qualifying pension scheme.

The Cabinet Member outlined the key aspects of the new requirements, the two main options that had been considered and the advantages and disadvantages associated with both. The preferred option allowed the Council to apply transitional arrangements up to October 2017 for those staff that had previously opted out of the Local Government Pension Scheme (LGPS), although he confirmed that all non-participating staff would continue to be encouraged to participate in the LGPS.

Cabinet **agreed**:

- (i) That the Council apply the transitional arrangements for auto-enrolment to the LGPS as outlined in option 2 in the report and to use the following timetable to implement auto-enrolment:-
 - a. Identify all employees who are eligible job holders within one month of the staging date of 1 April 2013;
 - b. From 1 April 2013, enrol all new employees (as existing procedure) and any member passing age 22 or breaching the £8,105 threshold for the first time; and
 - c. On 1 October 2017, auto-enrol all current employees who are not currently scheme members (and who are on a salary greater than £8,105 and aged over age 22).

74. Community Safety Partnership End of Year Report 2011/12

The Cabinet Member for Crime, Justice and Communities presented the Barking and Dagenham Community Safety Partnership's Annual Report for 2011/12 which provided a broad overview of performance against the Partnership's key objectives

during the year as well as the priorities moving forward into 2012/13.

Cabinet **noted** the Barking and Dagenham Community Safety Partnership Annual Report for 2011/12 attached at Appendix 1 to the report.

75. Overview of Performance of the Estate Policing Team

Further to Minute 89 (17 January 2012), the Cabinet Members for Housing and Crime, Justice and Communities reported on the first six months of operation of the Estate Policing team, an initiative jointly funded via the Council's Housing Revenue Account and the Mayor for London.

As referred to earlier in the meeting, the new initiative had helped to significantly reduce crime levels across the Borough and had been well received by local residents. Specific performance monitoring arrangements introduced during the summer showed that the Estate Policing team had spent almost 9,400 hours patrolling estates across the Borough during the period 8 July to 4 November 2012 and had been directly responsible for 199 arrests, as well as dealing with a wide range of anti-social behaviour issues. The Cabinet Member for Housing advised that the initiative had also had a very positive knock-on effect in non-estate areas of the Borough and was proving to be an extremely successful project. The Divisional Director of Community Safety and Public Protection added that the project had led to a number of improvements in the way that perpetrators of crime and anti-social behaviour were dealt with.

Cabinet **noted** the success of the new Estate Policing team during the first six months of operation.

76. Debt Management Performance and Write-Offs 2012/13 (Quarter 2)

The Cabinet member for Finance presented the quarterly performance report for the period 1 July to 30 September 2012 in respect of the debt management function carried out by the Revenues and Benefits Service within Elevate East London, together with details of the debts written-off as uncollectable during the period and comparable information from the previous financial year. The Cabinet Member also gave an update on the improvements that had been achieved in respect of national non-domestic rates (NNDR) and rent collection levels since the period covered by the report.

Cabinet **noted**:

- (i) The performance of the debt management function carried out by the Revenues and Benefits service operated by Elevate East London, including the performance of bailiffs; and
- (ii) The debt write-offs for the second quarter of 2012/13 and that a number of those debts would be publicised in accordance with the policy agreed by Cabinet.

77. Sale of Land to Gurdwara Singh Sabha London East, North Street, Barking

The Cabinet Member for Regeneration presented a report on the outcome of discussions with representatives of Gurdwara Singh Sabha London East ("the

Gurdwara”) regarding land at and around the site of the Gurdwara in North Street, Barking.

The Cabinet Member explained that the land swap arrangements, which would include the sale of Council land to the Gurdwara and the return to the Council of land currently leased to the Gurdwara, would enable the Gurdwara to expand its facilities for the benefit of the local community whilst at the same time facilitating the Council’s redevelopment plans in respect of the adjacent William Street Quarter site. The Cabinet Member added that the proposals represented the best outcome for the Council and he placed on record his appreciation to officers and representatives of the Gurdwara who had been involved in the discussions over the past couple of years.

Cabinet agreed:

- (i) The surrender of the current 125 year lease from the Council to the Gurdwara in respect of the land shown as Plot B on the plan at Appendix 1 to the report;
- (ii) To enter into a Deed of Rectification for the existing lease of the car park land within Plot B to rectify the lease plan and exclude the area of land falling within the William Street Quarter development;
- (iii) To sell the freehold interests in the land to the east of the Gurdwara (shown as Plot A on Appendix 1) and the area of land currently used as the Gurdwara car park within Plot B, to the Gurdwara for a combined premium of £105,000, including Council costs, for use as a community facility; and
- (iv) To authorise the Chief Executive, in consultation with the Head of Legal and Democratic Services, to agree the final terms and enter into all necessary agreements and documentation to effect the above proposals.