

MINUTES OF CABINET

Tuesday, 8 April 2014
(5:00 - 6:03 pm)

Present: Councillor L A Smith (Chair), Councillor R Gill (Deputy Chair), Councillor J L Alexander, 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 T Saeed and Councillor D Twomey

Apologies: Councillor H J Collins

102. Declaration of Members' Interests

There were no declarations of interest.

103. Minutes (18 February 2014)

The minutes of the meeting held on 18 February 2014 were confirmed as correct.

104. Corporate Priority Performance Reporting - Quarter 3, 2013/14

The Leader introduced a report on the corporate priority performance information for the period to 31 December 2013, which included details of several areas where performance had either greatly improved or deteriorated in the year to date.

Cabinet **resolved** to note the corporate priority performance information for the third quarter of the 2013/14 financial year.

105. Budget Monitoring 2013/14 - April 2013 to January 2014 (Month 10)

The Cabinet Member for Finance presented a report on the Council's capital and revenue position for the 2013/14 financial year, as at 31 January 2014.

The General Fund continued to show a projected end of year surplus of £8.4m against the total approved budget of £178.3m, which exceeded the planned surplus of £5.2m and would result in a projected General Fund balance of £25.9m at the year end. The Housing Revenue Account (HRA) was also unchanged from the Month 9 position, with a projected year-end surplus of £0.2m, while the Capital Programme showed a projected spend of £126.2m against the total revised budget of £138.2m.

Cabinet **resolved**:

- (i) To note the projected outturn position for 2013/14 of the Council's General Fund revenue budget at 31 January 2014, as detailed in paragraphs 2.4 to 2.9 and Appendix A of the report;
- (ii) To note the progress against the 2013/14 savings targets at 31 January 2014, as detailed in paragraph 2.10 and Appendix B of the report;

- (iii) To note the position for the Housing Revenue Account at 31 January 2014, as detailed in paragraph 2.11 and Appendix C of the report; and
- (iv) To note the projected outturn position for 2013/14 of the Council's capital budget at 31 January 2014, as detailed in paragraph 2.12 and Appendix D of the report.

106. Council Housing Allocations Policy Review

The Cabinet Member for Housing presented a report on a number of proposed changes to the Council's Housing Allocations Policy, aimed at encouraging people to make a home in the Borough and participate in their local community, addressing the limited housing options available to residents and improving the choice and quality of homes.

The proposals related to the following five aspects:

- Introducing a residential qualification;
- Exclusions to joining the waiting list;
- Priority for working households;
- Flexible tenancies;
- Discharging the Council's homeless duty into the private sector.

The Cabinet Member explained that the proposals responded to the statutory guidance issued by the Secretary of State in December 2013 entitled "Providing social housing for local people - Statutory guidance on social housing allocations for local authorities in England" and would help to provide local residents with a realistic prospect of Council housing.

With regard to the introduction of a residential qualification, the report set out an options appraisal in respect of two, five and ten year requirements as well as an Equalities Impact Assessment relating to each option. The Cabinet Member for Housing advised a 10-year requirement was recommended and he referred in particular to the Council's major 10-year housing regeneration programme which, although significantly increasing the amount of affordable social housing in the longer term, would continue to restrict the availability of Council housing in the intervening period due to the need to re-house decanted residents. Another factor in support of a 10-year requirement was the large number of local residents currently on the waiting list who qualified to move into larger family homes but whose prospects were being inhibited as a result of the number of families from outside of the Borough who were moving to Barking and Dagenham because of the higher cost of social housing elsewhere and the lack of investment in housing across London and the surrounding area.

The Divisional Director of Housing Strategy commented that the proposals fitted in with the Council's social and economic regeneration policy objectives and would remove some of the barriers faced by a growing group of local residents, particularly those in work, who wished to move into affordable Council housing. He added that the statutory guidance clearly pointed to a residential qualification and he also referred to the Equalities Impact Assessment that had been carried out on all of the proposals and which was appended to the report.

The Corporate Director of Housing and Environment confirmed that the new arrangements would not come in to effect until 1 September 2014. In the meantime, an extensive public awareness campaign would be undertaken to ensure that any resident wishing to join the Council's waiting list could do so prior to the new residential qualification and other criteria coming into effect. Furthermore, the new arrangements would be subject to a full review after the first year to ensure that they were meeting the Council's objectives.

The Leader referred to previous amendments to the Housing Allocations Policy which included the giving of priority to British Armed Forces personnel (Minute 76, 18 December 2013 refers) and commented that while Barking and Dagenham had stressed the need for new Council house building to meet the huge demand across London, other boroughs had failed to properly respond. The Leader cited the reduced level of social housing emanating from the Olympic Park development in Newham as an example and he welcomed scrutiny of the proposed changes to Barking and Dagenham's Housing Allocations Policy as he felt that the Council could more than justify its position as they enabled the Council to meet its duty to act in the best interests of its residents.

The Leader alluded to the main policy drivers for the proposals, as set out in paragraph 1.3 of the report, and suggested that all those currently on the housing waiting list would appreciate the steps that the Council was taking. There would be exceptions to the residency requirement in some specific circumstances and the priority for those in employment was seen as an important factor in promoting the social and economic regeneration of the Borough and fostering aspiration.

The Leader reiterated that the proposals would not come into effect until 1 September, so any individual joining the housing waiting list would not be subject to the new rules.

A number of other the Cabinet Members spoke in support of the proposals and their observations included the following:

- Barking and Dagenham was already a multi-cultural Borough so any suggestions that the new arrangements were in any way racist were totally unfounded;
- In respect of the Equalities Impact Assessment and the reference to high levels of overcrowding across all communities within the Borough, officers were asked to look into ways of addressing the position;
- Whilst it would be the ideal to meet everyone's housing needs, the Council had to take a pragmatic approach and focus on the best way to address the housing problems faced by Barking and Dagenham residents;
- The Mayor for London should act proactively in addressing London's housing needs and release some of his land holdings for development.

Cabinet resolved:

- (i) To approve the following changes to the Council's Housing Allocations Policy:
 - (a) The introduction of a 10-year residential requirement for all new

applications to be placed on the Housing Register;

- (b) The excluding of applications to the Housing Register from those who meet the residential criteria but have no housing need and no realistic prospects of re-housing;
 - (c) That a reasonable preference category (priority) be awarded to those applicants who are in paid employment and in housing need;
 - (d) That flexible tenancies of a minimum of two years may be granted in certain circumstances, as outlined in paragraph 2.6 of the report;
 - (e) That the Council may discharge its duty to homeless households by securing private rented accommodation, rather than retaining a full housing duty until a long term social rented home becomes available; and
- (ii) That the above changes to the Housing Allocations Policy apply to all new applications received from 1 September 2014.

107. Provision of Private Sector Licensing Services

The Cabinet Member for Housing introduced a report on proposals relating to the contract for the provision of Private Sector Licensed properties for use as temporary accommodation for homeless households, which assists the Council in meeting its responsibilities under Part VII of the Housing Act 1996 (as amended).

Cabinet resolved:

- (i) To approve the procurement of a new contract for the provision of Private Sector Licensed properties for use as temporary accommodation for homeless households as detailed in the report;
- (ii) To approve the extension of the current contract for the provision of Private Sector Licensed properties up to a maximum of six months or the commencement of the new contract, whichever is the sooner; and
- (iii) To authorise the Corporate Director of Housing and Environment, in consultation with the Cabinet Member for Housing and the Head of Legal and Democratic Services, to award the contract on conclusion of the procurement process.

108. Highways Funding - Capital Schemes

The Corporate Director of Housing and Environment presented a report on proposals to invest a further £4.176m in a range of highway improvement projects during 2014/15.

The Corporate Director advised that the Council had invested approximately £26m over the past four years in highway related projects. The additional proposals for 2014/15 would encompass carriageway and footpath resurfacing works at non-principal roads in the Borough that had been assessed as being most in need of repair, street lighting replacement and bridge and culvert maintenance. The

Corporate Director also advised that the funding would include an additional £100,000 for road safety and traffic management projects, in response to a recommendation by the Safer and Stronger Communities Select Committee following its road safety scrutiny review.

Cabinet resolved:

- (i) To approve the inclusion in the 2014/15 Capital Programme of a one-year highways investment programme totalling £4.176m, to be funded through capital receipts (£3.976m) and Section 106 monies (£0.2m);
- (ii) To approve the funding profile investment of £2.408m to deliver priority highway maintenance works (carriageway and footpath resurfacing) primarily on the non-principal and unclassified roads as detailed in Appendix A to the report;
- (iii) To authorise the Corporate Director of Housing and Environment, in consultation with the Cabinet Member for Environment, to vary the priority list if other roads deteriorate to such an extent as to be considered for inclusion during the course of the programme;
- (iv) To approve the funding profile investment of £1.418m to upgrade 810 life-expired concrete street lighting columns deemed structurally unsound, in order to meet health and safety standards;
- (v) To endorse the recommendation of the Safer and Stronger Communities Select Committee and allocate an additional £100,000 for road safety and traffic schemes; and
- (vi) To approve the allocation of £250,000 to carry out structural repairs and maintenance on all bridges and culverts to bring them up to standard.

109. Park Development Project: Central Park, Eastbrookend Country Park and Parsloes Park

The Leader presented a report on the outcome of a recent public consultation exercise which sought views on the improvements that the local community would most like to see in respect of Central Park, Eastbrookend Country Park and Parsloes Park.

The Leader advised that £500,000 had been earmarked for the improvement programme which would be focussed on capital projects, in view of the significant constraints on the Council's revenue budget going forward. A value for money assessment would be undertaken of the proposals stemming from the consultation and a final package of measures implemented.

The Cabinet Member for Finance referred to the significant capital investment in the Borough's parks in recent years, funded via Council budgets as well as successful grant applications, and suggested that the works for these latest improvements be funded from capital receipts.

Members were advised of a number of other recent initiatives relating to the parks, including the relocation of the Council's Tenant Participation team to the Millenium

Centre at Eastbrookend Country Park and the reopening of the Millenium Café in the summer. The Corporate Director of Housing and Environment also confirmed that a review of allotment provision in the Borough, to be undertaken later in the year, would include the potential establishment of community orchards which had proved successful elsewhere.

The Leader placed on record his appreciation of those that participated in the consultation and commented on the particular success of the online campaign which was responsible for 47 of the 154 responses received.

Cabinet **resolved** to authorise the Corporate Director of Housing and Environment, in consultation with the Chief Finance Officer, to act on the results of the public consultation and develop a capital programme of park improvements for Central Park, Eastbrookend Country Park and Parsloes Park.

110. The Broadway Theatre - Proposed New Management Arrangements

The Leader reported on proposed new arrangements with Barking and Dagenham College in respect of the Broadway Theatre, which would also see the Barbican Guildhall London using the venue as the base of its operations in east London.

The Leader explained that the venue would continue to serve communities of all ages while the involvement of the Barbican Guildhall would specifically enable more young people to have the best opportunities to work alongside industry professionals as part of their progression into vocational training, higher education and employment.

The new arrangements would involve the lease of the venue to the College who would, in turn, provide the Barbican Guildhall with a long term residency. The Leader commented that the arrangement would not only create an exciting new partnership in the Borough but would also mean that the Council could redirect the revenue support that it had been providing towards the Broadway Theatre, which at approximately £250,000 per annum was the equivalent of operating three libraries.

Cabinet **resolved**:

- (i) To approve, in principle, the lease of the Broadway Theatre to Barking and Dagenham College on a commercial rent and full repairing base; and
- (ii) That a further report be presented to Cabinet to seek approval to formally assign the lease, which may include a variation of the rental terms.

111. Local Government Pensions Scheme - London Collective Investment Vehicle

The Cabinet Member for Finance presented a report on the proposed establishment of a London Collective Investment Vehicle in respect of the Local Government Pension Scheme (LGPS).

The Cabinet Member advised that the Council's Pension Panel had considered proposals by the London Councils Leaders' Committee in respect of the creation of a private company, in which the participating local authorities would be the shareholders, that would act as an Authorised Contractual Scheme (ACS)

Operator for local authority pensions in London.

An assessment carried out on behalf of the London Councils Leaders' Committee identified that economies of scale could be achieved in relation to lower investment management fees as well as other benefits associated with a potential asset base of £20bn across the 33 London LGPS funds. The proposals at this stage would not commit the Council to invest and were intended to enable governance arrangements and other matters to be progressed with a degree of certainty.

With regard to the proposed interim Board of Directors of the ACS Operator, officers agreed to ascertain details of the qualifications.

Cabinet resolved:

- (i) To approve the Council's participation in the proposed London Councils Collective Investment Vehicle, in the form of an Authorised Contractual Scheme (ACS) and the incorporation of a private company limited by shares to act as the ACS Operator for local authority pensions in London;
- (ii) To approve the Council's participation in the representative body, pursuant to the existing London Councils Governing Agreement, and to delegate to that representative body those functions necessary for the functioning of the ACS Operator, including effective oversight and appointment of Directors;
- (iii) That the Council become a shareholder in the ACS Operator and to contribute £1 to the ACS Operator as initial capital;
- (iv) To appoint the Leader to act for the Council in exercising its rights as a shareholder of the ACS Operator, and the Cabinet Member for Finance as the nominated deputy; and
- (v) To authorise the Head of Legal and Democratic Services to carry out steps and execute such documents and agreements as may be required to establish the Council's functioning membership of the London Collective Investment Vehicle and ongoing participation.

112. Essex and Suffolk Water Agreement

The Cabinet Member for Housing presented a report on the outcome of negotiations with Essex and Suffolk Water (ESW) regarding the collection of water and sewerage charges from social housing tenants by the Council on behalf of ESW.

The commission payable to the Council would increase from the 13% level under the current agreement with ESW to 15%, effective from 1 April 2014. The Corporate Director of Housing and Environment confirmed that the additional revenue, projected at £115,000 for 2014/15, had been reflected in the 2014/15 Housing Revenue Account approved by Cabinet at its last meeting (Minute 95, 18 February 2014).

The Cabinet Member for Finance suggested that officers should explore the feasibility of bodies such as Barking and Dagenham Reside entering into similar arrangements with ESW in respect of the properties under their management.

Cabinet **resolved** that the Council enter into a formal three-year agreement with Essex and Suffolk Water, effective from 1 April 2014, in respect of the collection of water and sewerage charges from social housing tenants on the terms set out in the report.

113. Extension of Contract for the Supply of Security Industry Authority (SIA) Licensed Security Personnel

Further to Minute 53 (2 November 2010), the Cabinet received a report on proposals to extend the current contract for the supply of Security Industry Authority (SIA) Licensed Security Personnel to enable a full assessment of future requirements to be carried out prior to retendering the contract.

Cabinet **resolved** to approve the extension of the current contract with Manpower Direct (UK) Ltd for the supply of Security Industry Authority (SIA) Licensed Security Personnel for a period of one year from 15 June 2014.

114. Extension of Age Range at Eastbrook and Eastbury Comprehensive Schools and Expansion of Eastbrook School

The Cabinet Member for Children's Services presented a report on the latest proposals to assist the Council in meeting demand for additional school places in the primary and secondary age range in the Borough.

The proposals related to the permanent expansion of Eastbrook Comprehensive School to become a 12 form of entry (FE) secondary school and an all-through school via the provision of a nursery and a 3FE primary school and Eastbury Comprehensive School becoming an all-through school through the provision of a nursery and a 2FE primary school.

In relation to the Eastbrook Comprehensive School proposals, the Cabinet Member referred to the increase in pupil numbers now being experienced by the London Borough of Havering and new developments in that Borough which are likely to have an impact on this Borough in the event that there is not a corresponding increase in school capacity within Havering.

Cabinet **resolved**:

- (i) To approve the extension of the age range for pupils attending Eastbrook Comprehensive School in order to accommodate primary aged pupils (three forms of entry) and nursery aged pupils (39 places) from September 2016;
- (ii) To approve the expansion of Eastbrook Comprehensive School from 10 to 12 forms of entry from 1 September 2017; and
- (iii) To approve the extension of the age range for pupils attending Eastbury Comprehensive School in order to accommodate primary aged pupils (two forms of entry) and nursery aged pupils (26 places) from September 2016.

115. Schools' Annual Results 2013 and Performance Update

The Cabinet Member for Children's Services presented the report and referred to

the continued improvement in performance across a range of areas, highlighting in particular the important role of the Borough's children's centres in helping to develop children at Key Stage 1 due to the excellent services provided at the centres.

Cabinet **resolved** to note the schools' performance information for 2013 and the priorities for 2013/14 as set out in section 3 of the report.

116. Programme of Meetings 2014/15

The Leader introduced a report on the proposed programme of meetings for the 2014/15 municipal year.

Cabinet **resolved** to approve the basis of the programme of Council meetings for 2014/15 as detailed in the report.

117. Debt Management Performance and Write-Offs 2013/14 (Quarter 3)

The Cabinet Member for Finance presented the quarterly performance report for the period 1 October to 31 December 2013 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.

Cabinet **resolved**:

- (i) To note 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) To note the debt write-offs for the third quarter of 2013/14 and that a number of the debts would be publicised in accordance with the policy agreed by Cabinet (Minute 52, 18 October 2011).

118. Freehold Disposal of 1, 2, 3 and 7 The Triangle, Tanner Street, Barking, IG11 8QA

The Cabinet Member for Finance presented proposals to market the Council's freehold interests in 1, 2, 3 and 7 The Triangle, Tanner Street, Barking.

The Cabinet Member advised that interest had been shown by the current occupier of 3 and 7 The Triangle to secure long term occupancy of the premises. With that in mind and in view of the previous sale of other units in the parade, it was considered timely to dispose of the Council's two other properties in that parade in order to encourage private development in the area and achieve a capital receipt on assets that had limited rental potential.

Cabinet **resolved**:

- (i) That the Council's freehold interest in 3 and 7 The Triangle be offered for sale to the existing tenants in the first instance and, if those negotiations prove unsuccessful, to the units being offered for sale on the open market at the expiry of the current leases;

- (ii) That the Council's freehold interest in 1 and 2 The Triangle be offered for sale on the open market;
- (iii) To delegate authority to the Chief Executive, in consultation with the Cabinet Member for Finance, the Chief Finance Officer and the Head of Legal and Democratic Services, to negotiate and agree terms in respect of the proposed sale of 3 and 7 The Triangle to the Barking Muslim Social and Cultural Society within the agreed parameters; and
- (iv) To authorise the Head of Legal and Democratic Services, or an authorised delegate on her behalf, to execute all of the legal agreements, contracts and other documents on behalf of the Council.

119. Private Business

Cabinet **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).

120. Review of the Elevate Joint Venture Arrangements

The Cabinet Member for Customer Services introduced a report on proposals in respect of services currently being delivered by Elevate East London LLP, via the Council's joint venture agreement with Agilisys.

The Cabinet Member pointed out that a key driver behind the service review proposals was the need for increased flexibility due to the considerable financial pressures faced by the Council over the next few years. He outlined the potential benefits that could be achieved from a reconfiguration of services and advised that initial discussions with Agilisys had been positive.

Cabinet **resolved**:

- (i) To agree, in principle, to the Council investigating alternative means of provision of Incremental Services currently delivered by Elevate East London LLP under the Incremental Services Partnership Agreement, as outlined in the report;
- (ii) To approve the ten key principles described in paragraph 2.8 of the report for the continued provision of services via Elevate East London / Agilisys;
- (iii) To authorise the Chief Finance Officer, in consultation with the Cabinet Member for Customer Services, to enter into and progress negotiations with Elevate East London / Agilisys, where appropriate via the Elevate Strategic Partner Board; and
- (iv) That further reports be presented to Cabinet on the progress of negotiations and final proposals in respect of the delivery of the Incremental Services.