

# MINUTES OF CABINET

Tuesday, 18 November 2014  
(6:03 - 8:02 pm)

**Present:** Cllr Darren Rodwell (Chair), Cllr Saima Ashraf (Deputy Chair), Cllr Dominic Twomey (Deputy Chair), Cllr Laila Butt, Cllr Evelyn Carpenter, Cllr Cameron Geddes, Cllr James Ogungbose, Cllr Bill Turner and Cllr Maureen Worby

**Also Present:** Cllr Syed Ahammad, Cllr Edna Fergus, Cllr Rocky Gill, Cllr Margaret Mullane and Cllr Dan Young

**Apologies:** Cllr Lynda Rice

## 47. Declaration of Members' Interests

There were no declarations of interest.

## 48. Minutes (21 October 2014)

The minutes of the meeting held on 21 October 2014 were confirmed as correct.

## 49. Budget Monitoring 2014/15 - April to September 2014 (Month 6)

The Cabinet Member for Finance introduced the report on the Council's capital and revenue position for the 2014/15 financial year, as at 30 September 2014.

The General Fund showed a projected end of year spend of £168.49m against the total approved budget of £165.32m. Whilst this represented an improvement of £1.1m on the position as at 31 August 2014 due to the implementation of spending control measures across Council services, there remained a projected year-end overspend of £3.17m. The Cabinet Member for Finance advised that the Children's Services budget was continuing to show considerable in-year pressures totalling £4.652m and he had asked the Corporate Director of Children's Services to report to this meeting on the reasons for the forecast overspend, together with options to bring expenditure levels into line and reduce the likelihood of the Council having to use reserves to achieve a balanced budget.

In respect of other issues relating to the General Fund, the Cabinet Member referred to the proposal to reduce the saving within the Democratic Services function (CEX/SAV/09) by £148,280. This was in response to the views expressed by the Public Accounts and Audit Select Committee during its recent consideration of the budget saving proposals that a post of Scrutiny Officer should not be deleted, as well as proposals to enhance the direct support available to Members which had been strongly recommended in the recent Corporate Peer Challenge. As a consequence, a new post of Leader and Members' Services Manager was proposed and the vacant Political Assistant post would be appointed to. Another issue was the delay in the planned closure of 2 and 90 Stour Road offices, which would result in a shortfall of £295,000 in the planned £300,000 saving. The Cabinet Member added that all directorates were looking at innovative ways to

reduce the current overspend position and build a firmer financial position going forward.

The Housing Revenue Account (HRA) continued to show a projected break-even position for the year, although it was noted that a projected £500,000 overspend in the Repairs and Maintenance service was being mitigated by underspends in other areas. The Cabinet Member also referred to the failure to achieve any of the £318,000 saving in respect of energy billing for communal housing areas and shortfalls in respect of staffing restructures which may require future reports to the Cabinet.

The Capital Programme showed a projected spend of £142.12m against the original budget of £156.69m and the Cabinet Member for Finance referred to several amendments to budgets to reflect current delivery programmes. In response to comments regarding the slippage that occurs on the annual Capital Programme, it was agreed that the Chief Finance Officer should report to a future meeting on the issue.

The Cabinet Member for Education and Schools commented on the hard work of the Children's Services Asset Management team for delivering the extensive school improvement and expansion programme, while the Leader of the Council recognised the efforts of all staff in the drive to mitigate the financial pressures being faced by the Council.

With regard to the budget overspend within the area of children's social care, the Corporate Director of Children's Services presented a paper (Appendix E to the report) and referred to the continual pressure on services and budgets due, in the main, to the demographic growth in the Borough. The paper included details of steps taken over the past few years to achieve an overall balanced budget within the directorate while also contributing to the Council's savings targets.

A range of measures totalling £1.12m had been identified to offset the overspend in the current year and a number of other, more radical, options had also been developed. In respect of the latter, the Corporate Director referred to the cessation of non-statutory case file audit activity and the cessation of non-statutory SEN transport which were proposed for immediate implementation. The Corporate Director also advised on weekly management budget meetings that were being held and other activities to drive down costs.

Cabinet **resolved** to:

- (i) Note the projected outturn position for 2014/15 of the Council's General Fund revenue budget at 30 September 2014, as detailed in paragraphs 2.4 to 2.10 and Appendix A of the report;
- (ii) Note the impact on the outturn position of expenditure restrictions and early savings implementation agreed by Minute 31 (7 October 2014);
- (iii) Note the potential actions identified by the Chief Finance Officer to return to a balanced budget by year end, as detailed in paragraph 2.2 of the report;
- (iv) Agree not to call on General Fund balances at the current time but to

instruct the Chief Finance Officer to reinforce the spend freeze with all budget managers in order to contribute to delivering a balanced position by year end;

- (v) Note the progress against the agreed 2014/15 savings at 30 September 2014, as detailed in paragraph 2.11 and Appendix B of the report;
- (vi) Note the Corporate Director of Children's Services addendum at Appendix E to the report and:
  - (a) Accept the savings actions identified at paragraphs 2.3.2, 2.8 and 2.10 of Appendix E to the report and require the Children's Services directorate to bring forward further cost reductions by implementing, wherever possible, agreed savings for 2015/16;
  - (b) Note the additional options for potential savings outlined in section 3 of Appendix E to the report and agree that the options relating to the cessation of non-statutory case file audit activity and the cessation of non-statutory SEN transport (paragraphs 3.1.3 and 3.1.5 respectively) be implemented; and
  - (c) Agree that reports be presented to future meetings of the Cabinet as follows:
    - 27 January 2015 - information from the planned external reviews of spend and the impact on cost reduction to date.
    - 24 March 2015 - pressures on and the implications for Medium Term Financial Planning and the impact on cost reduction actions undertaken.
- (vii) Note progress against the agreed 2014/15 Housing Revenue Account (HRA) savings as detailed in paragraph 2.12 and Appendix B of the report;
- (viii) Note the overall position for the HRA at 30 September 2014, as detailed in paragraph 2.12 and Appendix C of the report;
- (ix) Approve the 2014/15 budget re-profiles and increases in funding on capital budgets, as detailed in paragraph 2.13 and Appendix D of the report;
- (x) Approve a new capital budget of £283,000 to develop the Council's website as detailed in paragraph 2.13 of the report;
- (xi) Agree to withdraw £148,000 of the saving CEX/SAV/09 presented to Cabinet on 7 October 2014 in order to continue the employment of a Scrutiny Officer and to employ a Political Assistant and a Leader and Members' Services Manager in Democratic Services, as detailed in paragraph 2.9 of the report; and
- (xii) Request officers to report to a future meeting on the issue of slippage within the Capital Programme.

## 50. Fees and Charges 2015

The Cabinet Member for Finance presented a report on the proposed fees and charges for Council services, the majority of which were proposed to come into effect from 1 January 2015 as a means of assisting in achieving a balanced budget by the end of the current financial year.

The Cabinet Member advised that rather than apply an across-the-board increase, officers had been tasked with ensuring that charges were reflective of competitive market rates for each service. During the discussions, the following issues were raised:

- Hire of Eastbury Manor House – the proposals were aimed at increasing take-up and enhancing the range of packages and entertainment on offer. In that respect, it was suggested that the service would benefit from improved publicity.
- Hire of Sports Pitches – the new charges were reflective of the full cost of providing and maintaining sports pitches and facilities, with grant funding to be made available to enable qualifying applicants to receive a contribution towards their costs.
- Highways and Dropped Kerbs – officers confirmed that applicants would be eligible to make payments over an extended period to help towards the overall cost.
- Pest Control Services – it was suggested that the charges were high and alternative options such as joint working with other local authorities should be explored to reduce costs. The Divisional Director of Environment undertook to look into the matter and advise Cabinet Members accordingly.
- On-Street Business / Trade Permits – it was suggested that the charge was too low and that it should be increased in the future.
- Sex Shop Licences – the Divisional Director of Environment advised on the background to the reduction and confirmed that the issue would be kept under review.

Cabinet **resolved** to:

- (i) Agree the proposed fees and charges as set out in Appendix A to the report, to be effective from 1 January 2015 unless otherwise stated and subject to (iii) below;
- (ii) Note the fees and charges no longer applicable from 1 January 2015, as set out in Appendix B to the report;
- (iii) Note that the parking charges (reference no's 399 – 461 in Appendix A) shall be subject to further consideration by the Cabinet on 16 December 2014 following the scrutiny and public consultation of the savings proposals endorsed by Minute 31(iii) (7 October 2014); and
- (iv) Delegate authority to the Corporate Director of Children's Services, in consultation with the Chief Finance Officer and the Cabinet Members for Finance and Education and Schools, to set fees and charges which are applied from September for schools and academic year based activities.

## **51. Proposed Changes to the Council Tax Support Scheme 2015/16**

The Cabinet Member for Finance reported on proposed changes to the London Borough of Barking and Dagenham Council Tax Support Scheme (CTSS).

The Cabinet Member explained that the Council had held a high cap in respect of its CTSS in the past in order to protect the most vulnerable in the local community. However, the unprecedented financial challenge being faced by the Council meant that all areas of income and expenditure had to be assessed and the difficult decision had been taken to reduce certain protections, albeit that some key protections would be retained and a discretionary exceptional hardship fund would be established to help mitigate the impact of the changes on those affected.

The Cabinet Member advised on some of the potential implications for the Council of the proposed changes, which included lower collection rates, and that all those affected by the proposals would be contacted direct as part of the consultation arrangements. The Cabinet Member also commented that the Council may need to look at ending the six-year freeze of Council Tax levels in view of the current financial situation.

Cabinet **resolved** to:

- (i) Agree to issue for consultation the revised CTSS for 2015/16 for working aged residents, as set out at Appendix A to the report, which proposes:
  - (a) Amending the maximum liability level for assessment from 85% to 75%;
  - (b) Withdrawing the Second Adult Rebate Scheme;
  - (c) Reducing the capital threshold for working age to £6,000.
  - (d) Retaining the following discretionary areas:
    - To continue to disregard War Widows and War Disablement income from income assessment for the scheme.
    - Continue the extended payment scheme in line with the Housing Benefit scheme.
- (ii) Delegate authority to the Chief Finance Officer, in consultation with the Cabinet Member for Finance, to carry out the required consultation and to make any appropriate amendments to the draft scheme arising from the consultation process, and to present the final draft scheme to the Assembly on 21 January 2015; and
- (iii) Recommend to the Assembly the creation of a discretionary exceptional hardship fund, initially of £50,000, from the additional income generated across all savings proposals related to Council Tax for 2015/16.

## **52. Education Strategy 2014-2017 and Annual Performance Review (Schools)**

The Cabinet Member for Education and Schools presented the draft Education Strategy for 2014-17 together with a summary of schools' performance in national tests and examinations for 2014.

The Cabinet Member explained that the Education Strategy had been framed

around the Council's new vision and priorities and would be a useful toolkit for schools and the Council's School Improvement Service. The importance of having an effective partnership with all schools in the Borough was highlighted as key to achieving the two overarching objectives of the Strategy:

1. A place in a good or outstanding school or early years setting for every child or young person.
2. Exceeding national standards and then London standards.

It was noted that the key areas of improvement were reading at Key Stage 2 and mathematics at secondary school level. The Cabinet Member for Education and Schools confirmed that while the Council did not support the Coalition Government's policy of forcing schools into Academy status, it was important to work with all schools in the Borough to ensure that children receive the best possible education.

The Cabinet Member agreed to include additional comparative and other data in future update reports and advised that she would be working closely with the Cabinet Member for Children's Social Care to tackle ongoing issues relating to NEETs (young people not in education, employment or training).

Cabinet **resolved** to:

- (i) Approve the Education Strategy 2014-2017 as set out at Appendix 1 to the report and endorse the Council's commitment to continuing the strong partnership with all schools in the borough to achieve the best possible outcomes and opportunities for its children and young people; and
- (ii) Note the performance of schools in national tests and examinations in 2014 as set out in Appendix 2 to the report.

### **53. Treasury Management Strategy Statement Mid-Year Review 2014/15**

The Cabinet Member for Finance presented an update report on the treasury management activities during the current financial year and highlighted the following two main points:

- Counterparty Lending Limits – the Assembly would be asked to review the position when it considers the 2015/16 Treasury Management Strategy in February 2015.
- Interest Rates – the current investment approach may be reviewed to enable the Council to benefit from higher interest rates available in the market.

Cabinet **resolved to recommend the Assembly** to:

- (i) Note the Treasury Management Strategy Statement Mid-Year Review 2014/15;
- (ii) Note that in the first half of the current financial year the Council complied with all 2014/15 treasury management indicators;
- (iii) Note the borrowing of £89m through a loan facility from the European

Investment Bank (EIB) to support an urban regeneration and economic growth programme agreed by the Assembly on 17 September 2014; and

- (iv) Delegate authority to the Chief Finance Officer, in consultation with the Cabinet Member for Finance, to proportionally amend the counterparty lending limits agreed within the Treasury Management Strategy Statement for the duration of the 2014/15 financial year, subject to a review of this authority in the February 2015 Treasury Management Strategy report to take into account any potential additional borrowing from the EIB agreed previously by the Cabinet.

#### **54. Polling Districts and Polling Places Review 2014/15**

The Chief Executive introduced a report on the outcome of a statutory review of polling districts (areas within ward boundaries) and associated polling places (stations) which was carried out between 19 August and 19 September 2014.

The Chief Executive advised that, arising from the review, changes were proposed in 8 of the 17 wards and the Cabinet Member for Children's Social Care stressed the need for a new polling station to be located in the Great Fleete area of Thames ward. The Legal Officer also explained the position regarding the formal approval of the review proposals, which rested with the Assembly.

Cabinet **resolved to recommend the Assembly** to:

- (i) Approve for publication the final proposals arising from the review of polling districts and associated polling places as detailed in Appendix A to the report; and
- (ii) Authorise the Chief Executive to agree any permanent or temporary arrangements until the commencement of the next review that are deemed appropriate in respect of alternative polling stations and/or reconfiguration of polling districts, subject to consultations with relevant ward councillors.

#### **55. Investors in People (IiP) Bronze Level Accreditation**

The Cabinet Member for Central Services presented a report on the Council's success in achieving Bronze level accreditation against the Investors In People (IiP) Standard.

The Cabinet Member explained that the Council had held IiP status since 2005 but had agreed to be assessed against the Bronze level for the latest review which took place between October 2013 and October 2014. The assessor had identified a number of improvements and strengths since the previous review in 2011, while the aspects requiring approval had been built in to the Council's People Strategy 2014/15 which was approved by Cabinet on 25 September 2014 (Minute 25).

Issues raised during the discussions included:

- The need for the Council to have a consistent approach to home working;
- The improvements expected from the centralisation of departmental learning and development functions and budgets and the need to ensure that all staff's

- needs and requirements are addressed under the new approach; and
- The important role that organisations such as the Adult College can have in supporting the Council's learning and development programme.

The Cabinet Member placed on record his appreciation of the HR team and all Members and officers that contributed to the achievement of Bronze status.

Cabinet **resolved** to accept the Investors in People Report 2014 attached at Appendix A to the report and agree the priority actions of 'Skills and Ways of Working', 'Leading and Managing Through Change' and 'The Deal for Our Workforce'.

## **56. School Funding Formula 2015/16**

The Cabinet Member for Education and Schools reported on the proposed allocation of funding to schools for 2015/16.

The Cabinet Member referred to the main issues that had been discussed by the Schools Forum during the consultation and commented that the preferred option, Model B, represented the fairest approach. It was noted, however, that the Schools Forum was to undertake further analysis work in respect of the Dedicated Schools Grant (DCG) funding block prior to the submission deadline to the Education Funding Agency (EFA).

Cabinet **resolved** to:

- (i) Note the outcome of the School Funding Formula briefing sessions at the Schools' Forum, as referred to in paragraphs 2.5 to 2.6 of the report;
- (ii) Agree to adopt Model B as the method for allocating school funding in 2015/16 as set out in section 2 of the report, subject to (iii) below; and
- (iii) Delegate authority to Corporate Director of Children Services, in consultation with the Cabinet Member for Education and Schools, to approve the final submission to the EFA following the review by the Schools Forum working group as referred to in paragraph 2.9 of the report.

## **57. Growth Boroughs Joint Committee**

Further to Minute 112 (15 February 2011), the Leader of the Council reported on the creation of a new joint committee with the London Boroughs of Hackney, Greenwich, Newham, Tower Hamlets and Waltham Forest which would replace the Joint Committee of the London 2012 Olympic and Paralympic Host Boroughs.

The Leader referred to the role of the new Growth Boroughs Joint Committee and acknowledged that issues such as employment and training were as important as the main transport and infrastructure objectives. The Leader confirmed that those issues had already been discussed with the representatives of the Joint Committee and he also referred to the role of the North East London Strategic Alliance (NELSA), which included the London Boroughs of Enfield, Havering and Redbridge, in helping the Council to deliver its priority of "Growing the Borough".



Officers were asked to ensure that details of the new Joint Committee's forward plan and agenda papers are made available to Cabinet Members.

Cabinet **resolved** to:

- (i) Approve the disestablishment of the existing Joint Committee of the London 2012 Olympic and Paralympic Host Boroughs and the establishment, with immediate effect, of a new Growth Boroughs Joint Committee;
- (ii) Agree that the Council joins and participates as a member of the Growth Boroughs Joint Committee;
- (iii) Agree that the Council:
  - (a) enters into and signs up to the revised Inter-Authority Agreement and the revised Memorandum of Understanding (Annex A to this report) and any other necessary documents to be entered into by or between the six Growth Boroughs, and
  - (b) delegates power to the Chief Executive to do everything and give effect to any matter necessary to achieve the Joint Committee's objectives.
- (iv) Agree the Terms of Reference of the Joint Committee as specified in Appendix 1 to the Inter-Authority Agreement and Memorandum of Understanding;
- (v) Agree that all executive powers, duties and functions required to be executed by the London Borough of Barking and Dagenham to facilitate the objectives of the Growth Boroughs Joint Committee are delegated to and be discharged by the Joint Committee; and
- (vi) Appoint Councillors Ashraf and Rodwell as the Council's representatives on the new Growth Boroughs Joint Committee.

## **58. Procurement of a Framework for Lower Value Construction Projects**

The Cabinet Member for Regeneration presented a report on the proposed procurement of a Framework Agreement for lower value (£50,000 - £500,000) construction projects.

The Cabinet Member advised that the approach taken for the new Framework was intended to attract smaller, more local firms and make vacancies available to local people. Furthermore, the successful contractors would be required to sign up to the Memorandum of Understanding with Barking and Dagenham College to engage students on shorter term arrangements. The Leader welcomed the arrangements and commented that the Council should aim to give 25% of its capital work to local business.

Cabinet **resolved** to:

- (i) Agree that the Council proceeds with the procurement of a Framework Agreement for Lower Value Construction Projects for the provision of the

services in accordance with the strategy set out in this report;

- (ii) Request that Cabinet Members be kept informed of the progress of the procurement and award of the contract, and
- (iii) Delegate authority to the Divisional Director of Regeneration, in consultation with the Chief Finance Officer and the Head of Legal and Democratic Services, to conduct the procurement and award the contract to the successful bidders in accordance with the strategy set out in the report.

#### **59. Disaggregation of Barking and Dagenham and Havering Youth Offending Services**

Further to Minute 114 (19 March 2013), the Cabinet Member for Crime and Enforcement reported on the cessation of the joint Youth Offending Service (YOS) arrangement with the London Borough of Havering.

The Cabinet Member outlined the reasons for Havering Council wishing to bring its service management back in-house and commended the work of the Barking and Dagenham YOS in helping to bring Havering's service from a poor inspection rating prior to the merger to a "performing well" judgement. It was also noted that the Leader of Havering Council had expressed his appreciation of the work of the Barking and Dagenham YOS team.

In response to a the suggestion by the Cabinet Member for Social Care that it would be useful to understand the positives and negatives of the joint working arrangement, the Corporate Director of Adult and Community Services undertook to circulate details of the assessment by the YOS Chief Officers' Group to Cabinet Members.

Cabinet **resolved** to:

- (i) Acknowledge the improvements made to Havering Council's YOS by the joint service, which created a high performing service; and
- (ii) Note the strategic and operational direction of the Barking and Dagenham YOS.

#### **60. Children's Social Care Annual Report 2013/14**

The Cabinet Member for Children's Social Care presented the Children's Social Care Annual Report for 2013/14 which included details of the key achievements during the year, the implications for the service of the increasing local demand pressures and the outcome of the Ofsted inspection of services for children in need, looked after children and care leavers.

It was noted that there had been significant increases in the number of social care contacts and the number of contacts progressing to a statutory referral. In turn, the number of children receiving a statutory social care service had also increased significantly, from 1,482 in 2009/10 to 2,183 in 2013/14 which represented a 48% increase over the period. The Cabinet Member advised that the predominant child protection issues related to emotional abuse and the impact on children where

domestic violence was a factor within the family home. The data showed that the increase in cases and the nature of the referrals reflected changing demographics in the Borough and, in response to a question, the Cabinet Member clarified that there was a significant over-representation of cases relating to eastern European families where alcohol abuse was a factor.

The Cabinet Member for Children's Social Care also commented on data on the number of families moving into the Borough requiring extensive support services and suggested that Barking and Dagenham was receiving a disproportionate number of placements from other London local authorities, which was borne out by the statistics included in the Corporate Director of Children's Services paper as part of the Budget Monitoring report considered earlier in the meeting.

Cabinet **resolved** to:

- (i) Note the service improvements contained within the review report and action taken in response to local demand pressures; and
- (ii) Note the content and outcomes of the Ofsted inspection of services for children in need, looked after children, care leavers and the Local Authority Children's Services' Improvement Plan.

#### **61. Adoption Agency Annual Report 2013-14**

The Cabinet Member for Children's Social Care introduced the Adoption Agency Annual Report for 2013/14 which summarised the work of the service during the year and the priorities aimed at improving the service, a number of which had stemmed from an external adoption challenge by the British Association for Adoption and Fostering.

The Cabinet Member advised on the high threshold for placing children for adoption and the difficulties faced in attracting prospective adopters from across all spectrums of the community, including individuals as well as couples. The Cabinet Member for Adult Social Care and Health referred to the lengthy process that prospective adopters had to go through to be selected and suggested that it would be helpful to use the experiences of those who had gone through the process in the recruitment material.

In response to a question regarding the potential loss of three posts within the service, the Corporate Director of Children's Services advised that Adoption Grant funding levels from central Government had already reduced by £600,000 in the current year and further cuts were likely. The Chief Executive explained that it was almost inevitable that cuts would have to be made to grant funded services when that funding was reduced or ceased, due to the existing pressures on Council funding.

Cabinet **resolved** to note the Adoption Agency Annual Report 2013/14 at Appendix 1 to the report and the 2014/5 priorities of "Improve permanency planning for children", "Recruit more potential adoptive parents" and "Increase membership of the Adoption Panel".

## **62. Campaign Against Domestic Abuse**

The Leader of the Council reminded Members of the Council's campaign against domestic abuse and encouraged everyone in the Council to support the various initiatives that would be taking place over the coming weeks, which included the '16 Days of Activism' programme commencing from White Ribbon Day on Thursday 25 November to Human Rights day on Wednesday 10 December.

## **63. Private Business**

Cabinet **resolved** 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).

## **64. Arrangements for Future Delivery of Barking Market and Street Trading Management**

The Cabinet Member for Crime and Enforcement presented a report on proposals relating to the future delivery of Barking Market and street trading management arrangements.

It was noted that the current partnership agreement with Charfleets Limited for the running of the Barking Town Centre Market and Street Trading Management Services would expire on 24 April 2015. The Cabinet Member referred to the options appraisal which had been carried out by officers and advised that the preferred option was to bring the management arrangements in-house for an interim period of two years. That proposal would also involve a formal review being carried out after 18 months to assess the benefits of the in-house arrangements which would, in turn, inform a decision on whether to retain the in-house arrangement or to procure an initial three-year contract with a service provider.

The Cabinet Member confirmed that the proposals in the report supported the objectives of the Barking Town Centre Strategy 2014-18 agreed by Minute 21 (25 September 2014) and the Council's new vision and priorities.

Cabinet **resolved** to:

- (i) Agree that the management of Barking Market and Street Trading Services return to an in-house service on an interim basis at the cessation of the current contract, with a full review to be conducted after 18 months following which the service shall either continue in-house or be procured in line with the Council's Contract Rules and EU legislation;
- (ii) Agree, in the event that procurement is recommended following the review process, that a procurement exercise be undertaken in line with the strategy detailed in the report, for a contract term of three years with the option to extend for a further year; and
- (iii) Delegate authority to the Corporate Director of Adult and Community Services, in consultation with the Chief Finance Officer and the Head of

Legal and Democratic Services, to award the new contract following a procurement exercise and to approve any subsequent extension of the contract.

## **65. Care City and Abbey Sports Centre Site - Update**

Further to Minutes 66 (19 November 2013) and 12 (4 August 2014), the Cabinet Member for Regeneration presented a report on the progress of the plans to bring a mixed use commercial leisure-led development, incorporating a permanent base for the Care City initiative, to the site of the existing Abbey Sports Centre in Barking Town Centre.

Following the decision to include the accommodation for the Care City initiative into the specification for the development, tenderers had resubmitted bids based on options for the ground floor and residential uses to be acquired on either a freehold or leasehold arrangement and for either one or two storeys of office space for Care City. The Cabinet Member referred to the evaluation of the bids and advised that the preferred option included a cinema and restaurant on the ground floor, first floor office space for Care City and seven storeys of residential accommodation via a 125-year lease arrangement. The Cabinet Member commented that the proposed development would make a substantial contribution to the regeneration of Barking Town Centre and he had asked officers to consider potential use options for the Abbey Sports Centre for the period leading up to its demolition.

The Cabinet Member for Children's Social Care referred to his previous observations on other regeneration reports in relation to the Council's ability to restrict on-letting at a rental profit by Buy-to-Let investors. The Divisional Director of Regeneration confirmed that the issue would be discussed with the development partner and undertook to present a more detailed report on the development proposals to a future meeting of the Cabinet.

Cabinet **resolved** to:

- (i) Approve the selection of Lindhill as the preferred development partner for the redevelopment of the Abbey Sports Centre site under a 125-year lease arrangement;
- (ii) Agree the components and development parameters associated with the proposed Scheme submitted by Lindhill whilst noting that the detailed Scheme will be subject to a formal planning application and the decision of the Development Control Board at a future date;
- (iii) Authorise the Chief Executive, in consultation with the Head of Legal and Democratic Services, to finalise the sale terms and complete the necessary legal agreements with Lindhill and NELFT;
- (iv) Agree to enter into an early works order with Lindhill or the Council's own contractor to demolish Abbey Sports Centre when it becomes vacant, whilst noting that the upfront costs will be reimbursed when the Development Agreement becomes unconditional;

- (v) Agree to front fund any works required to complete the commercial and legal agreements with Care City and Lindhill, whilst noting that these upfront costs will be reimbursed when the Development Agreement becomes unconditional; and
- (vi) Request officers to present to a future meeting a detailed report on the new development.