

CABINET

Minutes of a meeting held on Thursday, 9 February 2017

PRESENT:

Councillor Blake
Councillor Moore
Councillor Sullivan
Councillor Turner (Chairman)
Councillor Sargent
Councillor Hedley
Councillor Dadds

ALSO PRESENT:

Councillor Smith
Unison Representative

OFFICERS IN ATTENDANCE:

**Chief Executive, Commissioning Director (Resourcing and Place Shaping),
Commissioning Director (People and Place), Group Manager (Corporate Finance),
Manager of Housing and Community Services, Committee and Member Services
Team Manager, Head of Communications.**

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67. APOLOGIES FOR ABSENCE:

There were no apologies for absence.

68. DECLARATIONS OF INTEREST:

Councillor Hedley declared a non pecuniary interest in Agenda Item No. 9 – Review of Basildon Careline, as an Essex County Councillor.

69. MINUTES:

The minutes of the meeting of the Cabinet held on 1 December 2016 were

agreed as a true record and signed by the Chairman.

(For voting see Appendix, Column 1)

70. REVIEW OF BASILDON CARELINE

The Cabinet Member for Housing and Community Safety presented a report that set out detailed analysis following the consultation exercise with existing Careline service users to gain a better understanding of the requirements in terms of future service provision and to assess the impacts associated with the various options.

It was reported that Basildon Council had no statutory obligation to provide a Careline Service and there were many local authorities who do not directly provide the service. There were however a number of statutory functions set out within the Civil Contingencies Act and homelessness legislation that could require a response out of hours, and alternative provision would therefore be required if the current service ceased.

The alternative options were set out in the report for Cabinet's consideration in relation to future service provision, having regard to service quality and value for money for service users, commercial opportunity, financial impact and sustainability and the level of change and investment required.

RESOLVED –

1. That a procurement exercise be approved for a community alarm service for tenants in sheltered accommodation for the over 60s and the re-direction of all other Careline service users to an alternative provider of their choice.
2. That the capping of the weekly charge to £3.00 for tenants in sheltered accommodation for the over 60s be approved from 1 April 2017 until the award of contract for the procured community alarm service.

(For voting see Appendix, Column 2)

71. BUDGET AND COUNCIL TAX 2017/18

The Cabinet Member for Resources presented a report that set out all the relevant information available at the current time in support of setting the Council's Budget and Council Tax for 2017/18, together with the financial forecast information through to 2019/20.

The figures presented summarised the expenditure which the authority estimated it would incur in performing its functions and would charge to a revenue account. This also included the impact of provisional central government grant funding.

The recommended schedule of fees and charges, that had been considered by the Overview and Scrutiny Commission were set out as an enclosure to the report for Cabinets consideration.

The final budget and Council Tax proposals for 2017/18 would be presented to Council at its meeting on 23 February 2017.

The Council is free to set its own Council Tax requirement within the resources available having due regard to the robustness of the budget calculations, identified risks and the prevailing financial climate. However, any excessive council tax increase would be subject to a local referendum and the cost of conducting the referendum and rebilling would both fall on the Council, unless the referendum combined with one or more referendums required in similar circumstances by the major precepting authorities.

RESOLVED –

1. That the overall financial position for 2017/18 and financial forecast to 2019/20, be noted and that the Leader and Cabinet Member for Resources present final proposals for the Budget and Council Tax and Treasury Management arrangements to Council for approval on the 23 February 2017.
2. That Cabinet recommends to Council on 23 February 2017 an increase in Council Tax of 1.99% for 2017/18 giving a charge at Band D of £262.98 per annum.
3. That the Fees and Charges for Council services as set out in Enclosure No. 3 be approved for implementation from 1 April 2017.

(For voting see Appendix, Column 3)

72. DRAFT HOUSING REVENUE ACCOUNT AND HOUSING CAPITAL PROGRAMME BUDGET 2017/18

The Cabinet Member for Housing and Community Safety presented a report that provided information on the proposed Budget for 2017/18 and the financial forecast to 2019/20 for the Housing Revenue Account (HRA) and the Housing Capital Programme. It also provided an updated 30 year financial strategy.

The main issues addressed in the report were as follows:-

1. The Government's housing funding policy
2. The Government's rent reduction policy
3. Right to Buy
4. Other Government policies
5. Managing reduced resources
6. Treasury Management
7. Decent Homes and other capital funding
8. Long Term planning and the 30 Year Financial Forecast
9. HRA Reserves
10. Service Charges for 2017/18
11. Consultation
12. Sustainability of the HRA

The proposals for the HRA budget and capital programme were due to be considered by Full Council at its meeting on 23 February 2017.

The Cabinet did not have an alternative option as the setting of a balanced HRA budget or reducing rents are they were, is a statutory requirement. The option to refer parts of the budget back to Officers for further work was not considered necessary.

RESOLVED –

1. That the proposed HRA budget 2017/18 and the forward financial budget forecasts to 2019/20 be recommended to full Council for approval.
2. That the proposed detailed HRA capital programme and the overall 10 year programme be recommended to full Council for approval.
3. That the inclusion of the additional £10 million of HRA resources to the Acquisitions and New Build Programme be approved in the capital programme for submission to full Council.
4. That the proposed 30 year HRA financial strategy be recommended to full Council for approval.
5. That the service charges as set out in the report and Enclosure No. 2 to the report, be approved.
6. That the remaining HRA garages be transferred to the General Fund with effect from 1 April 2016, and the necessary adjustments to reflect this transfer be made to asset, treasury and budget figures for 2016/17 and future years.

(For voting see Appendix, Column 4)

73. EXTENSION OF THE CONTRACT FOR THE SUPPLY AND MAINTENANCE OF REFUSE, RECYCLING AND OTHER ASSOCIATED VEHICLES AND THE MAINTENANCE OF PLANT

The Cabinet Member for Environment and Community presented a report that sought approval to the extension of a contract for the supply and maintenance of refuse, recycling and other associated vehicles and the maintenance of plant.

The Council entered into a 7 year contract with Riverside Truck Rentals in May 2011 and would be due to terminate in March 2018. The contract included the opportunity to extend the contract by a further 7 years and Cabinet was asked to consider this extension in order to ensure the long term continuation of service delivery.

The alternative options available to the Cabinet were as follows:-

1. A separate procurement exercise could have been undertaken. The existing contract was working well and there was no guarantee that a tender exercise would either achieve savings or not increase the cost to

Basildon Council. The additional revenue arrangement could not be guaranteed and may mean losing the annual £40,000 income. This option was not therefore recommended.

2. The existing contract was based on contract hire approach where the contractor supplies and maintains the vehicles. An alternative option was for the Council to purchase the vehicles and tender for a maintenance only contract (the arrangement prior to the current contract). The current arrangements resulted in a circa £360,000 saving when the contract was tendered in 2011 and transferred the risks of vehicle ownership / procurement / legal duty to the contractor. This option was not recommended.

RESOLVED –

That the extension of contract with Riverside Truck Rental Limited to 31 March 2025 with an annual contract value of circa £1.9m be approved.

(For voting see Appendix, Column 5)

74. EXTENSION OF VOIDS CONTRACT TO COUNCIL OWNED DWELLINGS

The Cabinet Member for Housing and Community Safety presented a report that sought approval to the extension of a contract in order to ensure the continuing delivery of works to void properties pending the award of a new stand-alone long term contract or placing a workstream with Morgan Sindall Property Services Ltd under the Strategic Asset Management (SAM) contract.

In 2012 the contract was awarded over an initial term of 3 years with an option to extend for a further 12 months on two occasions subject to satisfactory performance by the contractor. The initial 36 month term expired in April 2016. In March 2016, a further 12 months extension was approved up to March 2017.

It was reported that the contractor had continually worked with a 'partnering' ethos with a willingness to support any changes to improve the Void process.

The alternative options available to the Cabinet were as follows:

- 1) Not to extend this contract. This was discounted as it would result in the Council's inability to continue to deliver works to void properties efficiently and have a potential adverse impact on void rent loss.
- 2) A separate procurement exercise could have been undertaken, either through an open tender exercise or by conducting a mini tender with Service Providers on a Framework Agreement. This was discounted as it would have diverted resources from the Property Services, Legal and Procurement teams from other procurement projects, which were currently underway.
- 3) Extension of the existing contract

- 4) Award the contract as a work stream to Morgan Sindall Property Services Ltd under the Strategic Asset Management contract. This option was discounted as Morgan Sindall would be delivering a significant capital and revenue programme in 2017/18 and would be fully committed to delivering these programmes of work. Awarding them the voids work stream at this time was likely to cause them capacity issues in the short term and put at risk the successful delivery of both areas of work.

RESOLVED –

That the extension of contract with Vinci Construction UK Limited to 31 March 2018 be approved, with a revised overall total contract value of £13.7 million for works to bring void properties up to the Council's "standard of let", including modernisation works where necessary to achieve the Voids and Decent Homes standard.

(For voting see Appendix, Column 6)

75. AWARD OF RENEWAL OF KITCHENS AND BATHROOMS

The Cabinet Member for Housing and Community Safety presented a report that sought approval to award a contract for kitchen and bathroom modernisation in Council owned properties.

It was reported that a Strategic Asset Management (SAM) contract had previously been awarded to Morgan Sindall Property Services Ltd to deliver responsive and planned maintenance works to Council owned properties. Due to the way the contract was structured it offered complete flexibility in the awarding of discrete workstreams which could be awarded to the Service Provider if they were meeting the required performance.

The SAM contract comprises a number of workstreams that could be added or removed. The contract for the modernisation of kitchens and bathrooms including associated electrical works had recently expired and it was proposed to award the workstream to Morgan Sindall Property Services Ltd.

The alternative options available to the Cabinet were as follows:-

1. Not to award this workstream. This was discounted as the Council needed to have a Service Provider in place to modernise kitchens and bathrooms. Failure to do so would result in increased customer dissatisfaction and levels of non-decency increasing significantly.
2. A separate procurement exercise could be undertaken, either through an open tender exercise or by conducting a mini tender with contractors on a Framework Agreement. This was discounted as the SAM contract had been recently procured and the rates submitted by Morgan Sindall Property Services for this work compare favourably with the rates

charged by the previous Service Provider. This would also divert resources from the Property Services, Legal and Procurement teams from other procurement projects, which are currently underway.

RESOLVED –

1. That the award of the kitchen and bathroom modernisation workstream be awarded to Morgan Sindall Property Services Ltd, which forms part of the Strategic Asset Management contract for the period 1 April 2017 to 30 June 2026 inclusive, at a contract value of £14 million.
2. That authority be delegated to the Head of Housing and Community Services and the Group Manager (Legal and Procurement) to agree arrangements for the award of this workstream as part of the Strategic Asset Management Contract.

(For voting see Appendix, Column 7)

76. BEECHWOOD VILLAGE (FRYERNS AND CRAYLANDS) REGENERATION SCHEME LAND COMPULSORY PURCHASE ORDER (CPO)

The Leader of the Council presented a report that sought approval to the making of two Compulsory Purchase Orders (CPOs) to ensure the successful progression of the redevelopment of the Fryerns and Craylands area.

The original scheme proposed the demolition of up to 700 properties and their replacement with up to 1400 new homes. It was reported that the project experienced difficulties during the recession and new plans were given planning consent recently. Fewer houses would be demolished but all the Council owned maisonette blocks would still be demolished. The retained Council homes would be benefitting from substantial investment, with the whole estate benefitting from investment in the infrastructure through the provision of re-surfaced pavements, roads, green areas and new street furniture.

The Leader advised that it was originally planned that the Homes and Communities Agency (HCA) would make the CPO, but in response to the introduction of the Localism Act 2011, the HCA decided to withdraw from CPO activity in these matters nationally and pass them to the Local Authority. All attempts would be made to reach negotiated purchases with all third parties and each resident would have the opportunity to discuss their particular circumstances.

The option not to pursue a CPO if necessary could substantially damage the progress of the redevelopment, preventing the completion of the much needed regeneration of the estate.

RESOLVED –

1. That subject to a suitable indemnity agreement being entered into between the parties, two compulsory purchase orders (CPOs) be made in respect of the land and property shown edged red on the

plans attached to this report (Enclosures 2 and 3) pursuant to section 226(1)(a) of the Town and Country Planning Act 1990.

2. That the Commissioning Director – Resources and Place Shaping be given delegated authority to make any necessary minor modifications to the CPO land to be acquired.
3. That the Commissioning Director – Resources and Place Shaping be given delegated authority to settle the statement of reasons and take all other action necessary to secure confirmed Orders.

(For voting see Appendix, Column 8)

77. CABINET MEMBER DECISION RECORDS:

The Cabinet noted those decisions taken since publication of the last Cabinet Agenda.

78. EXCLUSION OF PUBLIC AND PRESS:

RESOLVED:

That the public and press be excluded from the meeting during discussion of Agenda item 13, on the grounds that it was likely that, if members of the public and press were present during the item, there would be a disclosure to them of exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972 as set out in Paragraph 10 of the Council's Access to Information Procedure Rules.

(For voting see Appendix, Column 9)

79. BASILDON AND BRENTWOOD SHARED SERVICE

The Leader of the Council presented a report that recommended the formal co-location of Brentwood Borough Council's Revenues and Benefits staff within one merged site located within Basildon Council offices.

The approval would formalise the partnership between Basildon Borough Council and Brentwood Borough Council – supporting the Council's partnership aspirations to deliver quality front and back office services in partnership. This agreement would also set the framework for any future shared service arrangements.

The alternative options were set out in the report for the Cabinet's consideration.

RESOLVED –

1. That the Council enter a sharing agreement contract for provision of the Revenues and Benefits with Brentwood Borough Council, on the basis set out in the report.

2. That delegated authority be given to the Chief Financial (Section 151) Officer in consultation with the Leader of the Council as appropriate, to agree and formally enter the contract once negotiations have completed and to amend the Council's revenue budget accordingly.

(For voting see Appendix, Column 10)

CHAIRMAN

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RECORDING OF VOTES

Vote Number	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	
CONSERVATIVES																			
Blake	F	F	F	F	F	F	F	F	F	F									
Dadds	F	F	F	F	F	F	F	F	F	F									
Hedley	F	F	F	F	F	F	F	F	F	F									
Moore	F	F	F	F	F	F	F	F	F	F									
Sargent	F	F	F	F	F	F	F	F	F	F									
Sullivan	F	F	F	F	F	F	F	F	F	F									
Turner	F	F	F	F	F	F	F	F	F	F									
Vote Number	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	

KEY: F = In Favour
 A = Against
 - = Abstain
 O = Not present for vote
 P = Paired (abstained)
 * = Chairman used casting vote in line with first vote

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