

Minutes of the meeting of the Cabinet

Date: Tuesday, 10 April 2018
Time: 19:00
Venue: The Liz Cantell Room, Town Hall, New Broadway, Ealing, W5
2BY

Attendees:

Councillor Jasbir Anand, Councillor Julian Bell, Councillor Ranjit Dheer, Councillor Yoel Gordon, Councillor Bassam Mahfouz, Councillor Peter Mason, Councillor Binda Rai, Councillor Hitesh Tailor

Apologies for Absence:

Councillor Yvonne Johnson

Also Present

In accordance with paragraph 2.6(a) of the Constitution, Councillors Malcolm and Young addressed the Cabinet with regard to the following items:

Item 07 - Addressing behaviours outside the Marie Stopes Sexual Health Clinic on Mattock Lane: follow-up report (Councillors Malcolm and Young)

Item 08 - Social Value Policy (Councillor Malcolm)

Alina Dulgheriu (Be Here For Me Campaign) and Anna Veglio-White (Sister Supporters) spoke on item 7.

1 Apologies for Absence

Councillor Johnson who is recovering following an operation.

2 Urgent Matters

There were none.

3 Matters to be Considered in Private

Item 7 contained confidential appendices but was not taken in private as it was not necessary to discuss the confidential information provided

4 Declarations of Interest

There were none.

5 Minutes

Resolved:

That the minutes of the Cabinet meeting held on 20 March 2018 be agreed and signed as a true and correct record.

6 Appointments to Sub Committees and Outside Bodies

There were none.

7 Addressing Behaviours Outside the Marie Stopes Sexual Health Clinic on Mattock Lane

Resolved

That Cabinet:

- i. approves the making of a PSPO, for a period of three years, in the amended form attached at Appendix 1a of the report on the basis that:
 - (1) Members are satisfied that the activities identified in the evidence are having a detrimental effect on the quality of life of those in the locality
 - (2) that the effect is persistent or continuing, and is such as to make the activities unreasonable and that effect justifies the restrictions proposed and
 - (3) the prohibitions and requirements are reasonable to impose in order to prevent or reduce the detrimental effect from continuing, occurring or recurring.
- ii. agrees to review the PSPO after 6 months
- iii. commends the Community Safety Team and the Legal team for their hard work on this project.
- iv. thanks speakers on all sides of the debate for making their points to Cabinet.

Reason for Decision and Options Considered – as detailed in the section 4 and appendix 3 of the Report

The Council's Safer Communities Team ('SCT') have undertaken detailed investigative work into the issues reported to be affecting Clinic users, staff and those in the locality of the Clinic. The investigation has encompassed a number of strands:

- Consultation and engagement exercises with represented groups from all sides;
- Obtaining information from Police and other agencies;
- Engagement with the Clinic and Clinic staff;
- Taking witness accounts from those using the Clinic and those who have used it historically;
- Engagement with the local community, specifically by seeking the information and views of local residents and Councillors.
- Receiving and considering 'evidence packs' produced by Sister Supporter and the Good Counsel Network

Further information has been received through the consultation process. Details of the evidence obtained which were considered by members were set out in Section 4 of and Appendix 3 to the Report.

Members also considered the responses to the consultation on the proposed PSPO which were summarised and analysed in Section 6 of and Appendix 2a to the Report. Members were also provided with details of the consultation with statutory consultees in Appendix 2b, copies of the written representations received from both objectors to and supporters of the proposed PSPO in Appendices 2c and 2d and were advised of additional representations which had been received after the consultation period.

Members considered the impact that the proposed PSPO would have on the rights protected by Articles 8, 9, 10, 11 and 14 of the European Convention on Human Rights (“ECHR”) and the duty on the Council under section 149 of the Equality Act 2010. Details of those rights and that duty were set out in Section 2 of the Report.

Members, in Section 6 of and Appendix 6 to the report, were also provided with details of the other options that had been considered by Cabinet in January 2018.

Members were also addressed by Alina Dulgheriu a representative of Be Here For Me and by Anna Veglio-White a representative of Sister Supporter.

Having considered all matters members were satisfied that the statutory conditions for making a PSPO were met, and that PSPO area and the prohibitions in the amended proposed PSPO were reasonable. Members considered that the proposed PSPO would be compatible with the ECHR and that making the PSPO would be compliant with the Equality Act duty.

8 Social Value Policy

Resolved

That Cabinet:

- i. authorises the Social Value Guidance (Appendix 1 of the report)
- ii. delegates the Executive Director of Regeneration and Housing, following consultation with the Director of Legal and Democratic Services, the Executive Director of Corporate Resources, the Portfolio Holder for Regeneration and the Portfolio Holder for Finance and Portfolio holder, Prosperity, Skills, Employment and Transformation to implement the Social Value Guidance (January 2018 – Appendix 1 of the report) so it is fully embedded in the organisation.
- iii. notes the potential benefits of implementing a Social Value Policy across the procurement cycle, with measures of success that go beyond monetary values and contribute to achieving Future Ealing outcomes which put the local community at the heart of decision making.

Reasons for Decisions and Options Considered

Adopting a formal Social Value Policy, including the Guidance, should provide a more consistent application across all new commissioning and commercial procurement, with a greater return for economic, social and environmental well-being for Ealing’s residents.

The benefits of adopting a social value policy across the Council include: -

- Encouraging a diverse base of suppliers: promoting supplier diversity, including the participation of SMEs and 3rd sector organisations, and local suppliers in general;
- Promoting fair employment practices: ensuring workforce equality and diversity

and more higher quality jobs within supply chains; and encouraging fair employment and workplace representation

- Meeting targeted recruitment and training needs: offering a range of apprenticeship, training and skills development opportunities as well as employment opportunities;
- Community benefits: maximising opportunities for Ealing organisations to participate in the council's supply chains and encouraging suppliers to make a social contribution to the local area;
- Ethical sourcing practices: ensuring compliance with UK, EU and international standards, promoting fair trade and fair pricing policies, tackling corruption, child labour and similar social issues; and
- Promoting greater environmental sustainability: minimising waste and pollution, supporting carbon and water reduction initiatives, furthering energy efficiency and other sustainability programmes.
- Improving council economic sustainability: encouraging businesses to deliver additional social value will have a range of direct and indirect economic benefits to the council including improving viability (and security of business rates) of SMEs in the borough, providing additional support to third party providers to ensure better community benefits, eventual reduction in costs to the council of providing services.
- Encouraging participation: engaging and encouraging user and employee involvement in service design and delivery.
- Employment, Skills and Enterprise: through the work of the Employment, Skills and Regeneration Team, Ealing Council will seek to reach out to employers and use large scale regeneration projects and the procurement of goods and services to influence and create of pathways into employment for Ealing residents, including apprenticeships and work placements for young people. The council will also work with other partners, particularly other public sector partners to progress their careers.

Lessons learned from the implementation of this policy for the Council should be considered by the wider Local Strategic Partnership (LSP), with a view to considering implementing a similar policy.

9 Contract for Multifunctional Devices

Resolved

That Cabinet:

- i. authorises the Director of Finance following consultation with the Head of Procurement to select the appropriate framework from Crown Commercial Service Framework RM3781 and the Crescent Purchasing Consortium Framework and to undertake a mini competition for a new contract for managed print and hybrid mail services. The contract starting after December 2018, is to be funded within the existing 2018/19 £1.699m (to be reduced from 2019/20 to £1.359m) per annum postage and printing budgets and let for a term of 5 years making the total value of the contract £7.135m
- ii. delegates authority to the Director of Finance following consultation with the Head of Procurement and the Portfolio Holder for Finance and Performance to award a contract following the mini-competition to the most economically advantageous tender.

Reason for Decision and Options Considered

The current contract for the provision of Multi-Functional Devices (MFDs) with Apogee Corporation Ltd will come to an end on 23rd December 2018 and the council does not have the option to further extend this contract.

The council is currently reviewing the way it manages print and post with a view to reducing its reliance on paper and shifting towards more efficient ways of working. This procurement provides an opportunity to ensure the right services and technology are in place to support this culture change in line with Future Working and Digital Strategies.

Supply market analysis has been conducted in which the market leaders were identified; a summary was included within the Print Services Category Strategy presented at the July 2017 and February 2018 Corporate Resources DCB (included in Appendix 1). Each of these market leaders appear on frameworks such as the Crown Commercial Service Framework RM3781 and the Crescent Purchasing Consortium Framework which will provide the council with an opportunity to conduct a mini-competition before award.

Conducting the procurement process via one of these frameworks will enable the council to access a holistic set of services managed by the supplier and allowing the flexibility within the contract for the council to reduce its reliance on paper over time.

A soft market test exercise was conducted in February 2018 with the following suppliers to allow the council to understand the range of technical solutions available and therefore to inform a fit for purpose service specification for the council:

- Canon
- Xerox
- SCC
- Apogee
- Konica Minolta

Each supplier conducted a presentation which covered numerous questions around technical innovation, contract structure, channel shift and mobilisation amongst other things.

Some of the findings are set out below:

- Optimum contract duration is 5 years. This will enable the council to realise the benefits from the efficiencies that the contract can provide. It is also unlikely that any revolutionary technology will be released within the next 5 years.
- Considering the technical nature of the solution that the council wishes to procure, it is recommended that the weighting is geared more towards quality than price (e.g. 55% Quality – 45% price – in line with the relevant framework)
- All providers are able to meet the range of services required and keen to be engaged and involved in the procurement

10 **Golf Links Regeneration - Alnmouth Portrush Update**

Resolved

That Cabinet:

i. authorises the addition of the Lettings Plan and Expenditure on Buybacks and Fees to Redevelop Alnmouth & Portrush to the HRA Capital Programme for 2018/19. The budget to cover this addition is £3.750m (comprising of £3.600m to cover leasehold buybacks, homeloss payments and £0.150m for the procurement costs of appointing a development partner). This is to be funded from £2.700m of additional capital receipts (yet to be realised), from the outright sale of Adelaide units originally proposed for shared ownership, and £1.050m of retained Right to Buy receipts. Until these the Adelaide receipts have been secured, the expenditure will need to be financed from the HRA borrowing headroom.

ii. authorises the Executive Director of Regeneration and Housing to hold all future voids in 1-66 Portrush and 1-18 Alnmouth Courts, to be used as temporary accommodation pending the blocks redevelopment

iii. authorises the Executive Director of Regeneration and Housing, to adopt a local lettings plan to ring-fence void properties on the wider Golf Links Estate for existing secure tenants in Alnmouth and Portrush who are not pre-allocated elsewhere

iv. notes that it is part of the Golf Links Estate, Southall programme proposed to and agreed by Cabinet on 14th November 2017, giving authority to progress to the next phase for the development, and to agree to allocate secure tenants, and offer resident

leaseholders of Alnmouth and Portrush new units being provided at Peterhead Court. v. notes that a further report recommending the appointment of a development partner will be made once the selection process has been completed, and funding identified to cover the project.

Reason for Decision and Options Considered

Cabinet agreed on 14 November 2017, for 1-18 Alnmouth and 1-66 Portrush Courts to be the next phase of the regeneration of Golf Links Estate.

Cabinet agreed a number of recommendations, including awarding the tenants of the two blocks decant status and to pre-allocate secure tenants in the current redevelopment phase of Golf Links at Peterhead Court; the service of a demolition notice to halt further right to buys; authority to prepare for a compulsory purchase order; and the procurement of legal, design, and cost advice in order to procure a development partner to undertake the regeneration of Alnmouth, Portrush and individual sites.

A housing needs survey currently near completion has identified a preference for many secure tenants to remain on the Golf Links Estate. The redevelopment of Peterhead Court will provide 40 rented units and 28 units for sale. This still leaves a substantial shortfall in rented units for those residents in Alnmouth and Portrush not qualifying for Peterhead Court. Consequently, it is recommended any voids becoming available on the wider Golf Links Estate be ring-fenced to be made available to qualifying residents in the two blocks, and only let to other applicants if no qualifying residents bid.

In order to avoid the creation of long-term voids and loss of rent income to the Council while the two blocks are awaiting demolition, voids in Alnmouth & Portrush will be used, where possible, as temporary accommodation.

For the avoidance of doubt, it is recommended that there is a freeze on further permanent lettings in Alnmouth & Portrush.

The above options allow for the planned decanting of the two blocks of secure tenants in order to facilitate their demolition and redevelopment. In addition, work is progressing to acquire ten leasehold properties from two resident and eight absentee owners.

Work is also progressing to draw up a development brief for replacement housing on the sites of Alnmouth and Portrush, and the associated development of three sites occupied by garages, parking and the local area base in Fleming Road. The funding of this work and the re-purchase of leasehold property will be paid for by receipts from the sale of new build flats at Adelaide Wharf, and where applicable, the use of retained right to buy receipts as outlined in the report to Cabinet 14th November 2017.

Adelaide Wharf is a development of 20 flats for sale being constructed by the Council in Norwood Green, Southall, overlooking the Grand Union Canal.

11 Garages Asset Commercialisation Strategy

Resolved:

That Cabinet:

1. notes that a capital budget of £0.180m for 2018/19 and £0.180m for 2019/20 has been established to fund the building and refurbishment of garages on the HRA estate in the HRA Capital Budget for presented to Cabinet in January 2018. This budget is funded from Revenue Contribution to Capital Outlay (RCCO) sourced from High Intervention Estates in 18/19 and 19/20.
2. authorises the appointment of Secure Parking and Storage Limited (SPS) on an initial 2-year contract under a direct award from the NSAH (Alliance Homes) Limited Framework. to provide a management, repairs and refurbishment

service for the HRA garages stock. The management and repairs service fee payable to SPS, under this proposed contract will be £0.123m in Year 1 and £0.102m in Year 2. The refurbishment service will be funded by the capital budget of £0.180m in 2018/19 and £0.180m in 2019/20. The revenue funding for the contract is to come from the increased Garage fees income that SPS is to be contracted to achieve. For budget monitoring purposes, it will be identified as Garage Asset Commercialisation.

3. authorises the Director of Safer Communities and Housing to agree to the one year contract extensions only if the new income targets for the preceding year are achieved in full. If the targets are not achieved, the Council will exercise its break-clause, if that step is deemed appropriate. There shall be a maximum of 2 extensions allowed.
4. notes that the revenue and capital sums identified in this report are to be contained within the overall HRA Account approved by Cabinet in January 2018. The capital sums identified are as approved in the FE1 – HRA 8 Garage Commercialisation Paper - see Appendix 3 of the report.
5. notes that the works to the garage assets has been included in the HRA Capital Programme as a new scheme, with the funding of £0.360m capital identified across 2018/19 and 2019/20 contained within the overall capital programme approved by Cabinet in January 2018. This will not cause an impact on the HRA capital programme and revenue position as the expenditure is to be contained within the approved HRA resources.
6. notes that it is intended to clear and build 175 new garages and refurbish 100 over the first two years – 2018/19 & 2019/20 (Appendix 1A of the report).
7. notes that garage rents will be revised once the works have been completed and will be reflected in the Fees & Charges schedule at the appropriate time.
8. endorses the principal of new garage lets commencing at a rental assessed as market rate by SPS, by comparison to charges made by neighbouring boroughs for both residents and non-residents – see Appendix 2 of the report.
9. requests that ward councillors are consulted regarding proposals relating to garages within their wards.

Reasons for Decisions and Options Considered

There are 2,876 garage units within the Council's Garage Estate which at the 31 March 2017 had an existing use valuation of £22.614m in the HRA stock. Based on data gathered in September 2017, the status of the garages is shown in Table 1 in the report:

The current forecast income for 2017/18 of £0.288m – the income outturn for 2016/17 was £0.324m. The current forecast income is being generated by 637 garages (22%) of the current garage stock. The goal is that by 2021/22 the net income of £0.681m (an increase of £0.360m or 111%) will be generated by around 1,087 garages or 38% of the current garage stock.

There is no approved budget for either managing or repairing the garages – the current repairs and maintenance service is on an ad-hoc basis – expenditure for 2017/18 to Month 10 was £0.019m. Using delegated powers, a low level of expenditure has taken place, funded from associated budgets in the HRA. Expenditure on garage repairs and security from 2013/14 to 2017/18 Month 10 has totalled £0.289m as shown in Table 2 in the report:

A number of options were considered for optimising the estate including:

- Seeking a third-party provider to manage the estate;
- Deploying additional in-house resource to boost new lettings and provide a more proactive management service;
- Disposing of the estate.

It was considered that the market knowledge and expertise of a specialist provider would be critical in driving the required marketing exercise and in guiding the investment strategy to ensure maximum returns.

A number of garage sites are currently allocated for potential re-development and this is being taken forward by the Housing Supply team. New tenancies offered by the Council through the provider will be such that they allow the council to secure vacant possession quickly in the event the site is identified for re-development.

The appointment of a third-party provider will allow the Council to rapidly improve the proactive letting and management of the estate enabling the Council to:

- Provide additional parking opportunities for residents;
- Reduce incidents of anti-social behaviour associated with vacant units;
- Generate an additional revenue income.

The proposed rent increase has been considered in detail, cognisant of the need to ensure existing tenants see an improved service and not just an increased rental demand. As such, no increases in rentals are proposed in the 2018/19 financial year with increases being capped at an average of £1 per week in subsequent financial years. Appendix 2 of the report provides detail on rents available within neighbouring boroughs and sets out the proposed escalator over the five-year period.

Through the commissioning of SPS, it is considered that the revenue income for the Council can be enhanced, that the service provided to garage tenants can be improved and that the number of vacant garage units across the borough can be significantly reduced.

12 Date of Next Meeting

Resolved

That Cabinet:

- i. records a vote of thanks to Councillor Bell as chair of Cabinet for conducting Cabinet meetings in a fair and helpful manner over the course of this administration.
- ii. notes that this was Councillor Dheer's last Cabinet meeting and records it's thanks to him for his great service to Cabinet as Deputy Leader and Portfolio Holder for Community Services and Safety.
- iii. welcomes Tony Clements to Ealing Council in his new role as Executive Director Regeneration and Housing
- iv. notes that the next meeting of Cabinet will be held on 5 June 2018 at 7pm

Paul Najsarek, Chief Executive, 29 March 2018

The minutes should be read in conjunction with the agenda for the meeting. They are subject to approval and signature at the next meeting of this Committee.