

CABINET

Tuesday 12 February 2019 at 7pm Minutes

PRESENT:

Councillors: Bell, Anand (Part), Camadoo, Johnson, Mahfouz, Rai and Sabiers

ALSO PRESENT:

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

- Item 07 - Budget Update 2018/19 (Councillor Young)
- Item 08 - Budget Strategy 2019/20 (Councillors Malcolm and Young)
- Item 10 - Ealing Town Hall Development and Refurbishment – Update on Development and Response to ACV Application (Councillors Malcolm and G Stafford)
- Item 12 - Local Implementation Plan (Transport) 2019-22 (Including the Cycle Plan and Travel to School [Sustainable Modes of Transport] Strategy)
(Councillor Dabrowska and Malcolm)
- Item 13 - Materials Recovery Facility (MRF) Services Contract Extension
(Councillors Malcolm and G Stafford)

Also in Attendance and Vote of Thanks

Councillor Rice was also in attendance.

Cabinet noted that this was Ian O'Donnell (Executive Director, Corporate Resources) and Keith Townsend's (Executive Director, Environment and Customer Services) final Cabinet meeting and Cabinet put on record its thanks for their service and for all the work carried out and their long-sustained effort throughout their time in Ealing.

1. Apologies for Absence

Councillors Gordon and Mason.

2. Urgent Matters

There were none.

3. Matters to be Considered in Private

Items 9, 10, 11, and 14 contained confidential appendices but were not taken in private as it was not necessary to discuss the confidential information provided.

Item 13 contained confidential appendices and was taken in part in private.

4. Declarations of Interest

Councillor Bell declared an interest in item 8, Budget Strategy 2019/20, by virtue of his wife working for a care company that contracts domiciliary care for the Council.

Councillor Mahfouz declared an interest in item 8, Budget Strategy 2019/20, by virtue of his wife working for Ealing Council.

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5. Minutes

Resolved:

That the minutes of the Cabinet meeting held on 15 January 2019 be agreed and signed as a true and correct record.

6. Appointments to Sub-Committees and Outside Bodies

There were none.

7. Budget Update 2018/19

Resolved

That Cabinet:

- i) notes the General Fund revenue budget forecast outturn position of £0.959m, a net overspend (0.39%) for 2018/19 (paragraph 4 of the report) and a break-even position on the Housing Revenue Account (paragraph 6 of the report).
- ii) notes the progress in delivering 2018/19 savings (paragraph 5.3 of the report).
- iii) notes officers continue to develop plans to contain, reduce and mitigate the projected overspend;
- iv) notes the 2018/19 capital programme forecast (paragraph 8.3 of the report).

Reason for Decision and Options Considered

To forecast the Council's financial position for 2018/19 based on information available at the end of 30 November 2018. The report outlines the council's forecast position for revenue and capital, income and expenditure.

8. Budget Strategy 2019/20

Resolved

That Cabinet:

Revenue Budget 2019/20

- i) notes the latest Medium Term Financial Strategy MTFS for 2019/20 to 2022/23 (paragraph 4.1 and Appendix 1 of the report).
- ii) approves £4.381m of additional savings, submitted as part of the 2019/20 budget review process, for 2019/22 to 2022/23 (paragraph 5.1.5 and Appendix 3b of the report).
- iii) notes that particular savings proposals may have significant and important implications not set out in this report, for example in relation to the council's equality duties or other legal responsibilities, or consultation may be required because of the likely impact upon staff, service users or providers. Where this is the case those implications will be fully explored, equalities analysis assessments undertaken and, if necessary, a further report will be considered by Cabinet or the relevant officer or portfolio holder before a final decision is taken on implementation. Where a decision is taken not to proceed with any savings proposal then alternative proposals will be brought forward for consideration by the Executive Director with responsibility for that proposal.
- iv) authorises the Chief Executive or Executive Director with responsibility for each proposal to:
 - a) carry out all steps required in relation to each proposal, including carrying out any appropriate consultation,
 - b) consider any consultation outcomes and any other detailed implications,
 - c) complete and consider the implications of any equalities analysis assessment required,
 - d) following completion of iv) a) to iv) c) above, and before taking the final decision on whether or not to proceed to implement each proposal, determine whether or not

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to amend any proposal prior to implementation as appropriate, and to make any amendment required

- e) where appropriate following iv) a), iv) b), iv) c) and iv) d) above, determine that implementation of a proposal should not happen.
- f) notes that where a decision is taken not to proceed with any savings proposal then alternative proposals will be brought forward for consideration by the Chief Executive or Executive Director with responsibility for that proposal.
- v) notes in relation to the authorisations given above in iii) and iv), that where appropriate, any key decisions will be brought back to Cabinet.
- vi) approves £7.461m of growth items for 2019/20 to 2022/23 (paragraph 5.1.3 of the report).
- vii) agrees the officer recommendation of an increase of 1% for the Social Care Precept and an increase of 2.99% for Council Tax in 2019/20 (paragraph 5.6.6 of the report) for recommendation to Full Council;
- viii) notes that the council is in a position to agree a balanced budget for 2019/20 and that any remaining budget gap following the Council Tax decision by Full Council on 26 February 2019 will be closed using reserves.

Business Rates Discount

- ix) approves that, pursuant to the Council's powers under Section 47 of the Local Government Finance Act 1988, for 2019/20, the Council will offer a discount in National Non-Domestic Rates NNDR of two times the cost of accreditation to the first 100 businesses in Ealing which are, or which become accredited with the Living Wage Foundation and who meet the criteria as set out in the February 2016 Cabinet report: Discretionary Discount Scheme for Businesses accredited to Living Wage Foundation (paragraph 5.7.10 of the report)
- x) authorises the Section 151 Officer to make determinations in relation to applications for such discounts;

Fees and Charges 2019/20

- xi) approves the schedule of fees and charges for 2019/20 (paragraph 5.2.4 and Appendix 10 of the report).

Capital Programme 2019/20 – 2022/23

- xii) notes the new General Fund capital programme additions totalling £51.420m to be approved by Full Council on 26 February 2019 (paragraph 5.11 and Appendix 6 of the report).
- xiii) notes the capital programme additions relating to the Housing Revenue Account HRA (paragraph 5.11 of the report) that were considered as part of the HRA Business Plan by Cabinet on 11 December 2018.

Cabinet endorses and approves the following recommendations and recommends to Full Council that, on 26 February 2019, it:

- xiv) Revenue Budget 2019/20 and Medium Term Financial Strategy 2019/20 to 2022/23
 - a) considers and approves the Revenue Budget for 2019/20 as summarised in Appendix 2 of the report.
 - b) considers the advice of the Executive Director of Corporate Resources on the levels of reserves and robustness of estimates in setting the budget as required by Section 25 of the Local Government Act 2003 (paragraphs 5.15 and 5.16 of the report).
 - c) notes the financial risks and pressures set out in the report (paragraphs 4.2.15 and 5.13 of the report)
 - d) approves the Parking Account 2019/20 (paragraph 5.9 and Appendix 4 of the report).

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- e) approves the draft Schools budget of £326.656m and agrees that any changes to the budget reasonably required as a result of the final 2019/20 DSG settlement are delegated for decision to the Executive Director of Children, Adults & Public Health following consultation with the Section 151 Officer paragraph 5.10 of the report.
 - f) notes that the General Fund balance is scheduled to remain the same at £15.473m for 2019/20 and notes the forecast levels of earmarked reserves (paragraph 5.15 and Appendix 5 of the report).
- xv) Capital Programme 2019/20 – 2022/23
- a) approves the new General Fund capital programme additions totalling £51.420m (paragraph 5.11 and Appendix 6 of the report).
 - b) approves the revised Capital Programme of £845.680m (before additions), as set out in paragraph 5.11.6 and Appendix 7 of the report.
- xvi) Capital Strategy, Treasury Management and Pension Fund
- a) approves the Treasury Management Strategy including the associated Prudential Indicators and Annual Investment Strategy (paragraph 5.12 and Appendix 9 of the report).
 - b) approves the Treasury Management Policy Statement (Appendix 9 of the report).
 - c) notes the Director of Finance will implement the Treasury Management Strategy under existing officer delegated powers (Appendix 9 of the report).
 - d) approves the Minimum Revenue Provision MRP policy (Appendix 9 of the report).
 - e) notes that the Pension Fund cash where held in house and West London Waste Authority cash is also managed in accordance with the Treasury Management Strategy (Appendix 9 of the report)
 - f) approves the Capital Strategy (Appendix 8 of the report).
- xvii) Council Tax and Business Rates
- a) notes the Greater London Authority GLA Band D precept of £320.51 for 2019/20 (paragraph 5.5 of the report).
 - b) notes that the Executive Director of Corporate Resources calculated under delegated authority on 31 January 2019 the amount of 115,489.90 as the Council Tax Base, being the number of properties in Bands A-H in the Borough, expressed as an equivalent number of Band D units for the year 2019/20; in accordance with regulation 3 of the Local Authorities Calculation of Council Tax Base Regulations 1992 as amended made under Section 335 and 344 of the Local Government Finance Act 1992 (paragraph 5.6.1 of the report).
 - c) notes the forecast Collection Fund position for 2018/19 (paragraph 5.6.3 of the report).
 - d) notes the council's share of the business rates income forecast for 2019/20, as approved by the Executive Director for Corporate Resources (paragraph 5.7.6 of the report).
 - e) approves charge of a 100% premium (increased from 50% extra) on top of standard tax council for properties which have been empty for more than 2 years with effect from 1st April 2019 (paragraph 5.6.10 of the report).
- xviii) Addendum and revised appendix 3b to the report
- a) notes the addendum to the report
 - b) notes the revised appendix 3b to the report

Reasons for Decisions and Options Considered

This is the final update report to Members on the 2019/20 Budget and Medium Term Financial Strategy (MTFS). It finalises the position since the last budget strategy report to Cabinet on 11 December 2018 and it brings together a number of significant issues for Cabinet decision. The main purpose is to enable Cabinet to consider further budget

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proposals and make recommendations to Full Council for when it finalises the budget and sets the council tax on 26 February 2019.

9. Vendor Neutral Supply Chain and Materials Corporate Contracts

Resolved

That Cabinet:

- i) notes the status and progress of the Council's Commercial Hub and the finalised Commercial Policy for the Council.
- ii) notes, where appropriate for the category or service in question and directed by the Commercial Hub, the use of a new vendor neutral supply chain corporate contract primarily, but not exclusively for one-off/spot, bespoke, time limited or lower value type purchases.
- iii) gives approval to go out to tender for the provision of a vendor neutral supply chain corporate contract(s) using the Competitive Procedure with Negotiation, for up to the next eight years on a 4+2+2-year contract basis for use by Ealing and also other local authorities.
- iv) gives delegated authority to the Director of Finance, following consultation with the Portfolio Holder for Finance & Performance following the tender process to award the vendor neutral contract for a 4+2+2-year contract.
- v) notes the approach being taken for procuring a contract for the provision of construction materials for use by both Ealing's internal resource and for use by our supply chain of external contractors and gives approval to call off, either through direct award or mini-competition, from the Crown Commercial Service Buildings Materials framework (or similar) for Lot 1 - Building Materials and Associated Services (including plumbing) and Lot 2 – Electrical.
- vi) gives delegated authority to the Director of Finance, following consultation with the Portfolio Holder for Finance & Performance to award the contracts under Lots 1 and 2 of the Crown Commercial Service Buildings Materials framework (or similar) following the mini-competitions.

Reason for Decision and Options Considered

Commercial Hub Background

The Council spends approximately £320M every year on contracts to support delivery of services to residents. How the Council procures and manages contracts around the nine Future Ealing outcomes is key to getting the best value we can from limited resources.

It was agreed by the Commerciality and Assets Programme Board in late 2017 to select a pilot project in Procurement and Contract Management to commence rapidly into delivery, which was subsequently approved by the Future Ealing Board. The project comprised of two key elements:

- Development of a Target Operating Model.
- Review of contracts and spend areas leading to the realisation of budget savings and service outcome improvements.

Following ongoing engagement through Modern Council Board and consultation across the Council, the pilot culminated in a new Commercial Hub being launched in November of this year to replace the old Procurement team to provide greater support across the Council. This new team, financed through the existing budget with no increase in funds, will provide support across the whole commercial cycle, from commissioning, to procurement and through to contract management. Appendix 1 of the report outlines the function of the Commercial Hub. To further support the Council and the introduction of the Hub, a new Commercial Policy has also been developed in Appendix 2 of the report.

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The policy is also designed to ensure the Council focuses on those areas for development that are required to be in-line with the LGA National Procurement Strategy for which a full diagnostic of the Council has been undertaken. The Council has already begun a range of contract reviews which the Commercial Hub have been leading on with service areas, with additional support over two rounds by EY. The first round of these has delivered budget savings of £1.337M in 18/19 with a further £1.450M already built into the MTFs for 19-20 and which is being worked on. Additionally, the Commercial Hub is supporting on its own a range of other contract reviews with a prudent savings figure of £0.717M for 19/20. In addition to this there are specific separate savings proposals that are contract focussed and which the Hub is supporting e.g. Parking, All Age Disabilities Outcomes Commissioning etc. In total, all the contract-related savings for 19/20 are worth £3.311M to the MTFs.

Vendor Neutral Supply Chain Partner

Please see the Commercial Strategy in Appendix 3 of the report for the detail to this procurement.

Whilst this specific contract is not part of a wider Category Strategy for corporate contracts, it is aligned to Council's Commercial Policy which explains that as goods, works and services become more strategic and the business environment more unpredictable, the Council will shift to more sophisticated sourcing commercial models. This contract involves a commercial model which will enable the following key principles of the policy to be delivered:

- Working together with commercial, local authority and public-sector partners in a more innovative and commercial way to deliver Future Ealing outcomes;
- To reduce the Council's external third party spend by up to 10% through greater use of commercial & category management principles;
- Ensure strategic third party spend is focussed upon defined service outcomes that are linked to a commercial model appropriate for the category of spend;
- Increase the level of social value generated for the borough through increased leverage of the Council's third party spend;
- Where valid, to explore alternative service delivery models and the opportunity to create income for the Council within relevant categories of spend.

Current Position

Currently the Council has a tail of external spend which, like many large multi service organisations, is elongated with many small ad-hoc purchases spread across many suppliers. It has been calculated that this is worth £45M, spread across 1537 suppliers and 46,238 invoices. On this spend, any contract above £25K should be subject to a competitive procurement procedure which involves several regulatory requirements and significant process. However, this is extremely resource intensive and the level is not exponentially lower when compared to larger multi-million pound procurement exercises which are undertaken. For example, it is estimated that on a £75K quotation the cost of procuring for the council is around 15%, whilst the Chartered Institute For Purchasing & Supply have calculated that procurements above the OJEU threshold cost on average £50K per activity across the UK, which would equate to a much lower % on average. For bidders on lower value contracts the cost is similarly high and is a significant barrier to entry for SME's and the Voluntary Sector. The nature of the Council's tail of spend is also much more ad-hoc and so provides little assurity of business for these sorts of organisations to which they can create a sustainable business model.

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It is not just lower value procurements where there are issues. On average it takes nine months to carry out a full OJEU procurement. Whilst there are frameworks which the Council can join, these are static and with a limited number of suppliers. Dynamic Purchasing Systems have also been introduced but these also have issues around flexibility, finite scope and the cost of joining them where there is no guarantee of business. They are also extremely resource heavy to manage. This means that the Council is very limited in how it can procure contracts for projects which are time limited or where some form of pilot needs to occur or where the nature of the procurement is extremely bespoke or a one-off.

Proposed Solution

A neutral vendor helps clients source goods and services. It acts as a single point of contact for clients with no affiliation or interest in any one supplier. The neutral vendor does not deliver the services itself but helps the buyer select the best subcontractor available based on a brief which should, wherever possible, be outcome focussed. The neutral vendor then manages and assures delivery to the buyer's satisfaction through a competitive process that is benchmarked. The intention is for one (or more) vendor neutral supplier(s) to provide:

- a) A vendor neutral procurement service to the Council covering a range of service categories including but not limited to, Professional Services, Construction, ICT, Equipment etc;
- b) A quick, low cost route to market that is easily accessible by local suppliers, SME's and the Voluntary Sector;
- c) A simplified route to market for the Council that is quicker and lower cost for lower value, lower risk contracts.
- d) A service which is focussed upon outcome-focused specifications and payment according to the achievement of those outcomes.

The contract will provide services to other authorities as well as the London Borough of Ealing and should generate income for Ealing in the form of an "administration fee" consisting of a % of the value of the services procured via the vendor neutral supplier. Ealing will have a contract with each vendor neutral supplier, of which it is likely there will be only one, who will then source suitable suppliers from the market through further competition. The vendor neutral contract would not be used for all lower value procurements, rather more bespoke, time limited or one-off requirements and where this route to market was deemed the best commercial and service outcome option as directed by the Commercial Hub.

Each individual contract procured via the Vendor Neutral supplier would be subject to its own evaluation, specification and pricing model. This would have been through the usual contract governance at the Council including, depending on the value, its own Commercial Strategy that will have been supported by the Commercial Hub and approved either by the relevant Directorates Contract Board or the Council's new Joint Contracts Board that approves all contracts over £500,000 in value (i.e. "Key Decision" Value). The ability to control what is going to market and then how it is delivered would remain as it is now, it is rather that the Council would have a much more agile and responsive route to market available for consideration on certain purchases. The Commercial Hub would advise on each case whether this route to market was suitable or not versus others we could use.

The Neutral vendor will charge the Council for each contract it procures on a capped fee percentage basis or fixed fee that is recouped via the payments made for each project, as per the commercial model outlined in Appendix 3 of the report. However, as outlined in the Commercial Strategy for this contract (appendix 3 of the report) this neutral vendor

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model will still be more cost effective in terms of procurement costs than the Council itself procuring such contracts and which has been proved via the pilot activity undertaken where significant savings were achieved.

Currently there is no similar option available to the public sector with the closest option being the professional services vendor neutral contract let by the North East Purchasing Consortium. However, this is very limited in scope to consultancy contracts and so there is a large opportunity for the Council to create a viable option across multiple categories that will not only benefit Ealing Council but the wider public sector also.

Materials Corporate Contract

Please see the Commercial Strategy in Appendix 4 of the report for the detail to this procurement.

Current Position

Currently the Council has no contract for construction materials with purchases made on an ad-hoc basis across a wide range of suppliers. The annual spend on construction materials by internal teams within the Council, i.e. Corporate Facilities and Housing ERS is £445,430. This results in a high number of invoices and purchase orders being placed with multiple providers for a high cost with a lack of grip and transparency over what is being purchased, the quality of the materials being purchased and from where.

The Council contracts with a range of construction-based contractors, with the majority being SME's. On building maintenance alone, the Council contracts £24.590M worth of work externally per annum, of which roughly 50% can be attributed to the cost of materials, with the remaining 50% on overheads, staff and profit. This provides a further spend of £12.295M on materials across the Council's supply chain. Individually each SME and the Council has limited leverage with distributors of materials. The Council also often pays a mark-up on the materials purchased by contractors and has limited visibility of these costs.

Proposed Solution

Based on supplier profiling, it was identified that there are a number of suppliers currently supplying building materials direct to the council. It has been identified that there is the potential to consolidate to two suppliers, one providing general building materials and the other electrical materials, each direct to Ealing Council which would generate estimated savings of up to 7.0%.

Similarly, with our supply chain of contractors there is the opportunity to have two consolidated suppliers, one each for general and electrical materials that contractors must use going forward. This serves to create savings through the consolidation of volume and improved pricing through increased leverage, reducing the material uplift element from current contractors whilst also streamlining the process. We have identified an estimated spend for this opportunity based on analysis of number of key suppliers within the maintenance category that will avail of this new potential opportunity. This will provide efficiencies to both those suppliers and the Council with regards to materials cost and it is estimated would generate savings of again up to 7%.

From analysis of framework agreements open to the Council the Crown Commercial Service Buildings Materials framework was deemed to offer the best value and the most comprehensive range of buildings materials and associated services through Lot 1 - Building Materials and Associated Services (including plumbing) and Lot 2 – Electrical. A call-off, either through direct award or mini-competition will therefore be undertaken from these two lots.

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10. Ealing Town Hall Development and Refurbishment – Update on Development and Response to ACV Application

Resolved

That Cabinet:

- i) notes the current position with regard to the proposed redevelopment of Ealing Town Hall and the proposals recently received from Ealing Voice and CEPAC in particular through the Asset of Community Value (ACV) process and the recommendations approved by General Purposes Committee on 15th January 2019.
- ii) agrees that neither of the proposals received warrant the running of a new procurement process (for the reasons set out in paragraph 6 in the report) and that the Council as landowner continue to seek Charity Commission (CC) consent for disposal to Mastcraft of the property held by the Trust.
- iii) agrees that subject to CC consent being obtained it is appropriate for the Council as landowner to enter into the agreement for lease with Mastcraft subject to any such amendments to the agreement for lease as may be necessary, depending on the terms of the CC consent.
- iv) notes letters received from Mr French and Mr Miller.

Reasons for Decisions and Options Considered

It is appropriate for the Council (as owner of Ealing Town Hall) to consider the recent proposals received during the moratorium period triggered by reason of the listing of Ealing Town Hall as an Asset of Community Value (ACV).

Were the Council not to consider the options presented, it may not secure the best outcome for the Council.

11. Healum Avenue, Southall – Update and Implementation of Phase 3

Resolved

That Cabinet:

- i) notes the progress made on the implementation of the new link road as set out in paragraphs 2.1-2.8 of the report.
- ii) notes and agrees the proposals for delivering the new road as set out in paragraphs 2.9-2.12 of the report.
- iii) delegates authority to the Executive Director of Housing & Regeneration to determine the preferred route for phase 3 following completion of the options analysis by officers on the basis proposed in paragraph 2.9 of the report.
- iv) authorises the Executive Director of Housing and Regeneration to enter into a grant agreement with the GLA in respect of the funding secured from Housing Infrastructure Fund towards Phase 3 of the scheme and any Deeds of Variation required throughout the project period.
- vi) authorises officers to prepare and submit a planning application/s for the whole road and Phase 3 as required.
- vii) authorises officers to commence formal discussions with land owners in relation to the acquisition of property required to deliver Healum Avenue.
- viii) agrees in principle that if the properties cannot be acquired by agreement the Council will use CPO powers to acquire the properties.
- ix) authorises officers to implement the scheme through use of appointed contractors via the Highways department as set out in paragraph 6.1 of the report.
- x) thanks officers for their excellent work.

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Reasons for Decisions and Options Considered

Pursuant to Cabinet decision in June 2014, officers have carried out work to start the implementation of a new link road in East Southall called 'Healum Avenue'. This road was formerly referred to as 'Grand Union Avenue' but its name has been changed following discussion with colleagues in street naming and the name 'Healum Avenue' (Healum being the old Saxon name for Southall) has now been formally adopted.

The case for this new link road was set out in the Southall Opportunity Area Planning Framework (OAPF) adopted in 2014. In short, its purpose is to provide a new public transport, walking and cycling route between Havelock Estate and Merrick Road which has a number of key benefits:

- It allows for new development sites in Southall East to be linked to the main highway network and served by buses and safe walking and cycling links, avoiding the congestion of Bridge Road, which is and will remain the main HGV route to industrial sites in East Southall
- It allows for Havelock Estate to be served by a through bus route rather than a loop
- This in turn means that bus journeys to central Southall will be quicker and more direct for residents. Buses will not be caught in the bottleneck of Havelock Estate's single access point at rush hour as the new link road will be for local access only (except for buses, pedestrians and cyclists).
- It provides a new safe walking route from Havelock Estate directly towards the new station for residents living at the eastern edge of that estate
- It integrates the development sites in Southall East; and
- It provides for the opportunity to optimise development densities in the Southall East area especially those outside 10 minutes' walk
- distance from the station which are not currently served by public transport.
- This in turn will enable the delivery of around 3,000 new housing units in Southall East

12. Local Implementation Plan (Transport) 2019-22 (Including the Cycle Plan and Travel to School [Sustainable Modes of Transport] Strategy)

Resolved

That Cabinet:

- i) approves the LIP 2019-22 document including the list of schemes, and notes its three-year funding allocation, in Appendix A of the report.
- ii) notes the changes made to the final document from the draft LIP, as a result of TfL comments and public/stakeholder consultation.
- iii) authorises the Director, Regeneration and Planning, to publish the final LIP document 2019-22 and implement its proposals following consultation with the Portfolio Holder and Leader of the Council.
- iv) authorises the Director, Regeneration and Planning, following consultation with the Portfolio Holder and Leader of the Council to finalise and approve the following 'Mode Plans' and implement their proposals (which support the Transport Strategy previously approved by Cabinet on 5th June 2018):
 - Draft Cycle Plan, in Appendix C
 - Draft Parking Plan, in Appendix D
 - Draft Travel to School (Sustainable Modes of Travel Strategy – SMOTS), in Appendix E
- v) authorises the Director of Environment, following consultation with the Portfolio Holder for Environment & Highways and Leader of the Council and in accordance with the Ealing Transport Strategy and (once finalised) the Parking Plan to:
 - a. Review parking fees for residential parking permits.

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- b. Formulate proposals for any changes considered appropriate in the light of those the Parking Plan and Transport Strategy.
- c. Undertake any statutory consultation as may be required.
- d. Following consideration of the outcome of that consultation, to make any appropriate changes to residential parking permit fees

Reason for Decision and Options Considered

The Council needs to adopt and publish its final updated Local Implementation Plan document for the period 2019-22 from April 2019 (detailed in section 3 of the report). A decision is now required to adopt and publish the final LIP document. The LIP 2019-22 is based on the Ealing Transport Strategy, which was previously approved by Cabinet on 5th June 2018.

The Ealing Transport Strategy does have a number of supporting “mode plans” which provide further detail on their respective areas and are as follows:

- Cycle Plan
- Parking Plan
- Travel to School (Sustainable Modes of Travel) Strategy – (SMOTS)

These mode plans provide more detail for key areas of the Transport Strategy in terms of policy (which are based on the three-key Transport Strategy objectives), targets and a more detailed implementation plan for each mode, which has informed the LIP delivery plan. The mode plans do not currently have cabinet approval, therefore, given their connection to the Transport Strategy and the LIP, this would be a timely point in which to consider them for approval.

13. Materials Recovery Facility (MRF) Services Contract Extension Resolved

That Cabinet:

- i) authorises the extension of the Contract for Materials Recovery Facility (MRF) Services for the Sorting and Recycling of Dry Mixed Recyclable Materials dated 5 January 2017 with Viridor Waste Management Limited for one year from 6 June 2019 to 5 June 2020, at a value of £0.998m, which forms part of the Levies budget.
- ii) agrees to join the West London Waste Authority (WLWA) procurement process for the transport and processing of dry recyclables (with an option for the build of a MRF) being led by WLWA on behalf of Ealing, Harrow, Hounslow and Richmond for a contract with an estimated yearly value for Ealing of £0.950m of up to 20 years (15 + 5) using the competitive dialogue procedure.
- iii) delegates authority to the Director of Environment, following consultation with the Cabinet member for Environment and Highways and the Director of Finance following the WLWA procurement process to enter into a contract for the transport and processing of dry recyclables with the WLWA and the other authorities if the procurement outcome is acceptable to the Council.
- iv) delegates authority to the Director of Environment, following consultation with the Director of Finance to extend the Contract with Viridor Waste Management Limited for a further one year from 6 June 2020 to 5 June 2021 should it be required.

Reason for Decision and Options Considered

The existing Contract was awarded to Viridor Waste Management Limited as authorised by Cabinet on 16 June 2015 (item 10 – ‘An improved Method of Refuse and Recycling Collections’) and Executive Director of Environment & Customer Services by way of an Officer’s Decision dated 5 April 2016. Following the introduction of the dry mixed

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recycling service collected in wheelie bins in 2016, there was a requirement to procure Materials Recovery Facility (MRF) Services for the haulage and processing of dry mixed recycling.

The current Contract commenced on 6 June 2016 following an OJEU tender process for an initial three-year period, with the option to extend for a further one year plus a further one year. The Contractor's mutual agreement is required to extend the Contract. Viridor Waste Management Limited were successfully appointed to carry out the Contract. The Contract performance has been and continues to be good. Reporting is accurate and timely, materials are collected as scheduled from the bulking area at the Council depot, contingency arrangements have been put in place where required, the recycling performance target has been met each month, and all target materials have been separated for processing. 100% of target materials sent to Viridor have been sent for recycling, and the sampling of Contract Materials is in accordance with the provisions of the Agreement and the MRF Code of Practice. A total of 23,600 tonnes of recycling have been sent for processing during 2018. The contamination rate is approximately 9%, which is lower than an average across London of approximately 12%.

Benchmarking against comparable local authorities shows that the Contract has a competitive haulage and processing rate per tonne, details of which are in Confidential Appendix A of the report. The Contractor consistently achieves a higher sales price for recyclable materials than the industry average market rate (LetsRecycle Indices). The greater the sales price, the greater the share for Ealing Council, which is used to offset the cost of haulage and reprocessing per tonne. Please see Confidential Appendix A for detail. There has been a positive impact on the recycling rate following the introduction of the dry mixed recycling service and alternate weekly collections. The large increase of 5% shown between 2016/17 and 2017/18 is as a result of significant service change, as shown in Table 1 in the report. Ealing is performing well and has the second highest recycling rate in London currently, but with an ambitious target to increase recycling to 60% by 2022. This Contract is key to achieving the recycling target.

The timing of the proposed one year extension is in line with work that is currently being carried out with West London Waste Authority on the future options for MRF Services (transportation, processing and marketing of recyclable materials). The procurement being led by WLWA on behalf of Ealing, Harrow, Hounslow and Richmond should extract better value from the Contract. Should the proposed procurement process be successful, the Services would be provided from 1 April 2020.

The Council is involved in soft market testing with the WLWA on the procurement of the MRF Services, the development of the specification, payment mechanism and terms and conditions of the proposed Contract and will be closely involved in the evaluation also. Further information on the finances and option for a build of a MRF will be provided should the procurement outcome be acceptable to the Council. The WLWA procurement strategy includes provision for MRF Services to be provided from 1 April 2020 of up to 20 years (15 + 5) with an option for a build of a MRF after the initial 5 years. There will also be the capability to break the contract post year 5, in case of substantial change in Resources and Waste strategy in the UK. There is also an option, should it be required, to extend the Contract with Viridor Waste Management Limited for a further one-year period (from 6 June 2020 – 5 June 2021). This is provided for within the terms and conditions of the current Contract.

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The focus of the MRF Services Contract is to achieve a high quality material output, as this increases demand/value of the material and also maximises its recyclability.

14) Award of Contract for the Construction of a Residential Short Breaks Unit in Northolt

Resolved

That Cabinet:

- i) approves the inclusion of an additional £385,092.06 Grant funding for the Respite Care Centre – Northolt into the capital programme in 2019/20 from new NHS BAU Learning Disability Capital Programme Grant.
- ii) approves the award of the contract in the sum of £1,526,354.52 to Jerram Falkus Construction Limited for the construction of a Residential Short Breaks Unit to be funded from the approved Respite Care Centre - Northolt budget in the Capital Programme.
- iii) congratulates officers who worked on the architectural plans and thanks all those involved for the excellent liaison between officers and service users.

Reason for Decision and Options Considered

On 25th April 2017, Cabinet considered the results of the feasibility study on the future provision of residential short breaks to children with disabilities in Ealing. Cabinet agreed the proposals to:

- authorise the addition to the Capital Programme for provision of a building to provide respite services in Northfields, or the reserve site if necessary, to the value of £1.500m to be funded from mainstream borrowing until such time a capital receipt can be realised from the Heller House site with the associated revenue costs to covered from within Temporary Accommodation budgets
- the construction of new facilities at the Northolt, Haydock Avenue site.

Architectural plans for the proposed building were drawn up in consultation with the service area, parents and carers and providers. Planning permission has been obtained. The service design provides for six bedrooms in modern new build environment situated in secure grounds. Considerable consultation and architectural project work has taken place to ensure the design represents the best possible use of resources and space to produce a state-of-the-art disability friendly environment.

All three of the ground floor bedrooms will be fully adapted and accessible for children and young people with the most profound physical disabilities. The building has been specifically designed to incorporate the potential to have additional rooms added at a later date, if this is required. Awarding the building contract for the Construction of a Residential Short Breaks Unit works will allow this work to proceed and provision of the service to commence.

On 25 April 2017, Cabinet authorised the Executive Director of Children, Adults and Public Health to invite and evaluate tenders for the management and service delivery of the residential short breaks service in the new building. This process will ensure that a suitable provider is in place to commence the service once the building is completed.

15) School Admissions Arrangements for 2020-21

Resolved

That Cabinet:

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.

- i) approves the admissions arrangements 2020/21 for Ealing community schools including a change to give second highest priority to children in state care outside of England (Appendix 1 of the report).
- ii) approves the published admission numbers for all Ealing community schools including a reduction of 30 places at Derwentwater Primary School, Hobbayne Primary School, Stanhope Primary School and Wolf Fields Primary School (Appendix 1 of the report).
- iii) approves Ealing's scheme for co-ordination of admissions to Year 7 and Reception/Junior in 2020/21 as part of Pan London co-ordination (Appendix 2 of the report).

Reason for Decision and Options Considered

All admission authorities must determine their admission arrangements by 28 February every year, even if they have not changed from previous years and consultation has not been required. These are set out in paragraph 1.46 of the School Admissions Code.

**16) Date of Next meeting
Resolved**

That Cabinet notes that the next meeting of Cabinet will be held on 19 March 2019 at 7pm

Councillor Julian Bell, Chair

Date

The meeting concluded at 8:13pm having completed its business.

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.