

## **MINUTES OF THE MEETING OF THE CABINET HELD ON WEDNESDAY, 9TH MARCH, 2022**

**MEMBERS:** Councillors Nesil Caliskan (Leader of the Council), Ian Barnes (Deputy Leader of the Council), Rick Jewell (Cabinet Member for Environment), Nneka Keazor (Cabinet Member for Community Safety & Cohesion), Alev Cazimoglu (Cabinet Member for Health & Social Care), George Savva MBE (Cabinet Member for Licensing & Regulatory Services), Gina Needs (Cabinet Member for Social Housing), Mahtab Uddin (Cabinet Member for Children's Services) and Ahmet Hasan (Associate Cabinet Member (Enfield North))

**Officers:**

Ian Davis (Chief Executive), Fay Hammond (Executive Director Resources), Joanne Drew (Director of Housing and Regeneration), Dudu Sher-Arami (Director of Public Health), Terry Osborne (Interim Director of Law and Governance), Keith Rowley (Interim Head of Asset Management) and Peter George (Programme Director - Meridian Water), Jane Creer (Secretary)

**Also Attending:** Local press representative and officers and councillors observing

### **1. APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillors Mary Maguire, Guney Dogan, Mustafa Cetinkaya, Katherine Chibah, and Ergin Erbil and from Tony Theodoulou, Executive Director – People (represented by Dudu Sher-Arami, Director of Public Health) and Sarah Carey, Executive Director – Place (represented by Joanne Drew, Director of Housing and Regeneration).

Apologies for lateness were received from Councillor Nneka Keazor.

### **2. DECLARATIONS OF INTEREST**

There were no declarations of interest.

### **3. DEPUTATIONS**

NOTED that no requests for deputations had been received for presentation to this Cabinet meeting.

### **4. MINUTES**

**AGREED** that the minutes of the previous meeting of the Cabinet held on 16 February 2022 be confirmed as a correct record.

### **5. QUARTERLY REVENUE MONITORING 2021/22 QUARTER 3**

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Councillor Nesil Caliskan (Leader of the Council) introduced the report of the Executive Director Resources setting out the Council's revenue budget monitoring position based on information to the end of December 2021.

- The financial pressures the Council was facing as a result of the Covid-19 pandemic were reported collectively. Despite the impact of Covid-19, the Council was in a robust financial position.
- It was expected that the Government funding would be sufficient to meet the Covid-19 impact, but £6.3m was built into the Medium Term Plan initially as a one off but potentially as ongoing cost for Covid risk.
- The Pressures Challenge Board continued to review the most significant financial pressures on the Council, mainly linked to demand-led services.
- The Dedicated Schools Grant was forecasting an outturn position of a deficit, and the cumulative forecast deficit would be the first call on the 2021/22 grant allocation.
- In response to Members' queries, it was confirmed that eligible businesses were proactively contacted in respect of Covid-19 payments. Further details were also provided in relation to the Dedicated Schools Grant and the SEN expansion programme.

Councillor Keazor arrived at the meeting at this point.

### **Alternative Options Considered:**

Not relevant in the context of this report.

### **DECISION:** The Cabinet agreed to

1. Note the adverse variance of £0.129m on the General Fund and £5.2m overspend in the Dedicated Schools Grant (DSG) forecasted revenue outturn position for 2021/22.
2. Note that the £3m contingency is no longer required to achieve the General Fund forecast outturn and therefore the planned drawdown from reserves of £1.927m will no longer be required and £0.944m will be added to the Council's reserves.
3. Note the Covid-19 impact of £44.191m which is expected to be funded by Government grants.
4. Approve the allocation of Covid-19 grant to support catch up provision for secondary schools costing £218k (allocated in Appendix G of the report); and a further allocation of £300k to extend the approach to primary as well also funded from Covid-19 Grant.
5. Note the progress made on the journey to setting a robust and resilient budget.
6. Request Executive Directors continue to work with Cabinet Members to robustly manage the underlying budget position and implement savings, whilst managing, mitigating and minimising the Covid-19 financial impact.
7. That Cabinet Members note the forecast level of reserves and implications for 2021/22 and challenging financial position over the life of the MTFP.

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### Reason:

To ensure that Members are aware of the forecast outturn position, including the level of reserves for the authority, including all major variances which are contributing to the outturn position and the mitigating actions being taken and proposed to manage the financial position for 2021/22.

**(Key decision – reference number 5351)**

### 6. SCHOOLS CAPITAL PROGRAMME 2022-23

Councillor Mahtab Uddin (Cabinet Member for Children's Services) introduced the report of the Executive Director People outlining the People Schools Capital Programme for inclusion in the Council's Capital Programme, and the Council's landlord responsibilities undertaking major capital projects at school buildings to ensure the safety and wellbeing of school pupils and staff, whilst also maintaining the Council's assets.

- The Council retained responsibility for major items of repair in schools, and as Corporate Landlord had responsibility for major works at schools.
- Officers confirmed that the programme covered major works to ensure schools were safe, and capital projects to invest to save, and to contribute towards the Climate Change Agenda by reducing carbon emissions.
- In response to Members' queries, it was confirmed that school caretaker property disposals were progressing; that work in respect of schools' connection to Energetik's network continued; and that there were around 70 projects in total in the schools' capital programme at different stages. The programme was reviewed and updated as part of the quarterly capital monitoring reporting processes. Assurance was given that critical items were up to date, and condition surveys were ongoing.

### Alternative Options Considered:

Projects have been prioritised for inclusion in the Programme based on technical information in condition surveys commissioned by CMFM through external consultants.

**DECISION:** The Cabinet agreed to

1. Grant the approval to spend the 2022/23 and 2023/24 Capital Budget of £21.098m and £6.520m as set out in section 37 of the report.
2. Agree the proposed programme of works including professional and technical expenses detailed in the restricted Appendix A of the report and allowance for emergency schemes proceeding up to the total two-year indicative Programme total value of £42 Million (which includes previously approved schools programme KD5210, Cabinet 3rd March 2021) and become part of the Council's future capital programme.

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3. As previously agreed by Cabinet approval (Condition and Fire Safety Programme 2021/22 to 2023/24) to continue to delegate authority to the Executive Director of People to:
  - (i) approve tenders for individual projects or schemes of aggregated value up to a maximum of £500,000 including professional and technical expenses;
  - (ii) manage the Programme's individual project budgets so the overall budget remains within approved resources. This is to take account of variations between estimates and tender return costs and the potential need to substitute schemes having a greater technical priority if the need arises; and
  - (iii) allocate any contingency provision (up to a maximum of £350,000 including professional and technical expenses) to emergency projects and/or to schemes identified as priority but not yet programmed.
4. Note the procurement and award of the works contracts including entering into the contracts for each will conform to the Council's Contract Procedure Rules and standing orders.
5. Note the contract award for professional services and works above £500,000 will also conform to the Council's standing orders with approval sought at the appropriate authority level, following the key decision process as required.

### **Reason:**

1. Under the Scheme for Financing Schools, the Council retains responsibility for major items of repair in schools. A programme of projects has been collated to rectify and repair items of a high technical or strategic priority for consideration in 2022/23 to 2023/24.
2. The Council as Corporate Landlord has responsibility for major works at schools and seeks to employ the latest technology and energy saving improvements to contribute towards the Climate Change Agenda where it is practical and feasible to do so.

### **(Key decision – reference number 5383)**

## **7. MERIDIAN WATER : APPOINTMENT OF RAIL MAIN CONTRACTOR**

Councillor Nesil Caliskan (Leader of the Council) introduced the report of the Executive Director Place seeking approval to award a Pre-Construction Services Agreement (PCSA) and, subject to satisfactory performance of PCSA obligations, a subsequent NEC4 construction contract for the completion of the works.

- The approvals requested of Cabinet were highlighted, and that the process was on track to meet the proposed timetable for the delivery of rail infrastructure works at Ponders End station, which will enable the increase of rail frequency at Meridian Water station.
- There had been a constructive discussion at the recent Regeneration and Economic Development Scrutiny Panel meeting in respect of the

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infrastructure, HIF agreement, and delivery of the work, and the Panel would receive further updates.

- Officers confirmed the timescale for the works and that the preferred bidder had submitted a programme demonstrating they were able to deliver the works by the deadline. The next stage would be to finalise contractual terms, and delegated authority was sought for the final negotiations. Any material amendments would be submitted to Cabinet for approval.

### **Alternative Options Considered:**

Doing nothing would leave the Council without the strategic infrastructure and prevent phase delivery at Meridian Water delaying provision of much needed affordable homes.

**DECISION:** The Cabinet agreed to

1. Approve the appointment of the preferred contractor, Bidder A, based on GRIP stage 3 design information for the delivery of a programme of strategic rail infrastructure works at Ponders End to facilitate the uplift in train frequency at Meridian Water station as set out in the confidential appendix to the report.
2. Approve the entry by the Council into a PCSA with the preferred contractor.
3. Delegate authority to award the NEC4 contract to Bidder A to the Director of Development subject to (i) unconditional availability of funding from DHLUC under the HIF Grant Agreement, (ii) agreement of design and prices that are within the required project scope and budget (iii) all necessary licences and approvals for works being granted by Network Rail.
4. Subject to availability of sufficient funds in the approved capital budgets delegate authority to approve and enter into subsequent variations to scope under the contract to the Meridian Water Development Director.
5. Approve for the additional expenditure of £9.3m for the main works to be forward funded in 2022/23 and 2023/24 from the Capital Programme subject to unconditionality of the HIF funding. This is in addition to the previously approved HIF budget. The forward funding will be reimbursed quarterly from the Housing Infrastructure Fund (HIF funding) up to £53.9m until the end of 2023/24. Refer to paragraph 10 of the report.

### **Reason:**

1. Strategic rail infrastructure is required to provide 4 trains per hour at Meridian Water station to facilitate the growth expected at Meridian Water between 2024 and 2041. The agreed approach with relevant rail stakeholders is the introduction of a passing loop at Ponders End station to enable stopping services at Ponders End station to be overtaken by fast services. This allows an increase of stopping services at Meridian Water Station.
2. It is intended that the entirety of the rail infrastructure works will be funded by the HIF grant. It is a requirement of HIF Grant Determination

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Agreement that the funding is claimed by 31st March 2024. The Council will be unable to claim HIF funding for any works completed after 31st March 2024. The Council therefore needs to appoint a contractor to commence the Strategic Rail Infrastructure Works in time to claim 100% of the funding available to it.

3. The original project programme had GRIP 4 design being completed prior to the appointment of the main contractor and commencement of GRIP 5. However, due to delays of the design to date, alternative methods for delivering the work have been investigated. The preferred method to mitigate design delays is to enter into a PCSA with the preferred contractor to enable critical path activities in the NEC4 contract to be brought forward to protect the funding expiration date of March 2024.
4. Subject to satisfactory performance of the PCSA obligations, the Contractor is expected to be appointed under a NEC4 works contract in the Summer 2022 to build upon the PCSA and commence GRIP 5 design work, with GRIP 6 construction works commencing in early 2023. The construction works are estimated to take around 12 months on site to complete.
5. The PCSA period coincides with the preliminary expenditure phase of the HIF agreement which allows the Council to be reimbursed by DLUHC for costs incurred by the PCSA works.

**(Key decision – reference number 5311)**

### **8. CABINET AGENDA PLANNING - FUTURE ITEMS**

NOTED, for information, the provisional list of items scheduled for future Cabinet meetings.

### **9. DATE OF NEXT MEETING**

NOTED

1. The meeting of the Cabinet scheduled on Wednesday 6 April 2022 was no longer required.
2. Future Cabinet meeting dates to be confirmed following Annual Council meeting.

### **10. EXCLUSION OF THE PRESS AND PUBLIC**

**RESOLVED** in accordance with Section 100(A) of the Local Government Act 1972 to exclude the press and public from the meeting for the item of business listed as part two on the agenda on the grounds that it involves the likely disclosure of exempt information as defined in Paragraph 3 (information relating to the financial or business affairs of any particular person (including the authority holding that information) of Part 1 of Schedule 12A to the Act (as amended by the Local Government (Access to Information) (Variation) Order 2006).

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**11. MERIDIAN WATER : APPOINTMENT OF RAIL MAIN CONTRACTOR - PART 2**

NOTED the information in the confidential appendix, and officer responses to Members' queries.