

CABINET

Decision Notices and Minutes of a meeting of the Cabinet held on Monday, 9th February, 2009 at 5.00 p.m. at the Civic Offices, Telford

PUBLISHED ON FRIDAY, 13th FEBRUARY, 2009

(DEADLINE FOR CALL-IN WEDNESDAY, 18th FEBRUARY, 2009)

PRESENT: Councillors A.J. Eade (Chairman), S. Bentley, S.P. Burrell, E.J. Carter, M.B. Hosken, A. Lawrence and J.M. Seymour

ALSO PRESENT:

Councillor S.M.Kelly (Cabinet Assistant: Performance Champion)
Councillors R.K. Austin, G.M. Green, W.L. Tomlinson and V. Tonks
(Opposition Group Leaders);

CB-136 MINUTES

RESOLVED – that the minutes of the meeting of the Cabinet held on 26th January, 2009 be confirmed and signed by the Chairman.

CB-137 APOLOGIES FOR ABSENCE

None – as all Members present

CB-138 DECLARATIONS OF INTEREST

None.

**CB-139 OVERVIEW OF SERVICE, FINANCIAL & RISK
PERFORMANCE OUTTURNS AT 8 MONTHS 2008/09**

Councillors A. Lawrence (Cabinet Member: Resources) and S.M.Kelly (Cabinet Assistant: Performance), presented the joint report of the Head of Policy, Performance & Partnership and the Head of Finance which summarised the service, financial and risk management performance at both corporate and portfolio levels at the eight month point in 2008/09. Attached to the report were two further reports that looked in more detail at the financial & performance outturns.

Overall spend was currently projected to be within budget at end of year. That included £1.2m benefit from Treasury Management, which was being used partly to support service delivery and also provided the opportunity to set aside at least £0.7m towards the £1m additional contingency required in the 2009/10 budget strategy.

Messages on service and financial performance were summarised in the individual reports. Bringing together that information (where it was available) showed how the Council was performing against the statutory performance

indicators and local indicators, while at the same time controlling spending, managing risk, and achieving value for money for local people.

a) 2008/09 Financial Monitoring

Key Decision identified as **Financial Monitoring and Financial Updates** in the Forward Plan published on 15th January 2009.

The report of the Head of Finance provided Members with the latest Revenue Budget and Capital Monitoring information for 2008/09.

The gross revenue budget for 2008/09 was over £367m - net budget for reporting purposes just over £118m. Current projections showed spend within budget however that was only after taking into account the unused element of the budgeted contingency and benefits from reduced insurance premiums. There was also a significant benefit in 2008/09 from treasury activities which provided the opportunity to set aside at least £0.700m towards the creation of an additional contingency as part of the 2009/10 budget strategy.

Service pressures were evident and the economic downturn, inflation and instability in financial markets had all impacted on the projected position. Additional recessionary impacts were emerging which would affect 2009/10 budgets.

Costs pressures relating to the provision of Specialist Education had significantly risen since the last report, with an overspend of £0.660m being reported. The Portfolio had increased the use of one-off funds to cover that in 2008/09. If the trend continued, there was an ongoing, unfunded pressure in 2009/10 which CYP would have to contend with.

Cost pressures from Children & Families (Looked After Children), which significantly overspent in 2007/08, were now showing an overspend of £0.373m. There had been some reduction in Leaving Care costs but additional pressures in relation to Foster Care provision – other areas were still being controlled within budget. The position was being closely monitored and was only being mitigated by the Portfolio's use of one-off balances in the short-term. Other key areas which would require close monitoring were the increasing impact of using B&B accommodation for homelessness cases, rising ALD/Mental Health purchasing/care costs plus the general impact of inflation across the Council's budget including the possibility of wage settlements exceeding the budgeted 2.5% provision.

It was also important to control the build up of continuing commitments against the central contingency. As commitments build up, the contingency that the Council would carry for future years reduced just when arguably more was needed.

The approved 2008/09 capital programme totalled £79.583m. A number of new allocations and slippage would go forward to Council for formal approval. Spend was £43.5m (55%). The key area of concern was the combined £25m

dependency of the Railfreight and Borough Towns Initiative programmes on property disposal in an environment of falling prices and reducing economic activity from planned levels. A review of the overall programme and funding was underway.

Council Tax collection to date (£57m to collect for the year) was ahead of the current year's target and performance at the same time last year. Collection performance for Business Rates (£64m) and sales ledger income (£44m) were showing slightly below target, potentially indicating early impacts from the economic downturn which could well affect council tax collection as well as the year progresses.

The target set for the payment of invoices within 30 days was 97%. Year to date figures showed that overall the Council was meeting that target. Children & Young People portfolio was below target at 95%.

During an extensive debate, Members commented upon the financial pressures placed upon the council in the current economic climate but commended the investments planned for children & young people in the Borough.

RESOLVED -

- (a) **that the specific issues highlighted that require management action to ensure the Council spends within budget for 2008/09 and agree the proposed use of the contingency detailed at paragraph 5.4 of the report be noted.**
- (b) **TO RECOMMEND TO FULL COUNCIL that the new capital allocations, virements and slippage detailed in Appendix III of the report be approved.**
- (c) **that the performance against income targets be noted.**
- (d) **that the invoice payment performance; and management action where required to meet the 97% target and sustain top quartile performance; be noted.**

b) Performance Management – Analysis at 8 months 2008/09

Non-Key Decision

The report before Members aimed to analyse performance against the Council's priorities at the 8 months point in 2008/09. It also set out the final position regarding the Council's performance compared with other authorities in 2007/08.

The report updated Members on the external audit of Data Quality in 2008 and the latest work done by internal audit on data quality.

The 2007/08 national comparisons had just been published, and the Council's position in relation to other Councils against the statutory BVPI and PAF indicators did not improve in 2007/08, particularly our rate of improvement from the previous year. We still had the same number of PIs in best quartile position as last year (but a lower proportion), and we have slightly more PIs in worst quartile position than last year (but the same proportion). The Council still performed significantly better than the single tier average in relation to the proportion of PIs in worst quartile position.

Currently, the Council was projecting to achieve 73% of targets set out in the Priority Plans for 2008/09, and 68% of targets in LAA2. That was relatively positive and there were many examples of performance improvement and achievement of targets at 8 months.

The Council did not have current data against 33% of indicators in the Priority Plans, (at half year 50% of data was unavailable). The incomplete data was due to the new national framework which was in place from April 2008 and the new indicators and targets in the Priority Plans which were introduced at the same time.

Every effort was being made to fill gaps in data where possible. Where data was not available, it was necessary to establish reasons for that and make every effort to assess progress, while there was still time to take remedial action, if necessary, before the end of year.

Where projected targets would not be met at end of year, it was necessary to make every effort to target improvement where a difference could be made before the end of the year (March).

The recent external audit by KPMG of the Council's approach to data quality for performance information was very positive, although there were some areas for improvement. That fed into the Use of Resources assessment for CPA in 2008.

RESOLVED –

- a) that Portfolios consider the position of their services in relation to other authorities in 2007/08, and ensure the information is used for informing target setting as part of the business planning and Priority Plan refresh process that is taking place**
- (b) that Portfolios review the indicators that are in the Council's basket of "high risk" indicators now that we have the latest comparative information.**
- (c) that performance at 8 months is understood and proactively managed and that portfolios look at where improvements in performance can be made by the end of the year.**

- (d) that where there are still gaps in performance data at 8 months, portfolios are asked to look at the indicators to establish the reasons for this and to ensure that satisfactory progress is being made.

CB-140 REPRESENTATION ON OUTSIDE BODIES 2008/09

Non-Key Decision

The report of the Head of Audit & Democracy requested Cabinet to appoint replacement representatives to the Granville Country Park Management Committee and to the Park Lane Centre Management Company.

Councillor Denis Allen was appointed to the Granville Country Park Management Committee by Cabinet on 16th June, 2008. Councillor Allen had resigned from his position on the Management Committee, and a replacement representative was therefore sought.

Councillor George Ashcroft was appointed (as the Conservative Group's nominee) to the Park Lane Centre Management Company by Cabinet on 16th June, 2008. Following his resignation from the Conservative Group, a replacement was sought. The Member appointed to that organisation would become a Director of the Company.

RESOLVED –

- (a) that Councillor N. Dugmore be confirmed as the Council's representative on the Granville Countryside Management Committee for the remainder of the municipal year 2008-09.
- (b) that Councillor E.J. Carter be confirmed as the Council's representative on the Park Lane Centre Management Company (as a Director) for the remainder of the municipal year 2008-09.

CB-141 URGENT ITEM – PART 4, SECTION 5 OF THE CONSTITUTION.

With the agreement of the Chairman of the Scrutiny Leadership Board, in accordance with paragraph 18 (a) and (b) of Section 5 of Part 4 (Rules of Procedure) of the Constitution, Urgent Decision not subject to Call-In; the Chairman of the meeting made the following statement:

“I am of the opinion that the following item of business should be dealt with as a matter of urgency at this meeting in order to avoid any delay that would seriously prejudice the Council's interests”.

CB-142 WINTER MAINTENANCE UPDATE

Key Decision not in the Forward Plan (taken with the consent of the Chairman of the Scrutiny Leadership Board, in accordance with paragraph 2.7 of the Cabinet Decision Procedure Rules as set out in Part 4, Section 4 of the Constitution).

Members were informed that as a consequence of the current inclement winter weather conditions, the Council was experiencing a severe depletion of its road gritting/salt reserves.

More snow was forecast to fall in the Borough and reserves of road grit would only last for a few more days. Replacement supplies had been requested but in light of national & regional shortages central government is now coordinating all rock salt distribution on a priority needs basis across the country.

It was therefore proposed to restructure the schedule of priority roads to be gritted and a revised plan of the A and B Roads to be routinely gritted, together with accesses from ambulance, fire and police stations was presented.

Under the variation of the winter maintenance policy, the Council would be unable to grit many estate roads, routes to schools and footpaths.

In accepting the situation that presented itself to the Council, Councillor M.B.Hosken, Cabinet Member for the Environment wished to place on record the Cabinet's thanks to those appropriate Council staff, including the Grit Lorry drivers, who had worked diligently in adverse conditions to ensure the safety of residents and drivers in the Borough.

RESOLVED -

- (a) **That the use, by the Chief Executive, of his Powers of Urgency (in accordance with the Council's Constitution) on 6th February 2009 to authorise the derogation from the Winter Maintenance Policy approved by the Cabinet on 18th September 2006 be noted and endorsed.**
- (b) **That the variation of the Winter Maintenance policy to allow the Head of Mobility & Development, after consultation with the Cabinet Member for Environment, to vary the Winter Maintenance Service in exceptional circumstances, be approved.**

CB-143 EXCLUSION OF PRESS AND PUBLIC

RESOLVED - that the press and public be excluded from the meeting for the following item of business on the grounds that it involved the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

CB-144 TELFORD TOWN CENTRE AND SOUTHWATER REGENERATION

Key Decision identified as **Telford Town Centre** in the Forward Plan published on 15th January 2009.

Councillor E.J.Carter, Cabinet Member for Regeneration, presented the report of the Head of Asset & Property Management that outlined a development scheme to support the delivery of the regeneration of Telford Town Centre with Public and Private Sector partners

The regeneration of Telford Town Centre was a key priority for the Council, its partners and the region. The regeneration would underpin and support growth, stimulate and attract investment in the Borough and create a Town Centre responding to the needs of the community. The report sought approval to the structure of the public sector partnership which would help to deliver the vision for the Borough.

The absence of a vibrant, mixed use Town Centre had been identified as a significant constraint to the growth and prosperity of the Borough of Telford.

The Homes and Communities Agency (HCA), working with Advantage West Midlands (AWM), Transforming Telford (TT) and Telford and Wrekin Council (T&WC), appointed consultants (Amion) to prepare the economic case to assess investment in Telford Town Centre. The investment they recommended took the form of a Strategic Investment and Infrastructure Fund (SIIF). The SIIF was detailed further in appendix 3 of the report. The SIIF would provide infrastructure, public realm, land assembly as detailed in Section 5.4 and Appendix 6 of the report

The total public sector funding for the Town Centre was explained to Members and the development of the SIIF allowed for a three way split of contributions between the Public Sector Partners, HCA, AWM and T&WC. The Council's financial contribution would be matched by both AWM and HCA, subject to their Board approval.

The public sector contribution included: (detailed in Appendix 6 of the report):

- New Media & Learning Centre which included a replacement library
- Public Realm within Southwater Core area to include Southwater Square
- Greyhound Link connecting the A442 to the M54
- The Forge Roundabout improvements
- Works to improve utilities and ground remediation in Southwater Core area
- Replacement of Meeting Point House
- Land assembly in Southwater Core Area - purchase of Bowling/Bingo building
- Improvements to pedestrian link between Telford Railway Station and Southwater

- Removal of all HCA covenants and 'Claw back' provision relating to Southwater

Key Project objectives for the Public Sector Partners relating to the investment were:

- To facilitate major housing, employment, retail, leisure and community development
- To enhance the Town Centre to create a focal point for the growth of the Borough
- To promote the transformation of the urban area from a zoned use approach (Residential only or retail only) which is a characteristic of new towns to an area with a diverse mix of uses
- To improve the quality and urban design of the Town Centre through the provision of a high quality public realm and other works so that it creates an attractive and strong local and regional identity.

Members considered the proposals to be an exciting commencement of the regeneration of the Southwater area of the Telford Town Centre.

RESOLVED - for the reasons detailed in the report and having considered those against the objectives and priorities contained in the Council's Community Strategy, Cabinet considered and accepted that the recommendations would achieve the promotion or improvement of the economic, social and environmental well being of the area and that it should exercise its powers under Section 2 in this regard :-

- (a) that the proposal for a Strategic Infrastructure and Investment Fund (SIIF) as detailed in Appendix 3 of the report, subject to negotiation of a satisfactory Funding Agreement and subject to future consideration and approval of a planning contributions document be approved;
- (b) that Delegated Authority be granted to the Head of Asset & Property Management to enter into a Memorandum of Understanding and a Collaboration Agreement with Public and Private Sector partners as detailed in Section 8.0 and Appendix 4 of the report;
- (c) that the development of a Planning contributions document for the Borough as included in Section 5.6 of the report be approved;
- (d) that agreement be given to give priority to the investment in the regeneration of the Town Centre when considering the future budget strategy for the Authority.

The meeting ended at 5.57 p.m.

Signed for the purposes of the Decision Notices

Ken Clarke
Head of Audit & Democracy
Date: 13th February 2009

Signed:

Date: