

## **CABINET**

**Decision Notices and Minutes of a meeting of the Cabinet held on Thursday, 22nd December, 2011 at 5.00 p.m. at the Civic Offices, Telford**

**PUBLISHED ON FRIDAY, 30th DECEMBER, 2011**

**(DEADLINE FOR CALL-IN: THURSDAY, 5<sup>TH</sup> JANUARY, 2012)**

**PRESENT:** Councillors K.S. Sahota (Leader and Chair), E.A. Clare, S. Davies, A.R.H. England, W.A.M. McClements, R.A. Overton, C.F. Smith and P.R. Watling

**ALSO PRESENT:** Councillor A.J. Eade (Conservative Group Leader) and Councillor W.L. Tomlinson (Lib Dem/Independent Group Leader)

### **CB-77      MINUTES**

**RESOLVED** – that the minutes of the meeting of the Cabinet held on 8th December 2011 be confirmed and signed by the Chairman.

### **CB-78      APOLOGIES FOR ABSENCE**

Councillor H. Rhodes

### **CB-79      DECLARATIONS OF INTEREST**

None

### **CB-80      FINANCIAL MONITORING 2011/12**

**Key Decision** identified as **Financial Monitoring and Financial Updates** in the Forward Plan published on 16th November 2011.

Councillor W.A.M. McClements, Cabinet Member: Resources & Service Delivery, presented the report of the Head of Finance, which provided Members with the latest financial monitoring information for 2011/12.

It was reported that Revenue spending for the year was projected to be within budget at year end, after setting aside £2.145m to support the 2012/13 budget, and using £1.957m of the remaining corporate contingency. The main pressures were: the cost of Adult Social Care purchasing (projected overspend of £0.9m); the cost of Children in Care placements and use of agency staff in the Safeguarding service (projected net overspend of £1.4m); the cost of Specialist Education (projected overspend of £0.54m); along with income shortfalls and inflationary pressures. Projected variances of over £0.100m for each service delivery unit were detailed in the report.

There were benefits from active treasury management, the New Homes Bonus Grant, and £0.580m 2012/13 efficiencies delivered early. It was proposed to carry this benefit forward to 2012/13 to create a one-off contingency. It was clear that the Council would have an extremely challenging position for next year, and it was essential that very tight control on spend was exercised for the remainder of the current year. The impact of the 100 day budget was included in the overall position shown in the report.

The capital programme would total £101m, which reflected adjustments for re-phasing and new approvals and the impact of the 100 day budget. Spend to date was 26% and robust programme management and monitoring was in place to ensure schemes were delivered. Appended to the report were a number of new allocations, slippage and virements for approval. The capital programme over the next few years relied on a significant amount of capital receipts as part of its funding, and the position was being closely monitored.

Collection levels for Council Tax collection were ahead of target, while NNDR collection and Sales Ledger debt were both behind target at the end of October, and were being closely monitored.

#### **RESOLVED –**

- (a) that the 2011/12 revenue spend, currently projecting to be within budget at year end, be noted.**
- (b) that the position in relation to capital spend be noted;**
- (c) To RECOMMEND to COUNCIL that the new capital allocations, slippage and virements detailed in Appendix 3 of the report be approved;**
- (d) that it be noted that collection of council tax income is ahead of target, while collection of NNDR and Sales Ledger are slightly behind target at the end of October 2011.**

#### **CB-81      SERVICE & FINANCIAL PLANNING 2012/13 – 2014/15**

**Key Decision** identified as **Budget Strategy/Service & Financial Planning Process** in the Forward Plan published on 16<sup>th</sup> November 2011.

Councillor W.A.M. McClements, Cabinet Member: Resources & Service Delivery, presented the report of the Managing Director Designate and the Head of Finance, which set out the proposed service and financial planning strategy for the period 2012/13 to 2014/15 with specific budget proposals for 2012/13, and the proposed engagement and consultation activities with the community. He thanked the Head of Finance and his team for all their hard work in preparing the draft budget.

The Cabinet Member set out the background and context to the budget round, particularly in relation to the 28% reduction in Government grant funding for local authorities over four years, and the continuing uncertainty about the national and global economic situation. The Autumn Statement announced on 29<sup>th</sup> November made it clear that the outlook for public finances was not improving, and the squeeze on public spending was likely to continue for some time. The revised provisional grant settlement for 2012/13 had resulted in only minor changes to grant, but the financial projections for future years were more uncertain due to the current major review of the local government finance system. Other factors and additional pressures included the Council's historic low council tax levels compared to other authorities, the continued effect of the damping mechanism which would result in around £2m of grant being withheld from the Council, the implications on the revenue budget of committed capital repayments and significantly reduced balances and reserves.

In terms of the base budget position, the Council was facing a funding gap of nearly £22m for 2012/13. The report set out the proposals to bridge the gap, including savings proposals and use of balances. The proposals had been developed in the light of extensive consultation with the community, and included:

- a further reduction in senior management
- continuation of a comprehensive programme of service reviews and staff restructuring
- to seek views from the community on whether the Council should accept the offer of a one-off grant from the Government to freeze the level of council tax in 2012/13, or should increase council tax levels to help protect services;
- make new ongoing investments of £1.9m in the adult social care budget to meet increasing demand, including £1.3m towards Continuing Healthcare costs being displaced onto the Council
- continued investment in key infrastructure projects such as new and improved schools, and £6.15m in the proposed capital programme for improvements to the Brookside area;
- use of £1.4m balances and one-off benefits carried forward from the current year to support the budget for 2012/13.

The non-staff savings strategy had focussed on improving procurement and driving down costs that had minimal impact on service delivery (eg: stationery and postage). However, due to the scale of the budget gap, the Administration had no option but to consider some savings that would impact on services. Wherever possible, the focus would be on planned long-term, positive service changes as opposed to withdrawing services or closing facilities. Appendix 8 of the report detailed specific proposals for savings on non-staffing budgets. The savings package also included a number of proposals to increase fees and charges, particularly for those services where charges had not increased for a number of years or were significantly lower than other councils.

A programme of community engagement and consultation on the budget proposals would be undertaken until the end of January 2012. Views would be sought on the proposed investment and savings packages and whether the

Council should accept the one-year only Council Tax freeze grant. Details of the communication and engagement plan were appended to the report. Final proposals would be considered by the Cabinet on 23 February 2012 for recommendation to full Council on 1 March 2012.

During the ensuing debate, Councillor W. Tomlinson (Lib Dem/Independent Group Leader) commented on the detailed and comprehensive nature of the service and financial planning document, and expressed concern at the scale of the cutbacks in Government grant and the uncertainty for Councils and schools over the levels of future grant funding. Councillor A. Eade (Conservative Group Leader) stated that there was a lot of detail to look at, but the Administration needed to take a lead in making clear what it was recommending for the Borough. A number of Cabinet members referred to the difficulties ahead, and that there were no easy options in balancing the budget. However, the Co-operative Council approach sought to mitigate the worst effect of the cuts by encouraging local people and organisations to work together. It was also important that the Council supported the most deprived communities in the Borough.

**RESOLVED** – that the Service and Financial Planning strategy set out in the report be approved for consultation with the community.

**CB - 82      NHS TRANSFORMATION – IMPLICATIONS FOR TELFORD & WREKIN COUNCIL**

**Non-Key Decision**

Councillor E.A. Clare, Cabinet Member for Adult & Social Care, presented the report of the Head of Service – Social Care Specialist, which considered the implications of health transformation and the Health & Social Care Bill for local NHS services, for the Council in respect of new statutory responsibilities, and for joint working with the NHS.

The report set out the main provisions of the Health & Social Care Bill that was currently passing through the parliamentary process. These included:

- market based reforms – likely to lead to NHS services being increasingly delivered by large Foundation Trusts.
- System reform – the proposed radical reorganisation of NHS structures was already being seen with the Telford & Wrekin PCT being absorbed into a West Mercia cluster and the NHS taking a Shropshire wide health economy approach. The Cabinet Member highlighted the dangers of losing Telford & Wrekin's separate identity, and the importance of forming close working links with the new Telford & Wrekin Clinical Commissioning Group (CCG) to develop a common vision and joint approach
- Commissioning – the move to GPs taking on commissioning responsibilities from the PCTs would require the Council to work with the new CCG to develop a fully integrated model of local joint commissioning

- Health & Wellbeing Board – the Council would need to establish a shadow Board by April 2012, before taking on its full statutory role in April 2013
- Public Health – responsibility for public health would be transferred in shadow form to the Council from April 2012, including transfer of management and co-location of staff.
- Healthwatch – the current Local Involvement Network (LINK) organisation would be replaced with a local Healthwatch – designed to increase the public/patient voice within the NHS and Social Care. The Council would need to commence a procurement process to secure a preferred provider for the Healthwatch service – with a start date of 1 October 2012.

Members referred to the challenges ahead for the Council in terms of the new structures and arrangements for the commissioning and delivery of health services, and the need to develop strong local partnerships and joint working in order to safeguard local accountability.

**RESOLVED –**

- (a) that agreement be sought with the Telford & Wrekin Clinical Commissioning Group, as a matter of urgency, on a strategic direction of travel for commissioning and integration of operational health and social care services, taking the opportunity to develop a more fully integrated model of local commissioning and the support arrangements to underpin it;**
- (b) that a robust Shadow Health & Wellbeing Board and Strategy be in place from April 2012, with strong Clinical Commissioning Group and Council representation alongside other key stakeholders. This will drive integrated key strategic decisions about health and social care provision from this date, based on the priorities emerging from the Health & Wellbeing Strategy;**
- (c) that agreement be sought with T&W PCT and the Clinical Commissioning Group, on how to manage local Public Health (PH) responsibilities in shadow form from April 2012, as a sustainable operational structure including PH functions is developed within the Council over the next year;**
- (d) that it be noted that the Local Involvement Network (LINK) host contract will expire on 31 March 2012, and that interim arrangements will need to be discussed with LINK;**
- (e) that a specification be agreed for each of the Healthwatch functions by 31 January 2012 with a view to commencing the process to secure a preferred provider, which may involve a tendering process, by the end of July 2012, and that authority be delegated to the Head of Care & Support, in consultation with the Cabinet Member for Adult & Social Care and the Head of Governance, to award the contract.**

**CB - 83      DELEGATED POWERS IN RESPECT OF THE SUNBEDS  
(REGULATION) ACT 2010**

**Non-Key Decision**

Councillor C.F. Smith, on behalf of the Cabinet Member for Transport & Community Protection, presented the joint report of the Head of Governance and the Head of Housing, Planning & Public Protection, which sought approval for delegated powers to be given to public protection staff to carry out their duties on behalf of the Council.

The Sunbeds (Regulation) Act 2010 was intended to prevent young people using sunbeds in places including salons, gyms, hotels and leisure centres - with the aim of helping to reduce the incidence of skin cancer. Enforcement of the legislation fell to staff in Public Protection, and might involve inspections, test purchases and reacting to customer complaints. It was therefore necessary to delegate authority to public protection staff to exercise the powers given to the Council by this legislation. The proposed delegations were appended to the report.

**RESOLVED – that the scheme of additional delegation in relation to the Sunbeds (Regulation) Act 2010, as set out at Appendix 1 of the report, be approved.**

The meeting ended at 5.55 p.m.

**Signed for the purposes of the Decision Notices**

**Jonathan Eatough  
Head of Governance  
Date: 30 December 2011**

**Signed:** .....

**Date:** .....