

CABINET

Decision Notices and Minutes of a meeting of the Cabinet held on Thursday, 26th June, 2014 at 5.00 p.m. at the AFC Telford Learning Centre, Haybridge Road, Wellington, Telford

PUBLISHED ON WEDNESDAY, 2nd JULY, 2014

(DEADLINE FOR CALL-IN: MONDAY, 7th JULY, 2014)

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

ALSO PRESENT: Councillor A.J. Eade (Conservative Group Leader), Councillor W.L. Tomlinson (Liberal Democrat/Independent Group Leader)

CB-1 MINUTES

RESOLVED – that the minutes of the meeting of the Cabinet held on 15th May 2014 be confirmed and signed by the Chairman.

CB-2 APOLOGIES FOR ABSENCE

None

CB-3 DECLARATIONS OF INTEREST

Councillors S. Davies, A.R.H. England and K.S. Sahota declared an interest in agenda item 12 – Update on Dawley Social & Memorial Club – as members of the Club, and that they would withdraw from the meeting room during consideration of this item.

CB-4 2013/14 OUT-TURN AND 2014/15 INITIAL UPDATE

Key Decision identified as **Financial Monitoring – 2013/14 Out-turn and Initial Trends for 2014/15** in the Notice of Key Decisions published on 23 May 2014.

Recommendation to Full Council – not subject to Call-in

Councillor W.A.M. McClements, Cabinet Member: Finance & Enterprise, presented the report of the Assistant Director: Finance, Audit & Information Governance, which informed Members of the final outturn position for Revenue and Capital for 2013/14, and the initial trends for the current financial year.

The gross revenue budget for 2013/14 was £445m – and the net budget for reporting purposes was just over £134m. The revenue outturn position was well within budget, with a final net under-spend of £0.100m (-0.07% of net budget). Given the context of having to make further ongoing budget savings of £11m, this was a positive year-end position and thanks were extended to the management team, officers and Cabinet colleagues for their strong and effective financial management and the ability to make cost reductions while minimising the impact on front line services. There had been a number of favourable variations during the year which contributed to the final out-turn position. These included a one-off benefit of £4.884m from backdating the change in accounting treatment of the calculation of Minimum Revenue Provision; further savings of £1.5m relating to vacant posts, £1.546m arising from treasury management activities, and a Government refund of £0.731m. In addition, a rigorous review of all contingencies, provisions and central budgets had identified £1.1m which could be freed-up on a one-off basis from the funding set aside for contractual inflation commitments.

The main service pressures experienced in 2013/14 related to adult social services (£2.9m overspend, mainly on the cost of purchasing care packages from external providers); children's safeguarding (£1.4m overspend largely relating to the cost of Children in Care placements); and re-ablement and in-house service provision for Adults with Learning Disabilities (£0.4m overspend mainly due to staffing costs).

Decisive management action had achieved a very positive financial out-turn for 2013/14 and positioned the authority well for 2014/15. Effective financial control had meant that the £2.5m general budget contingency available for use in 2013/14 was not touched. This sum could therefore be used to create a one-off draw-down budget facility for Adult Services to help phase-in the delivery of the 2014/15 savings targets. As previously agreed in the budget strategy, a number of transfers to reserves had been made, and these would support the delivery of future budget strategies.

Capital spend ended the year at £84.6m, against an approved estimate of £99.1m, which was in the main due to re-phasing into 2014/15. The main scheme delays/re-phasing to 2014/15 were detailed in the report and appendices, along with a number of new approvals and virements.

Council Tax collection (£66m), Business Rates (£70m) and sales ledger income collection (£27m) were all slightly behind target for the year. However, debt would continue to be collected after the end of the financial year, with all recovery avenues being explored.

Summaries of the outturn on revenue and capital, along with major variations, were appended to the report.

The Council faced an even more challenging year in 2014/15, and the report highlighted a number of key issues and cost pressures, along with measures being taken to control and monitor expenditure.

RESOLVED

- (a) to RECOMMEND to COUNCIL that
- (i) the Revenue out-turn position and related virements for 2013/14, shown in Appendix 3 of the report (and subject to audit by the Council's external auditors); the transfer to reserves detailed in paragraph 5.3 of the report; and the earmarking of the 2013/14 general contingency as a specific draw-down budget available to Adult Social Services in 2014/15 be approved;
 - (ii) the Capital out-turn position and related supplementary estimates, virements and re-phasing, shown in Appendix 4 of the report, be approved;
- (b) that performance against income targets be noted;
- (c) that the initial pressure areas identified for 2014/15 be noted.

CB-5 NON-ACCOMMODATION SERVICES PREFERRED PROVIDER FRAMEWORKS

Key Decision identified as **Non-Accommodation Services Tender** in the Notice of Key Decisions published on 23 May 2014.

Councillor P.R. Watling, Cabinet Member: Children, Young People & Families, presented the report of the Assistant Director: Family, Cohesion & Commissioning, which sought approval to tender a preferred provider framework for non-accommodation services.

Non-accommodation services were put in place to provide help to families with children at risk of going into care, and to support young people already in the care system. Services included therapy, psychological assessment, parenting assessment, family group conferencing and mediation. These services were currently provided on a spot basis (ie as and when required) via a number of external providers on a number of different terms and conditions. The preferred provider framework would use the Council's new contract terms and conditions, and incorporate an outcome focussed specification. The framework would be open to all West Midlands local authorities to join, and this could lead to an increased number of providers becoming available to Telford & Wrekin. The new framework would result in an increase in costs, but these would be offset by a reduction in the costs of care by preventing children coming into care in the first place.

A question was asked about whether there were benefits from working with other local authorities to procure these services. The Cabinet Member advised that all options would be looked at, but that it was important that the right

services were procured at the right time – and that any delay in the process could impact on the outcomes for children and young people. The Commissioning Contracts Manager added that the Framework would provide more flexibility. Members welcomed the emphasis on early intervention and prevention, but that there needed to be close monitoring to ensure that the Framework delivered value for money and met its planned cost improvement target.

RESOLVED –

- (a) that a tender for a preferred provider framework to secure non-accommodation services for children, young people and families be approved;
- (b) that the preferred provider framework to be tendered on the basis that it can be used by other authorities in the West Midlands;
- (c) that authority be delegated to the Assistant Director: Family, Cohesion & Commissioning, in consultation with the Cabinet Member for Children, Young People & Families, to award qualifying providers entry to the Preferred Provider Framework for a period of 3 years, with the option of extending the framework for a further 1 year;
- (d) that authority be delegated to the Assistant Director: Law, Democracy & People Services to execute all documentation required to give effect to the agreements reached in relation to (a) above.

CB-6 DOMICILIARY CARE PREFERRED PROVIDER FRAMEWORKS

Key Decision identified as **Domiciliary Care Preferred Provider Framework Update** in the Notice of Key Decisions published on 23 May 2014.

Councillor A.R.H. England, Cabinet Member: Adult Social Care, presented the report of the Assistant Director: Family, Cohesion & Commissioning, which sought approval to award qualifying providers entry to the Preferred Provider Framework for domiciliary care.

Adult Social Care had domiciliary care arrangements for over 1800 older and vulnerable people within Telford & Wrekin. Such care focussed on allowing people to stay in their own home, and was a more cost effective alternative to residential or nursing care. The majority of the care was delivered by independent and not-for-profit providers under spot purchasing arrangements. However, the current spot contract arrangements were not in line with good practice, and to achieve savings there was a need to reduce the demand for and the cost of the care. The preferred provider framework would use the Council's new contract terms and conditions, and incorporate an outcome focussed specification. It would also improve market management in terms of

supply and transparency of pricing. Through the tender process, the Framework would accredit service providers and ask for costs that were below £14.00 per hour for general domiciliary care. The spot average rate in 2013/14 was around £15.00 per hour, and it was estimated that this needed to reduce to between £13.50 and £14.00 per hour in order to achieve the savings targets that had been set in the Financial Recovery Plan. Arrangements for domiciliary care and support for children and young people with a disability had been incorporated into this tender in order to further rationalise the Council's contracting arrangements.

Councillor A.J. Eade (Conservative Group Leader) expressed concern that by cutting costs there could be an adverse impact on the quality of care provided to elderly and vulnerable people. The Interim Director: Care, Health & Wellbeing advised that the award of contracts would be based on quality standards as well as price. If monitoring of the contracts by the in-house team revealed that quality was not good enough, the Council would be able to remove a provider from the Framework list. It was also stated that lower costs did not necessarily equate to lower quality.

RESOLVED –

- (a) that authority be delegated to the Interim Director: Care, Health & Wellbeing, in consultation with the Cabinet Member for Adult Social Care, to award qualifying providers entry to the Preferred Provider Framework for a period of one year, with the option of extending the framework annually for a further 3 years;**
- (b) that authority be delegated to the Assistant Director: Law, Democracy & People Services to execute all documentation required to give effect to the agreements reached in relation to (a) above.**

CB-7 A NEW APPROACH TO SUPPORTING HOUSING OPTIONS

Non-Key Decision

Councillor C.F. Smith, Cabinet Member for Housing, Development & Borough Towns, presented the joint report of the Assistant Director: Development , Business & Employment and the Assistant Director: Family, Cohesion and Commissioning, which set out proposals to launch a new web based housing assessment tool.

The Council had a number of statutory housing responsibilities in respect of homelessness and the adoption of a Housing Allocations Policy. Since 2006, the allocation of social housing in the Borough had been provided via the choice based letting system – 'Choose Your Home' – which was managed by Wrekin Housing Trust. The Trust had given notice that it would cease to manage 'Choose Your Home' from 4 July 2014, after which they would have a new system for allocating their own properties via their website. The Council (and other housing providers) therefore needed to implement their own processes for managing housing allocations in the Borough.

It was proposed to launch a new web-based housing assessment tool on 7 July 2014. This would provide a bespoke housing options appraisal to every applicant including advice across the full range of housing options, adaptations and financial support. There would be links to Telford Homefinder – a new TWC managed Lettings Agency website – which would provide accredited accommodation in the private rented sector. Incentives would be offered for landlords to join the Homefinder scheme, but they would have to attend a training course within 6 months of joining. It was proposed that one-off and ongoing costs arising from these initiatives would be funded from within existing budgets and reserves.

Members welcomed the proposals, and noted that this would be a more person-centred approach to dealing with housing need compared to the outgoing 'Choose Your Home' scheme. Councillor W.L. Tomlinson (Lib Dem/Ind Group Leader) expressed concern that not everyone would be able to access the website, and what other forms of help would be available? The Home Improvement Team Leader advised that Housing Options Advisors were available at First Point for face-to-face advice, and that service would continue to be provided. Advice on housing would also be available at the various 'Job Junctions' around the Borough.

RESOLVED –

- (a) that authority be delegated to the Assistant Director: Development, Business & Employment, in consultation with the Cabinet Member: Housing, Development & Borough Towns, to implement the proposals set out in paragraph 4 of the report;**
- (b) that the one-off and ongoing expenditure being incurred by the Assistant Director: Development, Business & Employment and the Assistant Director: Family, Cohesion & Commissioning from the funding sources outlined at paragraph 5 of the report be approved.**

CB-8 WEST MERCIA ENERGY JOINT AGREEMENT

Key Decision identified as **Extension to West Mercia Energy (WME) Joint Agreement** in the Notice of Key Decisions published on 23 May 2014.

Councillor W.A.M. McClements, Cabinet Member: Finance & Enterprise, presented the report of the Assistant Director: Law, Democracy & People Services, which asked Cabinet to consider an extension to the current West Mercia Energy (WME) Joint Agreement which expired on 31 March 2016.

WME was formed in 2012 as part of a Joint Agreement with Shropshire, Herefordshire and Worcestershire Councils to purchase and supply energy. The business had been very profitable and brought good returns to the Council – for example, a £344k dividend in 2013/14 – which was £144k more than the budgeted target. Returns were predicted to increase again in the current financial year. In order for the business to continue to expand and to

allow longer term planning and purchasing, the WME Joint Committee were recommending an extension of the current Agreement to 31 March 2020.

It was also proposed to use the general power of competence under the Localism Act 2011 to allow WME to provide services to a wider market. Investigations were taking place into the possibility of establishing WME as a trading company in the future.

RESOLVED -

- (a) that authority be delegated to the Assistant Director: Law, Democracy & People Services to agree and execute amendments to, and an extension of, the West Mercia Energy (WME) Joint Agreement along with the three other owning Authorities as detailed in the report, and as recommended by the Joint Committee responsible for the strategic management and oversight of WME;**
- (b) that it be noted that further investigations are taking place into the possible transformation of WME into a trading company, and that decision making in respect of this issue be delegated to the Cabinet representatives on the WME Joint Committee at the time when/if the issue comes forward for consideration.**

CB-9 ANNUAL GOVERNANCE STATEMENT 2013/14

Non-Key Decision

Councillor R.A. Overton, Cabinet Member: Public Health & Public Protection, presented the joint report of the Assistant Director: Finance, Audit & Information Governance and the Monitoring Officer, attached to which was the draft Annual Governance Statement for 2013/14.

Under the Accounts & Audit Regulations 2011, the Council was required to produce an Annual Governance Statement, and it was best practice that it was signed by the Leader and Managing Director of the Council. The Statement included an action plan to ensure that the Council continued to improve its existing governance arrangements. The action plan attached to the 2012/13 statement (implemented during 2013/14) had been reviewed and updated and was appended to the report.

The Annual Governance Statement outlined that the Council had been adhering to its Local Code of Corporate Governance, continually reviewing and improving its procedures to maintain and demonstrate good corporate governance, and that it had in place robust systems of internal control. The Council could be assured that during 2013/14, including during organisational changes, the existing governance framework had continued to support proper governance. Assurance for the Annual Governance Statement was provided by all areas of the Council including senior management, Members, the Chief Financial Officer, the Monitoring Officer and internal audit.

RESOLVED – that the Annual Governance Statement 2013/14, as shown at Appendix A of the report, be agreed.

CB-10 SCRAP METAL DEALERS ACT 2013

Non-Key Decision

Councillor R.A. Overton, Cabinet Member: Public Health & Public Protection, presented the report of the Service Delivery Manager: Public Protection, regarding the delegation of authority to Officers to carry out compliance and enforcement functions in relation to the Council's powers under the Scrap Metal Dealers Act 2013.

Since the implementation of the Act, the Council had issued 10 Scrap Metal Site Licences and 27 Scrap Metal Collectors' Licences. The Act put requirements on licence holders to keep proper records and documents, and gave local authority officers powers to enter and inspect both licensed and unlicensed sites. The Council would therefore be carrying out compliance checks at the sites it had licensed, and would potentially need to take enforcement action in relation to unlicensed sites. Appended to the report was a schedule of the Officers to whom authority was to be delegated.

RESOLVED – that authority be delegated to Officers as listed in Appendix 1 of the report to carry out compliance and enforcement functions under the Scrap Metal Dealers Act 2013.

CB-11 APPOINTMENT OF REPRESENTATIVES TO OUTSIDE BODIES 2014/15

Non-Key Decision

The Leader presented the report of the Assistant Director: Law, Democracy & People Services, which set out the appointments to outside bodies that the Council was required to make for 2014/15.

The list of outside bodies for which appointments were required for 2014/15, and the nominations received, was appended to the report. Nominations had been sought from the political groups for those appointments that were not by position. There had been a minor change to the nominations for Telford & Wrekin SACRE, and this was shown in a revised Appendix that was tabled at the meeting.

RESOLVED – that the nominations to represent the Council on Outside Bodies for 2014/15, as set out in the amended Appendix 1 of the report, be approved.

Before consideration of the next item, Councillors S Davies, A England and K Sahota, having previously declared an interest, withdrew from the meeting room. The Vice Chair presided for this item.

CB-12 UPDATE ON DAWLEY SOCIAL & MEMORIAL CLUB, KING STREET, DAWLEY

Non-Key Decision

Councillor W.A.M. McClements, Cabinet Member: Finance & Enterprise, presented the report of the Assistant Director: Development, Business & Employment, which provided an update regarding the Dawley Social & Memorial Club, and proposals relating to the refurbishment and ultimate disposal of the property.

The Club had around 600 members, and provided a base for a range of social functions and community services. The building was currently held in the PIP under a 20 year lease. In early 2012, the roof over half the hall collapsed, causing significant damage and undermining the Club's ability to generate income. Since then the Club had been unable to raise enough funds to repair the roof, partly due to a restrictive covenant on the property which limited its value as security for any lending. The Club had now asked the Council, as landlord, to consider undertaking refurbishment works on the back of an enhanced rent, with the freehold of the building and associated site passing to the Club upon repayment of the refurbishment works.

The report set out the terms for the Lease and Agreement for Sale that had been discussed and agreed in principal with the Club. The cost of the repairs had been estimated at £179,500, and this would be funded from the PIP's capital budget. Associated fees would be covered by a payment from the Club. It was proposed that the Club enter into a new lease with the Council for 16 years, and would pay an initial one-off rental premium of £10,000 plus rent which would be set to recover the costs of the refurbishment works plus interest. At the same time as entering into the lease, the Club would enter into an agreement for sale. Great Dawley Town Council were committed to the long-term future of the Club, and would be meeting on 15 July to decide whether to act as guarantor to the Lease.

During the ensuing discussion, Councillor A.J. Eade (Conservative Group Leader) expressed concern that a guarantor was not yet in place, and any agreement to the proposals should be subject to its confirmation. The Cabinet Member responded that, while it was recognised there were risks associated with the proposals, these were deemed to have been mitigated to a large extent through the measures summarised in the report. On balance, the investment would safeguard a valuable community asset whilst avoiding ongoing liabilities associated with a redundant building, returning it to a fully functional building as quickly as possible. Members accepted that there was a risk as identified, but were confident that Great Dawley Town Council would agree to act as guarantor to the proposed lease.

RESOLVED –

- (a) that authority be delegated to the Assistant Director: Development, Business & Employment, in consultation with the**

Cabinet Member: Finance & Enterprise, to implement the proposals outlined in section 4.5 of the report;

- (b) that authority be delegated to the Assistant Director: Law, Democracy & People Services to agree and execute all necessary documentation to give effect to the proposals contained within the report.**

The meeting ended at 6.00 pm.

Signed for the purposes of the Decision Notices

**Jonathan Eatough
Assistant Director: Law, Democracy & Public Protection
Date: 2 July 2014**

Signed:

Date: