

CABINET

Decision Notices and Minutes of a meeting of the Cabinet held on Thursday, 16th October, 2014 at 5.00 p.m. at the AFC Telford Learning Centre, Haybridge Road, Wellington, Telford

PUBLISHED ON WEDNESDAY, 22nd OCTOBER, 2014

(DEADLINE FOR CALL-IN: MONDAY, 27th OCTOBER, 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-42 MINUTES

RESOLVED – that the minutes of the meeting of the Cabinet held on 18 September 2014 be confirmed and signed by the Chair.

CB-43 APOLOGIES FOR ABSENCE

None

CB-44 DECLARATIONS OF INTEREST

Councillors A.R.H. England and P.R. Watling declared a personal interest in agenda item 6 – Madeley Neighbourhood Development Plan – as members of Madeley Town Council.

CB-45 FINANCIAL MONITORING 2014/15

Key Decision identified as **2014/15 Financial Monitoring** in the Notice of Key Decisions published on 15 August 2014.

Part Recommendation to Full Council in relation to decision (b) below 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 provided Members with the latest financial monitoring information for 2014/15.

The net outturn position for the General Fund revenue budget was currently projected to be within budget. This was a significant improvement on the

position in July when a net overall overspend of £0.483m was reported. This was a reflection of the strength of the financial management being exercised by Cabinet Members and officers. Proposals for further in-year savings had had a positive impact, and there would be no complacency about the actions needed to deal with the continued budget pressures faced by the Council. KPMG, the Council's external auditors, had completed their review of the Council's statement of accounts for 2013/14, and had issued an unqualified opinion. Therefore there were no changes to the accounts that might impact on the revenue budget position. Credit was due to the Assistant Director and his team for the positive outcome of the audit of accounts.

There were a number of variations from the approved budget, including the cost of Children in Care placements (overspend of £1.2m); the cost of Adult Care and Support services (projected overspend of £6.3m relating to care packages); provision of in-house services to Adults with Learning Disabilities (overspend of £0.3m); and the cost of supporting 16-18 year olds as they leave care (overspend of £0.3m). Projected variances of over £0.100m for individual service delivery units were detailed in the report. There were benefits from active treasury management of £1.5m, £0.1m from additional dividend income from West Mercia Energy and £1.8m from the implementation of single status which was now unlikely to happen in this financial year.

The capital programme totalled £134m, which included slippage and all approvals since the budget was set. Spend was currently standing at around 19%. The report detailed a number of new approvals, along with some changes to the funding of the capital programme.

Collection levels for Council Tax, NNDR and Sales Ledger debt were all slightly behind the targets set for the year. However, it was noted that from April to August 2014, the gross liability for business rates had increased by £1.1m which reflected the success of the Council's growth agenda.

In relation to the overspend in Adult Social Care, Councillor McClements and Councillor A.R.H. England, Cabinet Member for Adult Social Care, reported on the measures that were being taken to reduce costs and re-design the way in which services were delivered. There were clear plans in place, and every aspect of the budget was being examined to find ways of providing the best service for the best value. However, due to the need to properly consult with service users etc, the impact of the measures being taken did sometimes take a bit longer to feed through.

In response to a question from Councillor W Tomlinson (Liberal Democrat/Independent Group Leader) about the equality implications of not implementing single status in the current year, the Assistant Director: Law, Democracy & People Services advised that work was continuing on single status and as roles were being re-designed through service re-structures equal pay was one of the considerations.

RESOLVED –

- (a) that it be noted that 2014/15 revenue spending is currently projected to be within budget at year end, and that Cabinet Members and the Senior Management Team are continuing to review savings opportunities so that the budget is in the best possible position by year end;**
- (b) that the position in relation to capital spend and receipts be noted, and that it is RECOMMENDED to COUNCIL that the new allocations, virements and slippage detailed in Appendix 3 and the funding changes to the capital programme detailed at paragraph 6.2 of the report be approved;**
- (c) that the collection rates for NNDR, council tax and sales ledger be noted.**

CB-46 LAND AT STATION ROAD, NEWPORT – UPDATE AND ALTERNATIVE DEVELOPMENT

Key Decision identified as **Land at Station Road, Newport** in the Notice of Key Decisions published on 8 October 2014.

Not subject to Call-in – the Chair of the Housing, Economy & Infrastructure Scrutiny Committee has approved a request for this decision to be exempt from Call-in as any delay in implementation is likely to result in the Council incurring additional costs.

Councillor W.A.M. McClements, Cabinet Member: Finance & Enterprise, presented the joint report of the Director: Development, Business & Customer Services and Assistant Director: Law, Democracy & People Services, which sought approval to enter into agreements for the termination of the existing agreements in relation to the sale and development of the Station Road, Newport site, and to seek approval to enter into an agreement to deliver a residential-led development on the site.

The report detailed the planning and contractual history relating to the development of the site since the appointment of St Modwen Developments Ltd as the Council's Development Partner in February 2011. The conditional sale of the site to Sainsburys for the construction of a supermarket, and a joint venture development agreement with St Modwen, were agreed later in 2011. The subsequent approval of other sites in Newport for supermarket development had significantly affected the factors supporting the proposed development at Station Road. In addition, the current planning application for Station Road was facing another public inquiry after the original inquiry was halted following the death of the Planning Inspector. In the face of these changed circumstances, the parties had together reconsidered the position and had agreed, in principle, to withdraw the planning application that was currently subject to call-in by the Department for Communities & Local Government. It was therefore proposed to enter into a settlement agreement

with St Modwens and Sainsburys to terminate existing agreements and release the parties from their obligations.

The Cabinet Member reminded Members that the Council had a duty to maximise the value of its assets, and that the proposed supermarket development at Station Road would have generated a significant capital receipt which would have helped mitigate some of the effects of Government cuts on Council front line services, as well as creating many new jobs. As the Council was now unable to secure the previously anticipated land value, consideration had been given to ways in which the Council could comply with its duty to achieve best value for its assets. This work had been supported by independent external experts, and it was proposed to develop the land for use as a residential-led development. To take this forward, it was proposed that the Council enter into a development agreement with St Modwen to make use of the large amount of work that had already been undertaken to support the retail application that could be reused and updated – thus saving significant costs on a new planning application.

Councillor A Eade (Conservative Group Leader) expressed the view that the pursuit of the supermarket application was against the wishes of local people and had cost the Council a significant amount of money. He also expressed concerns that the proposed residential-led development on a green field site would again be imposed on the local community without proper consultation. There then followed a lengthy discussion regarding the past decisions that had been made for the development of the Station Road site, and when. In terms of the proposed residential-led development, the Cabinet Member advised that the pre-planning work would involve public consultation and the planning process would be subject to the usual public scrutiny.

The Chair advised that in order for Members to fully consider all the options available to them in reaching a decision, it was necessary to consider more detailed information on the proposed development agreement, settlement terms and the financial implications. These were contained in an Appendix to the report, but which the other parties involved required the Council to keep confidential in order to protect their commercial interests. It was therefore moved, seconded and

RESOLVED – that the public and press be excluded from the meeting during consideration of Appendix 2 of the report on the grounds that it may involve the disclosure of exempt information relating to the financial or business affairs of any particular person (including the authority holding that information) as defined in paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

The public and press then left the meeting room.

The Cabinet Member: Finance & Enterprise presented Appendix 2 of the report, and Members had the opportunity to ask questions about the information contained therein.

The public and press were then readmitted to the meeting room.

The Cabinet Member summarised the position regarding the land at Station Road, Newport and recommended the way forward detailed in the report as the best option for the Council to achieve best consideration for the land. It was then moved, seconded and

RESOLVED –

- (a) that the position in respect of the original plans for the site be noted, and that the new plans as contained within the report be endorsed;
- (b) that approval be given to entering into the settlement agreement and development agreement, as detailed in the exempt Appendix 2 of the report, with authority being delegated to the Assistant Director: Law, Democracy & People Services to sign the settlement agreement and the Director: Development, Business & Customer Services to sign the development agreement, both on substantially the same terms as detailed in Appendix 2 as they consider are in the best interests of the Council.

**CB-47 MADELEY NEIGHBOURHOOD DEVELOPMENT PLAN:
CONSIDERATION OF EXAMINER'S RECOMMENDATIONS
AND PROPOSED MODIFICATIONS PRIOR TO
REFERENDUM**

Key Decision identified as **Madeley Neighbourhood Development Plan: Consideration of the Examiner's Recommendations and Modifications prior to Referendum** in the Notice of Key Decisions published on 17 September 2014.

Councillor C.F. Smith, Cabinet Member: Housing, Development & Borough Towns, presented the report of the Assistant Director: Planning Specialist, which updated Members on the statutory process for the development of the Madeley Neighbourhood Development Plan (NDP) and the approvals now needed to proceed to a Referendum.

Following the submission of the Plan and supporting documents by Madeley Town Council in February 2014, the Borough had appointed an Independent Examiner, John Parmiter, to conduct the required Examination. This included a public hearing on 6 June 2014. The Examiner asked for clarification of policies H1 (housing) and R1 (retail) in terms of their conformity with local and national planning policies. The Town Council submitted modifications to address these points, and these had been accepted by the Examiner. There were a number of other relatively minor modifications being proposed by the Examiner. All the modifications were set out in the Examiner's Report, which was appended to the report. Whilst the proposed modifications were not binding, they were considered to be appropriate. Members needed to be satisfied that the Plan met certain 'basic conditions' before it could proceed to a Referendum, and both Officers and the Examiner were of the view that these conditions had been met.

Subject to approval, the NDP would proceed to a Referendum in Madeley Parish (as the Neighbourhood Plan area) to ask electors whether they want the Local Planning Authority to use the NDP to help decide planning applications. It was anticipated that the Referendum would be held in January 2015.

Consideration was given to the recommendations made by the Examiner in terms of modifications to the NDP, and to whether the NDP met the 'basic conditions'. In respect of the area in which the Referendum was to take place, Members also considered the Examiner's recommendation that this should not change, and should be the same as the designated NDP area.

RESOLVED –

- (a) that, subject to the modifications recommended by the Examiner being made, the Madeley Neighbourhood Development Plan meets the 'basic conditions' and all other legal requirements as set out in the report and appendix;**
- (b) that the required modifications be made to the Madeley Neighbourhood Development Plan, and that the Plan should then proceed to Referendum;**
- (c) that the Referendum Area should not be extended beyond the designated area to which Madeley Neighbourhood Development Plan relates;**
- (d) that authority be delegated to the Managing Director (and any other officer authorised in writing by him) to exercise all the relevant powers and duties for undertaking all necessary arrangements for the Madeley Neighbourhood Development Plan (Referendum Version) to proceed to referendum on the question of whether Telford & Wrekin Council should use the Plan to help it decide planning applications in the Neighbourhood Development Plan area.**

CB-48 CARE ACT 2014

Non-Key Decision

Councillor A.R.H. England, Cabinet Member: Adult Social Care, presented the report of the Director of Health, Wellbeing & Care which provided an update on progress towards implementation of Part 1 of the Care Act which came into force on 1 April 2015, with Part 2 from 1 April 2016.

The Care Act replaced various pieces of adult social care legislation, and would fundamentally change the law and practice relating to the provision of community care services for adults and their carers. It would require major changes in the way that community care services were delivered. Whilst the Act addressed concerns of the public about the costs of care provision falling

on an individual's life savings, there was concern that the Government had under-estimated the costs to local authorities of implementing the Act.

Government had made money available to each local authority to help plan and prepare for the implementation of the Act, with a further sum of money available for collective partnership working. Some initial modelling work had been completed to predict the impact of Part 1 of the Act and to compare the outcomes with the indicative amount of new monies that the Council would receive from Government. Analysis suggested that the Council was making "moderate progress" in preparing for implementation and that it was "fairly confident" it would be in a position to deliver the reforms from April 2015. The arrangements that had been set up locally to prepare for and implement Part 1 were detailed in the report.

As yet there had been no specific announcements about funding for the Part 2 funding reform changes to be implemented from April 2016 or how the money would be distributed between local authorities. Some modelling work had been done to gauge the impact of existing self-funders who, from April 2016, would qualify for local authority support, but this was complicated by a number of "unknowns" and assumptions. There was a significant risk that any shortfall in funding for Part 2 reform would compound the existing budget position and any shortfall in funding the Part 1 reforms.

The final Part 1 Guidance and Regulations were still awaited from Government, but there would be a need for decisions to be taken on a number of Council adult social care policies in order to ensure that they were compliant with the new Care Act.

Members expressed concern at the potential complexity of the new arrangements for funding care provision, and the implications for the Council if the additional costs were not fully funded by central Government.

RESOLVED –

- (a) that authority be delegated to the Director of Health, Wellbeing & Care, in consultation with the Cabinet Member: Adult Social Care, to agree new Adult Social Care policies resulting from the Care Act ;**
- (b) that it be noted that further reports will be brought to Cabinet in the run up to implementation of Part 1 of the Act in April 2015, and through 2015/16 in preparation for Part 2 implementation in April 2016;**
- (c) that a wider briefing of all Councillors be arranged through a dedicated seminar.**

The meeting ended at 6.09 pm.

Signed for the purposes of the Decision Notices

Jonathan Eatough
Assistant Director: Law, Democracy & People Services
Date: 22 October 2014

Signed:

Date: