

CABINET

Decision Notices and Minutes of a meeting of the Cabinet held on Thursday, 26th February, 2015 at 5.00 p.m. at Addenbrooke House, Ironmasters Way, Telford

PUBLISHED ON WEDNESDAY, 4th MARCH, 2015

(DEADLINE FOR CALL-IN: MONDAY, 9TH MARCH, 2015)

PRESENT: Councillors 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)

CB-90 MINUTES

RESOLVED – that the minutes of the meeting held on 29th January 2015 be confirmed and signed by the Chair.

CB-91 APOLOGIES FOR ABSENCE

Councillor W.L. Tomlinson (Liberal Democrat/Independent Group Leader)

CB-92 DECLARATIONS OF INTEREST

None

CB-93 FINANCIAL MONITORING 2014/15

Key Decision identified as **2014/15 Financial Monitoring** in the Notice of Key Decisions published on 8 December 2014.

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 expected net outturn position for the General Fund revenue budget was currently projected to be £2.7m under budget, which together with the unused element of the budget contingency (currently £3m) provided £5.7m one-off resources to support the 2015/16 budget strategy and the delivery of future savings. This was an improvement of £0.9m on the previously reported position, which reflected the continuing strong financial management by senior managers and Cabinet Members. This was a very positive position to be in, and gave a sound platform for the further budgetary challenges ahead.

There were a number of variations from the approved budget, including the cost of Children in Care placements (overspend of £1.4m); the cost of Adult Care and Support services (projected overspend of £5.5m relating to care packages); and provision of in-house services to Adults with Learning Disabilities (overspend of £0.3m). Projected variances of over £0.100m for individual service delivery units were detailed in the report. There were benefits from net in-year savings across all services of just over £6m, active treasury management of £1.5m and £1.95m from the implementation of single status which would not now happen in this financial year.

The overall position included full use of both the Safeguarding and Adult Social Services draw down budgets, and assumed that Transforming Telford Ltd was closed this year and released £0.73m of revenue balances.

The capital programme totalled £140m, which included slippage and all approvals since the budget was set. Spend was currently standing at around 53%, with projected spend being 95%.

Collection levels for Business Rates were on target, whilst Council Tax and Sales Ledger debt were all slightly behind the targets set for the year.

Councillor A.R.H. England, Cabinet Member: Adult Social Care, commented on the improvement of £0.2m in the over-spend on care packages since the last report, and the work that was going on to reduce costs and work in different ways.

RESOLVED –

- (a) that it be noted that the 2014/15 revenue spending is currently projected to be within budget;
- (b) that the position in relation to capital spend and receipts be noted;
- (c) that the collection rates for NNDR, council tax and sales ledger be noted.

CB-94 SERVICE & FINANCIAL PLANNING 2015/16 - 2017/18

Key Decision identified as **Service & Financial Planning Strategy 2015/16 – 2017/18** in the Notice of Key Decisions published on 26 January 2015.

Recommendation to Council- not subject to Call-In

Councillor W.A.M. McClements, Cabinet Member: Finance & Enterprise, presented a series of reports of the Managing Director, the Assistant Director: Finance, Audit & Information Governance (Chief Financial Officer), the Assistant Director for Development, Business & Housing and the Director: Neighbourhood, Customer & Cultural Services. The reports, detailing the Revenue Budget, Capital Programme, the Treasury Management Strategy and Prudential Indicators, formed the Council's overall Medium Term Service

& Financial Planning framework, and identified the service priorities and budget for 2015/16 as well as savings proposals to be delivered over the next two years, and a medium term capital programme. He thanked Officers and Cabinet Members for preparing the budget against a backdrop of such financial constraint, and thanked all the team who had helped deliver the MoD Fulfilment Centre at Donnington.

The Overview and Revenue Budget report set out the pressures facing the Council, including cuts in Government funding of over £70m per annum, which equated to a cut in spend of over £950 for each household in the Borough. The Council had significantly reduced its numbers of senior officers and back-office costs while protecting front-line services as far as possible. However, despite the financial challenges, the Council was continuing to invest to create jobs and safeguard the future prosperity of the Borough and its residents, in line with the Administration's key priorities. The report highlighted a number of investments that were delivering growth, jobs and regeneration in the Borough.

Following the publication of its draft budget proposals in early January, and a one month consultation period, Cabinet had confirmed its key budget strategy proposals for 2015/16 as:

- Freezing Council Tax for the next two years;
- Continuing to deliver jobs and investment, including a £1m fund to support high streets in the Borough Towns and district centres, and £4m to roll-out superfast broadband to those parts of the Borough without coverage;
- Minimising cuts to priority services for vulnerable adults and children as far as possible, against a backdrop of unprecedented cuts in government funding, through good financial management and making one-off additional ring-fenced funding available to support services;
- Investing in communities – creating a £1m (capital) Community Pride Fund for 2017/18, with a borough-wide environmental investment programme of £750k over the next two years in addition to the existing Pride in Your Community programme. There would also be continuing support to regenerate local centres with £650k (capital) investment to refurbish the Gower St Youth Club in St Georges.
- Investing in roads – a commitment to a programme of £2m per annum to invest in road, footpath and other highway improvements for the next 3 years over and above the funding allocated by Government for this purpose;
- Improving local people's prospects through education and skills training – including continuation of the £187m investment in school infrastructure, and a further £650k to fund a second year of investment in youth unemployment Job Box initiatives
- Improving the health and wellbeing of communities and addressing health inequalities – it was proposed to provide free swimming for residents over 50 for four years.

Attached to the report were a number of appendices, including savings proposals, Impact Assessments of the savings proposals, the Pay Policy

Statement 2015/16, analysis of base budget movements, 9 month performance monitoring update and details of Reserves and Balances.

Following publication of the Cabinet's budget proposals in January 2015, there had been extensive consultation via a wide range of media and settings to involve local people and groups such as the Business Forum. This included an interactive "pop-up" road show around the Borough, allowing local people the opportunity to have conversations with Cabinet Members and senior managers. In total, 2,594 contacts were made during the consultation programme, and the full findings/responses were appended to the report. Among the key results, were broad support for the Council's investment proposals and responses that were given to three key questions seeking people's views about the Borough and its future.

Since the draft budget proposals were approved for consultation, the Government had issued the final settlement for 2015/16. The net impact resulted in a gain of £0.276m revenue support grant for the Council. Updated projections for estimated income from business rates showed a further benefit of £1.185m arising from strong growth in the local economy. This would be used to make three key changes to the original proposals, in response to the consultation. An additional £1.25m one-off funding had been set aside for Adult Social Services in 2015/16, the saving relating to changes to remissions policy for fees for Arthog Outdoor Centre and the Music Service had been deleted, and a proposed saving from rationalisation of budgets at Arthog of £50k had been reduced to £17k.

An equality impact analysis of the overall impact of the budget was appended to the report, along with environmental and economic impact assessments.

The Council's Chief Financial Officer was required to give a view on the robustness of the Council's financial strategy, including the use of balances, and this was appended to the report. This had concluded that the Council was pursuing a sound financial strategy in the context of the most difficult financial position it had ever faced due to the combined effect of Government cuts and increased service pressures.

The report on the Capital Programme presented the Council's Capital Strategy for 2014/15 – 2017/18 and later years and a capital programme of £293.560m that included the proposed investments contained in the overall budget strategy. It also set out the Council's Asset Management Plan and planned building maintenance programme, particularly focusing on 2015/16, and the three year Highways and Transport capital investment programme.

The report on the Treasury Management Strategy detailed the Treasury Strategy to be adopted for 2015/16. The Strategy was set within the parameters of the latest guidance and accounting standards. It was expected the Council would borrow up to £55.4m in 2015/16 based on the current capital programme plans, and would adopt a flexible approach to borrowing. The borrowing might increase if the Council proceeded with planned large commercial projects such as MoD Donnington. The report also provided an update on the treasury management activities during 2014/15. The weighted

average return on internal investments at the end of December 2014 was 0.98% compared to a benchmark return for the period of 0.43%. The report also included the Council's Minimum Revenue Provision Statement, which was now being calculated on an annuity basis, which would provide savings over a number of years following the backdating of adjustments.

The report on Prudential Indicators sought approval of the prudential indicators for 2015/16 to 2017/18 required under the Prudential Code of Capital Finance in Local Authorities.

Recommendations by Cabinet would be considered at full Council on 5th March 2015 as full Council was responsible for setting the overall revenue and capital budget framework. At that meeting full Council would also set the Council Tax for 2015/16.

The Chairman of the Budget & Finance Scrutiny Committee, Cllr S.A.W. Reynolds, presented the comments of the Committee on the budget proposals. The main focus of the Committee's work had been on the adult social care budget, as the potential impact of funding reductions on vulnerable adults made this a key risk. The additional one-off money that was being proposed for 2015/16 was welcomed, and the Committee was assured that safeguards would be put in place to ensure that contracts with adult social care providers would be rigorously monitored to ensure the quality of the services. Adult Services would be an area that Scrutiny would retain a close overview of in its work programme for 2015/16. The Committee welcomed a number of the proposals within the budget strategy, including the freeze in council tax, the continued work on the Skills agenda, the approach to income generation and the proposed introduction of free swimming for over-50s. It was pleasing that the Committee's concerns about Arthog Centre and the Music Service had been addressed. The Committee commended the budget consultation exercise.

Councillor A.R.H. England, Cabinet Member: Adult Care & Support, reminded Members that the focus of the savings was on driving down provider costs, efficiencies and service re-design. This approach had been successful in avoiding any dramatic closures or reductions in services, enabling care for the most vulnerable people in the community to be protected. Other Cabinet members referred to the success of the consultation process, and that views had been listened to and amendments made to the budget proposals.

Cllr A.J. Eade, Conservative Group Leader, was invited to comment on the Cabinet's budget proposals. He expressed reservations about the way the Council's budget consultation questions had been worded, which he said made the process flawed. He did not think the savings in Adult Social Care budgets could be achieved without affecting elderly and vulnerable people. The additional contingency that had been announced was welcome, but was not enough. While welcoming the investment for the new Fulfilment Centre at MoD Donnington, there were concerns at the levels of borrowing and the long-term cost of that.

During the ensuing debate, the Cabinet Member for Finance & Enterprise advised that the proportion of cuts to adult services in Telford & Wrekin was well below the national average, and the cuts that had been made had been achieved in ways that protected vulnerable adults. In relation to borrowing, debt repayments in 2014/15 accounted for 7.5% of the net revenue budget which was well below the Unitary Authority average of 9.92%.

RESOLVED – to RECOMMEND to COUNCIL on 5th March 2015:

(i) Overview and Revenue Budget 2015/16 – 2017/18

- (a) that the feedback from the consultation summarised in Appendix 17 and from Scrutiny in Appendix 16 of the report be considered;**
- (b) that the base budget summarised by Service Area in Appendix 9A be approved;**
- (c) that the freezing of council tax levels in 2015/16 and the commitment to freezing council tax again in 2016/17 be approved;**
- (d) that the savings package detailed in Appendix 2 of the report and the additional saving from the Housing Investment Programme be approved;**
- (e) that the revenue pressures detailed in Appendix 2C of the report including the allocation of £2.5m one-off funding for Adult Social Services in 2015/16, the allocation of £0.75m one-off funding for Children’s safeguarding in 2015/16 and the allocation of £0.25m over 3 years for Destination Telford initiatives be approved;**
- (f) that the revenue investment of £1m to revitalise High Streets of Borough Towns and District Centres be approved;**
- (g) that the revenue investment of £0.75m over 2 years for a Borough wide Environmental Investment Programme be approved;**
- (h) that the revenue investment of £0.2m over four years to provide free swimming for all residents over 50 be approved;**
- (i) that the revenue investment of £33,000 to continue funding for the Food Bank during 2015/16 be approved;**
- (j) that the policy framework for Reserves and Balances outlined in Appendix 10 of the report be approved;**
- (k) that the revenue implications of the medium term capital programme for the period 2014/15 - 2017/18 set out in the Capital Programme report be noted, including new commitments of £6m Council funding for Roads and Highways over the next 3 years, £1m to re-run the Community Pride Fund in 2017/18, £0.65m for**

regeneration works in St. Georges and £0.4m for regeneration works in Dawley;

- (l) that the Impact Assessments contained in Appendices 3A, 3B and 4 of the report be noted;
- (m) that the creation of provisions during 2014/15 to fund those investments funded from the projected revenue budget underspend in 2014/15, together with the remaining budget gap of £0.858m; and with any remaining underspend at year end to be transferred to either the severance fund or invest to save/capacity funds to support the delivery of further savings in future years be approved;
- (n) that the Pay Policy contained at Appendix 5 of the report be approved;
- (o) that the CFO's Robustness Statement contained at Appendix 15 of the report be noted;
- (p) that the Corporate Debt Recovery Policy contained at Appendix 13 of the report be approved;
- (q) that the 9 month Performance Update contained at Appendix 14 of the report be noted.

(ii) Capital Programme

- (a) that the Capital Programme and associated capital estimates for 2014/15 and 2015/16 – 2017/18, which incorporate the Capital Strategy, the Planned Building Maintenance Programme, the Asset Management Plan and the three year Highways & Transport capital investment programme, be approved;
- (b) that authority be delegated to the Assistant Director: Development, Business & Employment to deliver the planned programme of works within the Asset Management Plan, and to the Director: Neighbourhood, Customer & Cultural Services to deliver the Highways and Transport capital investment programme, in line with the approved budgets and to make any changes or variations to schemes in these programmes that remain within overall approved budgets, in consultation with the appropriate Cabinet members;

(iii) 2015/16 Treasury Strategy and Treasury Update

- (a) that the treasury management activities for the first half year be noted;
- (b) that the Treasury Management Policy Statement, as shown at Appendix A of the report, be noted;

- (c) that the Treasury Strategy, including the Annual Investment Strategy for 2015/16, together with the associated Treasury Prudential Indicators and the Minimum Revenue Provision Statement, be approved.
- (iv) Prudential Indicators
- (a) that the prudential indicators for 2015/16 to 2017/18, as set out in the report, be approved.

CB-95 PLANNING OF SCHOOL PLACES: SCHOOLS CHANGING THEIR STATUS AND ASSOCIATED TRANSFER OF LAND AND ASSETS

Non-Key Decision

Councillor P.R. Watling, Cabinet Member: Children, Young People & Families, presented the report of the Assistant Director: Education & Corporate Parenting, which set out the implications arising from a number of schools within the Authority either having changed their status or planning to do so within the next few months.

The report outlined those schools that had opted for trust status as part of a Co-operative Learning Trust, with the consequent transfer of land and staff to the trusts. Existing academies in the Telford Co-operative Multi-Academy Trust were in discussion with the Office of the Regional Commissioner about alternative arrangements in which they would become part of larger groups of sponsored academies. As these schools were already independent of the Council, the Authority would have no formal part in any new arrangements put into place. There were three further schools that might become academies – Dawley CE (Aided) Primary School, KickStart Pupil Referral Unit and Mount Gilbert Special School. In the case of the latter, the land was owned by the Council and would be leased to an appropriate sponsor with all the staff, land and assets transferring to the governing body. Finally, the land and buildings of the new Lawley Village Academy, due to open in September 2015, would be transferred to the sponsoring trust on completion of the build.

RESOLVED –

- (a) that the information relating to schools' change of status contained within the report be noted;
- (b) that authority be delegated to the Assistant Director: Education & Corporate Parenting, in consultation with the Cabinet Member for Children, Young People & Families, to take all required actions and exercise all the Council's relevant powers to enable the changes of status to Trust Schools or Academies and associated transfers of land and assets to take place in respect of any school in the Borough.

CB-96 SUBMISSION OF WATERS UPTON NEIGHBOURHOOD DEVELOPMENT PLAN

Non-Key Decision

Councillor C.F. Smith, Cabinet Member: Housing, Development & Borough Towns, presented the report of the Assistant Director: Development, Business & Employment, regarding the submission of a Neighbourhood Development Plan (NDP) by Waters Upton Parish Council, and the steps that now needed to be taken.

Following designation of the Neighbourhood Plan Area in November 2013, the Parish Council had worked with the local community to produce a NDP which had been subject to the required period of consultation. The final Plan and supporting documents were submitted to Telford & Wrekin Council on 15 December 2014. In response, and in accordance with statutory requirements, the Council had completed a number of checks to ensure that all the procedural and other requirements had been met. These had concluded that the submission was compliant. In terms of 'general conformity' with the strategic policies of the adopted Development Plan for the local area, there were a number of important differences of opinion between the Parish Council and Local Planning Authority Officers, and these would be raised at the Independent Examination stage.

The NDP was currently subject to a 6 week publication period, which had been extended by agreement by one week to 6th March 2015. Any representations received would be forwarded to an Independent Examiner (IE). The IE would be appointed by the Council in agreement with Waters Upton Parish Council, and would check the contents of the Plan, supporting documents and written representations. The Examiner would then submit a report to Cabinet with a recommendation as to whether the NDP should be progressed to a referendum of electors in the Neighbourhood Plan area.

It was also proposed to give Officers delegated powers to exercise all the Council's powers regarding the process for future NDPs up to the point where the Council needs to consider the recommendations of the Independent Examiner and decide whether the Neighbourhood Development Plan can proceed to referendum.

RESOLVED –

- (a) that authority be delegated to the Assistant Director: Planning Specialist to exercise all the Council's relevant powers under the Town & Country Planning Act 1990, the Planning & Compulsory Purchase Act 2004, the Neighbourhood Planning (General) Regulations 2012 and all other enabling legislation, to take all necessary actions for the Waters Upton Neighbourhood Plan to be processed in accordance with the relevant legislation to and through the Independent Examination stage;**

- (b) that authority be delegated to the Assistant Director: Planning Specialist to exercise all the Council's relevant powers under the Town & Country Planning Act 1990, the Planning & Compulsory Purchase Act 2004, the Neighbourhood Planning (General) Regulations, and all other enabling legislation, regarding the neighbourhood planning process for future NDPs in the Borough up to but not including the stage where the Council needs to consider the recommendations of the Independent Examiner and decide whether the NDP can proceed to referendum.

CB-97 DECLARATION OF THE EXTENSION TO THE LOCAL NATURE RESERVE AT TELFORD TOWN PARK

Key Decision identified as **Declaration of the Extension to Telford Town Park Local Nature Reserve** in the Notice of Key Decisions published on 26 February 2015.

Councillor E.A. Clare, Cabinet Member: Leisure Services & Culture, presented the report of the Director of Neighbourhood, Customer & Cultural Services, which sought approval for the declaration of additional areas within Telford Town Park as a Local Nature Reserve (LNR).

The importance of protecting and maintaining high quality green spaces was central to the Council's commitment to retain and nurture its 'green town' reputation. Declaration of land as a LNR required the Council to manage the land as a nature reserve and to protect it from inappropriate uses or development. A proposal to extend the LNR designation in the Town Park had been developed in liaison with the Friends of Telford Town Park and the Shropshire Wildlife Trust, and would involve volunteers carrying out small scale conservation tasks as part of the management of the site. The proposed extension to the LNR was considered to meet the necessary criteria for selection. Appended to the report was a plan showing the proposed areas of the Town Park for designation as part of the LNR.

Subject to approval, the next stage would be to progress the designation through the formal process with Natural England prior to final declaration.

Members welcomed the proposal. In response to a question about the selection of the areas for inclusion in the LNR, the Assistant Director: Leisure, Culture & Facilities Management advised that any areas for designation had to demonstrate that they had value in terms of their wildlife and natural habitat.

RESOLVED –

- (a) that the declaration of areas, as identified in Appendix 1 of the report, within Telford Town Park as a Local Nature Reserve be approved;
- (b) that authority be delegated to the Assistant Director: Planning Specialist, in consultation with the Cabinet Members for Leisure

**Services & Culture and Housing, Development & Borough Towns,
to complete the declaration process.**

**CB-98 DECLARATION OF MADELEY PITMOUNDS LOCAL NATURE
RESERVE**

Non-Key Decision

Councillor C.F. Smith, Cabinet Member: Housing, Development & Borough Towns, presented the report of the Assistant Director: Planning Specialist, which sought approval for the declaration of a new Local Nature Reserve in Madeley, South Telford – approximately 44 hectares of distinctive wooded pitmounds which were linked historically and archaeologically, and which were an important part of the local landscape.

The areas proposed for designation were shown on a plan appended to the report, and comprised of five pitmounds. It was considered to fulfil the requirements of becoming a formal designated site as it included two county wildlife sites (Madeley Court and Tweedale Woods), was not allocated for development, had an up-to-date management plan, and had a strong level of community involvement and support. The proposal had been developed by Madeley Town Council in liaison with a local community group, and would involve volunteers carrying out small-scale conservation tasks as part of the management of the site. The site was already used for health and educational purposes supported by South Telford Rights of Way Partnership and Telford & Wrekin Green Gym.

Subject to approval, the next stage would be to progress the designation through the formal process with Natural England prior to final declaration.

Councillor P.R. Watling, Madeley Ward Member, welcomed the proposed designation and the importance of these sites for industrial heritage and future recreational use.

RESOLVED –

- (a) that the declaration of the Madeley Pitmounds Local Nature Reserve, as shown in Appendix 1 of the report, be approved;**
- (b) that authority be delegated to the Assistant Director: Planning Specialist, in consultation with the Cabinet Member for Housing, Development & Borough Towns, to make any minor amendments to the boundaries of the Madeley Pitmounds Local Nature Reserve if required, and to complete the declaration process.**

CB-99 PROCUREMENT UPDATE

Key Decision identified as **Procurement Update** in the Notice of Key Decisions published on 26 February 2015.

In accordance with the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012, the relevant Scrutiny Chair had been informed of the reasons why compliance with regulation 10 (more than 5 clear days notice of a key decision) was impracticable and had agreed to the decision being taken with less than the required notice as the decision was urgent and could not be reasonably deferred.

Councillor W.A.M. McClements, Cabinet Member: Finance & Enterprise, presented the report of the Assistant Director: Law, Democracy & People Services, which updated Members on the Council's Procurement Intentions and general progress with effective procurement.

An extract of the latest procurement intentions document was appended to the report, and detailed the anticipated procurement activity for the next 6-12 months. Some projects were still ongoing from the last update in July 2014, and progress was detailed in the appendix. The main activity for noting related to the commissioning and tendering process for substance misuse services, review of the Revenue and Benefits System contract, and the letting of two 2 year contracts related to Stop Smoking services, with the option to extend for up to a further 2 years subject to satisfactory performance and funding.

The Council continued to be proactive in the way it procured services and goods. This included promoting opportunities in local market sectors, and organising supplier and user market engagement sessions for Public Health & Care and Support Services.

RESOLVED -

- (a) that the procurement updates in the report be noted;**
- (b) that the Procurement Intentions Document, as shown at Appendix A of the report, be noted; and, where appropriate, the delegation to the appropriate officers (as per the Contract Procedure Rules) to progress new procurements through the tender process to contract award be approved.**

The meeting ended at 6.14 pm.

Signed for the purposes of the Decision Notices

Jonathan Eatough
Assistant Director: Law, Democracy & People Services
Date: 4 March 2015

Signed:

Date: