

BOROUGH OF TELFORD & WREKIN

Minutes of an Extraordinary meeting of the Borough of Telford & Wrekin held on Thursday, 8 May, 2014 at 6.30 p.m. at Telford College of Arts & Technology, Wellington, Telford.

PRESENT:

Councillors R.K. Austin, S. Bentley, S.P. Burrell, E.J. Carter, S. Davies, N.A. Dugmore, A.J. Eade, N.A.M. England, A.R.H. England, I.T.W. Fletcher, V.A. Fletcher, E.J. Greenaway, K.R. Guy, T.J. Hope, M.B. Hosken, M.G. Ion, A.S. Jhavar, R.T. Kiernan, A. Lawrence, J. Loveridge, A.A. Mackenzie, C.N. Mason, A.D. McClements, W.A.M. McClements, A.A. Meredith, J.C. Minor, C.P.R. Mollett, L.A. Murray (Mayor), R.A. Overton (Deputy Leader), F.R. Picken, J. Pinter, G.C.W. Reynolds, S.A.W. Reynolds, H. Rhodes, K.S. Sahota (Leader), R.G. Scammell, J.M. Seymour, R.J. Sloan (Deputy Speaker), C.F. Smith, M.J. Smith, A.J. Stanton, B.J. Thompson, K.L. Tomlinson, W.L. Tomlinson, C.R. Turley, P.R. Watling and D.R.W. White.

The Mayor opened the meeting, and reported that, in the continued absence of the Speaker through ill-health, the Deputy Speaker would be chairing the remainder of the meeting.

93. APOLOGIES FOR ABSENCE

Councillors K.T. Blundell, F.M. Bould, E.A. Clare, D.G. Davies (Speaker), R.C. Evans, C.B.A. Elliott and G.M. Green

94. DECLARATIONS OF INTEREST

None

95. SUPERMARKET DEVELOPMENT IN NEWPORT

In accordance with the Constitution, five members of the Council submitted a request to the Deputy Speaker to arrange an urgent extraordinary public meeting of the Council with a single item of business – a motion concerning supermarket development in Newport. The Deputy Speaker had agreed to the request, and he called on Councillor A.J. Eade (Leader of the Conservative Group) to move his Motion.

Councillor A.J. Eade moved the following motion:

“This Council calls on the Cabinet to cease any further High Court action associated with its plans for a supermarket development in Newport and demands a public apology from the Leader of the Council, or his Deputy, and acceptance that the current Administration was ultimately responsible for the waste of up to £1.5m of public funds.”

The motion was seconded by Councillor N.A. Dugmore.

Councillor Eade welcomed the decision that had been announced earlier that the Council was abandoning its flawed decision to pursue further legal action in relation to the planning permission granted for a supermarket on land at Audley Avenue, Newport. However, he deplored the loss of £410,000 of taxpayers' money on pursuing fruitless legal challenges from which the Council had nothing to show. There was also the potential for further costs to be incurred if the Council continued with its plans for a supermarket on the Station Road site. All of this brought into question the competence of the current Administration and its ability to run the Council, and a public apology was needed from the Leader of the Council for such a waste of public funds. Further questions he would like answering were whether the Station Road supermarket application was now going to be withdrawn, and whether the Council had considered another retail survey for Newport.

In responding to the Motion, the Leader confirmed that, having considered all the facts and advice after the most recent High Court judgment, a decision had been made not to pursue any further legal action in relation to the Audley Avenue site. However, this did not impact on the Station Road application, which would be kept under close review in conjunction with St Modwens – the development partners for the site. A decision would be made at the appropriate time and in the interests of all taxpayers in the Borough. He did not consider that he had anything to apologise for, as the Administration had only been concerned with securing best value from a Council asset and in creating new jobs and growth in the Borough. A majority of the costs referred to were forced on the Council through having to defend challenges to the Station Road application. He reminded Members that the supermarket scheme at Station Road was initiated by the previous Conservative administration, and that Councillor Eade had deceived and misled the public and media about his involvement.

Opposition Members gave examples of the uses to which the alleged £1.5m of "lost" money could have been put, and further questioned the economic competence of the Administration. A number of members from the ruling Labour Group highlighted evidence that showed that the previous Conservative administration had signed agreements with a developer to market the land at Station Road for a supermarket, and that the current Administration had merely carried on with contracts that were already in place. The Council had challenged the Planning Inspector's decision in respect of Audley Avenue based on advice from barristers and in view of the significant additional costs that the Council could be faced with as a result of the development of that site. It was right to defend taxpayer's assets and to seek best value in realising those assets for the benefit of Newport and the rest of the Borough.

In summing up, Councillor Eade stated that he was disappointed with the response of the Leader, and that it was not a secret that his Administration had looked at the Station Road site for a smaller scale development that would have been subject to extensive public consultation in Newport.

Following a full debate on the Motion, a recorded vote was duly requisitioned in accordance with Council Procedure Rule 11.3. The voting on the Motion was as follows:

For: (17) Councillors Bentley, Burrell, Carter, Dugmore, Eade, I Fletcher, V Fletcher, Greenaway, Hope, Hosken, Kiernan, Lawrence, Meredith, Mollett, Scammell, Seymour and Stanton.

Against: (28) Councillors Austin, S Davies, A England, N England, Guy, Ion, Jhawar, Loveridge, Mackenzie, Mason, A McClements, W McClements, Minor, Murray, Overton, Picken, Pinter, G Reynolds, S Reynolds, Rhodes, Sahota, Sloan, C Smith, M Smith, Thompson, Turley, Watling and White.

Abstentions: (2) Councillors K Tomlinson and W Tomlinson

The Motion was declared lost.

The meeting ended at 7.38pm.

Mayor:

Date:

BOROUGH OF TELFORD & WREKIN

Minutes of the Annual Meeting of the Borough of Telford & Wrekin held on Thursday 29 May 2014 at 6.30pm at 'The Place', Oakengates, Telford, Shropshire

PRESENT:

Councillors R.K. Austin, S. Bentley, K.T. Blundell, F.M. Bould, S.P. Burrell, E.J. Carter, E.A. Clare, D.G. Davies (Speaker), S. Davies, N.A. Dugmore, A.J. Eade, A.R.H. England, N.A.M. England, R.C. Evans, I.T.W. Fletcher, V.A. Fletcher, G.M. Green, E.J. Greenaway, K.R. Guy, T.J. Hope, M.B. Hosken, M.G. Ion A.S. Jhavar, R.T. Kiernan, A. Lawrence, J. Loveridge, C.N. Mason, A.D. McClements, W.A.M. McClements, A.A. Meredith, J.C. Minor, C.P.R. Mollett, L.A. Murray (Mayor), R.A. Overton, F.R. Picken, J. Pinter, G.C.W. Reynolds, S.A.W. Reynolds, H. Rhodes, K.S. Sahota (Leader), R.G. Scammell, J.M. Seymour, R.J. Sloan, C.F. Smith, M.J. Smith A.J. Stanton, B.J. Thompson, C.R. Turley, P.R. Watling and D.R.W. White.

1. WELCOME FROM MAYOR

The Mayor welcomed civic dignitaries, Members and invited guests to the Annual Meeting of the Borough of Telford & Wrekin. In particular he noted the presence of the High Sheriff of Shropshire, Robert Bland; Lord & Lady Grocott; David Wright MP and Freeman of the Borough Lieutenant Colonel Nick Jenkins representing The Rifles.

2. DECLARATION

Councillor N A M England read the following declaration:

“Colleagues, aware of our responsibilities to promote democracy and the well-being of all local people, on behalf of the Council, I make this re-commitment to our office as elected representatives.

Elected to serve the public good, we recognise that public office is a privilege granted by the people and not a right.

We, elected representatives of the people of Telford & Wrekin, declare that we will, to the best of our ability, uphold the Council’s constitution and serve the community above any private or personal interest.”

Members signified their affirmation of the Declaration.

3. ELECTION OF SPEAKER

It was moved by Councillor K R Guy, seconded by Councillor C R Turley, that Councillor M G Ion be elected as Speaker of the Council. A vote was taken and it was:

RESOLVED – that Councillor M G Ion be elected as Speaker of the Council for the municipal year 2014/15.

4. ELECTION OF DEPUTY SPEAKER

It was moved by Councillor W A M McClements, seconded by Councillor S A W Reynolds, that Councillor R J Sloan be elected as Deputy Speaker of the Council. A vote was taken and it was:

RESOLVED – that Councillor R J Sloan be elected as Deputy Speaker of the Council for the municipal year 2014/15.

5. APPOINTMENT OF MAYOR

It was moved by Councillor R K Austin, seconded by Councillor E A Clare, that Councillor M J Smith be appointed as Mayor of the Council. A vote was taken and it was:

RESOLVED – that Councillor M J Smith be appointed as Mayor of the Council for the municipal year 2014/15.

6. APPOINTMENT OF DEPUTY MAYOR

It was moved by Councillor H Rhodes, seconded by Councillor D R W White, that Councillor A S Jhawar be appointed as Deputy Mayor. A vote was taken and it was:

RESOLVED – that Councillor A S Jhawar be appointed as Deputy Mayor of the Council for the municipal year 2014/15.

7. VOTE OF THANKS TO RETIRING MAYOR

A vote of thanks to the retiring Mayor, Councillor L A Murray, was proposed by Councillor S Davies and seconded by Councillor P R Watling. Councillor Davies told the meeting that the retiring Mayor had carried out his Mayoral role with dedication and had been an exceptional ambassador for the Borough. Councillor Watling paid tribute to the personal qualities of the outgoing Mayor and commended him on a fine year in office. A number of other Members also paid tribute to the retiring Mayor for all his hard work in representing the Borough over the past year.

RESOLVED – that the Council recorded its thanks to the retiring Mayor, Councillor L A Murray for his service over the 2013/14 term of office.

8. REPLY TO VOTE OF THANKS

In response, the retiring Mayor thanked his partner Barbara, the Deputy Mayor and Mayoral staff for their support during the year.

During his year in office the Mayor had chosen to raise funds to support two local charities - Severn Hospice (Telford) and Wellington Cottage Care Trust - and he was delighted to have raised approximately £16k..

The Mayor had been overwhelmed by the support received during his year in office and had enjoyed meeting many people in the Borough's diverse community. Young people were the future of the Borough and the Mayor had particularly enjoyed working with and encouraging the young people of Telford & Wrekin.

9. APOLOGIES FOR ABSENCE

Councillors C B A Elliot, A A Mackenzie, K L Tomlinson and W L Tomlinson.

10. DECLARATIONS OF INTEREST

None.

11. MINUTES

RESOLVED - that the minutes of the Meeting of the Council held on 1 May 2014 be confirmed and signed by the Speaker.

12. ANNOUNCEMENTS

The Mayor, Councillor M J Smith, told the meeting that it was a great privilege to once again be elected Mayor of the Borough. He thanked family, friends, colleagues and Mayoral staff for their support and paid tribute to the outgoing Mayor's excellent year in office. After considerable thought, his chosen charity was the Telford & Wrekin Arthritis Support Group which worked to promote health, well-being, independence and self-help for people in the borough with arthritis and related conditions.

Councillor K S Sahota noted some of the successes and challenges of the previous year. Telford & Wrekin was a success story with the local economy growing by 3.7%, work continuing to attract the MOD logistics centre to the Borough, district centres regeneration continuing and the BSF programme delivering a £200m investment in schools.

The Southwater development would be open to the public in the near future and would be a regional attraction creating hundreds of jobs. The Pride in the Community programme had been launched successfully and work was continuing on the Town centre Box road. AFC Telford had been promoted as champions of the Skril Conference North and the town had recently been named in a survey as one of the top 10 happiest places to live in the UK.

Councillor A J Eade believed the Southwater development had been created and funded by the previous administration. He was disappointed to note that the administration's plans did not include any plans to invest in the Borough's industrial estates which would help to attract and keep business in the Borough. He believed that the BSF project was vital but had concerns over a net reduction in school places as the Borough was seeing a great deal of building and development. In terms of the Pride project, he would have preferred this money to be used to protect Adult Social Care budgets. He was opposed to the council's plans for the Town Centre Box road.

13. APPOINTMENT OF CABINET

Councillor K S Sahota, leader of the Council, welcomed Members and guests to the Annual meeting and notified the meeting of Cabinet appointments.

RESOLVED – that the Membership of the Cabinet, as notified by Councillor K S Sahota, be appointed for the municipal year 2014/15 as set out in Appendix 1 to these Minutes.

14. APPOINTMENT OF COMMITTEES, COMMISSIONS, BOARDS, ETC.

Proposals for the appointment of Committees, Commissions and Boards, etc. in accordance with the political balance of the Council had been submitted. A vote was taken and it was:

RESOLVED – that the internal bodies for the municipal year 2014/15, (including the appointment of Chairmen and Vice-Chairmen) be appointed as set out in Appendix 2 to these Minutes.

15. PROGRAMME OF ORDINARY MEETINGS OF THE COUNCIL

The programme of dates for ordinary meetings of the Council for 2014/15 would be as follows:

- Thursday, 17 July 2014 at The Place, Oakengates
- Thursday, 11 September 2014 at TCAT, Wellington
- Thursday, 27 November 2014 at TCAT, Wellington
- Thursday, 22 January 2015 at The Place, Oakengates
- Thursday, 5 March 2015 at The Place, Oakengates

The meeting ended at

Mayor:

Date:

APPENDIX 1

Cabinet Member	Area of Responsibility
Cllr K S Sahota	Leader
Cllr R A Overton	Deputy Leader & Cabinet Member for Public Health & Public Protection
Cllr P R Watling	Children, Young People & Families
Cllr S Davies	Neighbourhood Services, Employment & Skills
Cllr E A Clare	Leisure Services & Culture
Cllr C F Smith	Housing, Development & Borough Towns
Cllr A R H England	Adult Social Care
Cllr W A M McClements	Finance & Enterprise
Cllr H Rhodes	Customer Services, Libraries & Transport

GOVERNANCE

Standards Committee – 7 Seats	
Cllr S Davies (Lab) – Vice Chair Cllr N A M England (Lab) – Chair Cllr K R Guy (Lab) Cllr T J Hope (Con) Cllr M B Hosken (Con) Cllr R T Kiernan (Con) Cllr A D McClements (Lab)	

Audit Committee – 7 Seats	
Cllr R K Austin (Lab) – Vice Chair Cllr I T W Fletcher (Con) Cllr A Lawrence (Con) Cllr C N Mason (Lab) Cllr S A W Reynolds (Lab) Cllr R J Sloan (Lab) - Chair Cllr W L Tomlinson (Lib Dem/I)	

Council Constitution Committee – 7 Seats	
Cllr A J Eade (Con) Cllr R C Evans (Lab) Cllr I T W Fletcher (Con) Cllr G M Green (Lib Dem/I) Cllr K R Guy (Lab) Cllr R J Sloan (Lab) – Vice Chair Cllr C F Smith (Lab) – Chair	

Boundary Review Committee – 7 seats	
Cllr K T Blundell (Lib Dem/I) Cllr E J Carter (Con) Cllr I T W Fletcher (Con) Cllr A D McClements (Lab) Cllr R A Overton (Lab) – Vice Chair Cllr R J Sloan (Lab) – Chair Cllr P R Watling (Lab)	

REGULATORY

Planning Committee – 9 Seats	
Cllr N A Dugmore (Con) Cllr I T W Fletcher (Con) Cllr E J Greenaway (Con) Cllr K R Guy (Lab) Cllr A S Jhawar (Lab) Cllr J Loveridge (Lab) Cllr J C Minor (Lab) – Chair Cllr L A Murray (Lab) Cllr C R Turley (Lab) – Vice-Chair	<u>Labour Subs</u> Cllr F M Bould Cllr A A Mackenzie Cllr G C W Reynolds Cllr S A W Reynolds Cllr R J Sloan Cllr B J Thompson <u>Conservative Subs</u> Cllr R T Kiernan Cllr A A Meredith Cllr C P R Mollett

Licensing Committee – 10 Seats	
Cllr T J Hope (Con) Cllr A A Mackenzie (Lab) Cllr C N Mason (Lab) – Chair Cllr L A Murray (Lab) Cllr J Pinter Cllr R G Scammell (Con) Cllr J M Seymour (Con) Cllr B J Thompson (Lab) Cllr K L Tomlinson (Lib Dem/I) Cllr C R Turley (Lab) – Vice-Chair	<u>Labour Subs</u> Cllr R J Sloan Vacancy Vacancy Vacancy Vacancy <u>Conservative Subs</u> Cllr S Bentley Cllr M B Hosken Cllr R T Kiernan <u>Lib Dem/Ind Sub</u> Vacancy

SCRUTINY

Scrutiny Management Board – 7 Seats	
Cllr S Bentley (Con) Cllr K R Guy (Lab) Cllr A D McClements (Lab) Cllr C P R Mollett (Con) Cllr S A W Reynolds (Lab) Cllr C R Turley (Lab) Cllr D R W White (Lab) – Chair	

Scrutiny Committee – Budget & Finance – 8 Seats	
Cllr R K Austin (Lab) Cllr N A Dugmore (Con) Cllr R C Evans (Lab) Cllr M G Ion (Lab) Cllr A Lawrence (Con) Cllr C P R Mollett (Con) Cllr G C W Reynolds (Lab) Cllr S A W Reynolds (Lab) - Chair	

Scrutiny Committee – Children & Young People – 8 Seats	
Cllr S P Burrell (Con) Cllr G M Green (Lib Dem/I) Cllr K R Guy (Lab) - Chair Cllr R G Scammell (Con) Cllr J Loveridge (Lab) Cllr A A Mackenzie (Lab) Cllr J Pinter (Lab) Cllr C R Turley (Lab)	

Scrutiny Committee – Co-operative & Community – 8 Seats	
Cllr S Bentley (Con) Cllr N A Dugmore (Con) Cllr N A M England (Lab) Cllr M G Ion (Lab) Cllr A D McClements (Lab) – Chair Cllr J Pinter (Lab) Cllr B J Thompson (Lab) Cllr K L Tomlinson (Lib Dem/I)	

Scrutiny Committee – Health & Adult Social Care – 8 Seats	
Cllr F M Bould (Lab) Cllr R C Evans (Lab) Cllr V A Fletcher (Con) Cllr E J Greenaway (Con) Cllr J Loveridge (Lab) Cllr A A Meredith (Con) Cllr J C Minor (Lab) Cllr D R W White (Lab) – Chair	

Scrutiny Committee – Housing, Economy & Infrastructure – 8 Seats	
Cllr F M Bould (Lab) Cllr E J Carter (Con) Cllr C P R Mollett (Con) Cllr L A Murray (Lab) Cllr J M Seymour (Con) Cllr R J Sloan (Lab) Cllr K L Tomlinson (Lib Dem/I) Cllr C R Turley (Lab) – Chair	

Joint Health & Overview Scrutiny Committee – 3 Seats	
Cllr V A Fletcher (Con) Cllr J C Minor (Lab) Cllr D R W White (Lab) – Chair	

PERSONNEL

Appeals Committee – 7 Seats	
Cllr K T Blundell (Lib Dem/Ind) Cllr A R H England (Lab) Cllr R C Evans (Lab) –Chair Cllr K R Guy (Lab) – Vice Chair Cllr A Lawrence (Con) Cllr C N Mason (Lab) Cllr A A Meredith (Con)	<u>Labour Subs</u> Cllr E A Clare Cllr C B A Elliott Cllr M G Ion Cllr A D McClements <u>Conservative Subs</u> Cllr S P Burrell Cllr N A Dugmore

Personnel Committee – 7 Seats	
Cllr S Davies (Lab) Cllr N A Dugmore (Con) Cllr A J Eade (Con) Cllr K R Guy (Lab) Cllr R A Overton (Lab) – Vice Chair Cllr H Rhodes (Lab) Cllr K S Sahota (Lab) – Chair	

Employee JICF – 7 Seats	
Cllr R K Austin (Lab)	<u>Labour Subs</u>
Cllr K T Blundell (Lib Dem/I)	Cllr R C Evans
Cllr N A Dugmore (Con)	Vacancy
Cllr A J Eade (Con)	Vacancy
Cllr R A Overton (Lab) – Vice Chair	Vacancy
Cllr K S Sahota (Lab) – Chair	
Cllr R J Sloan (Lab)	

OTHER

Health & Wellbeing Board – 14 Seats	
Cllr E A Clare	Cabinet Member – Leisure Services & Culture
P Taylor	Interim Director: Health, Wellbeing & Care, TWC
Cllr A R H England	Cabinet Member – Adult Social Care
D Evans	Chief Operating Officer, Telford & Wrekin CCG
Cllr G M Green	Lib Dem/Independent Group
D Harrison	Non-Executive Director, Telford & Wrekin CCG
Dr M Innes – Vice Chair	Chair, Telford & Wrekin CCG
L Johnston	Director for Children’s Services, TWC
Cllr R A Overton – Chair	Cabinet Member - Public Health
Cllr J M Seymour	Conservative Group
D Wickham	NHS Commissioning Board
Cllr P R Watling	Cabinet Member – Children, Young People & Families
E Noakes	Director of Public Health, TWC
J Chaplin	Healthwatch

Combined Fire Authority	
Cllr R K Austin (Lab)	
Cllr F M Bould (Lab)	
Cllr E J Carter (Con)	
Cllr R T Kiernan (Con)	
Cllr G C W Reynolds (Lab)	
Cllr B J Thompson (Lab)	

MAYORAL ENGAGEMENTS**21 April 2014 – 3 July 2014****Cllr L Murray**

April	25th	M	Mayor's Charity Caribbean Night at The University of Wolverhampton Telford Campus, Priorslee, Telford
	26th	M	St Georges Day Concert at Hadley Methodist Church, Hadley, Telford
	27th	M	Telford Hornets Junior Rugby Tournament at Telford Hornets Rugby Club , Hinkshay Road, Dawley, Telford
		DM	Tern Valley Scouts St Georges Day Parade and Service at St Peter & Pauls Church, High Street, Wem
		DM	St Georges Day Service at St Georges Church, Church Street, St Georges, Telford
	28th	M	Mayor's Charity Quiz at The Gallery Bar, Oakengates Theatre, Telford
	29th	M	Visit to Denso Manufacturing at Queensway Campus, Hortonwood, Telford
30th	M	Welcome Service for Rev Tim Storey, Holy Trinity Church, Dawley, Telford	
May	3rd	M	Official Opening of Momma B's Caribbean Takeaway, Wellington, Telford
	4th	M	Annual Norbury Canal Festival at Norbury Junction, Stafford
		DM	Opening of Help for Heroes Charity Fundraiser event at The Plough Inn, Wellington, Telford
	5th	M	Abraham Darby Academy Fun Day at Abraham Darby Academy, Madeley, Telford
	9th	M	Young Enterprise Celebration of Achievement Event at The Park Inn, Forgegate, Telford Town Centre

B

- 11th** **M** ABF Soldier's Charity Curry Luncheon at the Officers' Mess, RAF Shawbury
- 12th** **M** RAF Presentation of the New Queen's Colour Award at Royal Air Force, Cosford
- 14th** **M** Charity Bike Ride for Mayor's Appeal at Telford Town Centre
- 15th** **M** Charity Bike Ride for Mayor's Appeal at Telford Town Centre
- M** Fostering Fortnight Campaign at Telford Town Centre
- M** Annual Meeting of Bridgnorth Town Council at The Town Hall, High Street, Bridgnorth
- 16th** **M** Official Opening of the Weston Building at Harper Adams University, Newport
- 17th** **M** Shifnal Chorale Charity Concert at Wellington Methodist Church, Wellington
- 18th** **M** Mayor of Shrewsbury Town Council's Civic Service at St Chad's Church, Shrewsbury
- 20th** **M** Age UK, The Afternoon Entertainment, Variety Special Performance, Oakengates Theatre, Telford
- 21st** **DM** Citizenship Ceremony at Register Office, Wellington, Telford
- 23rd** **M** Official Opening of Summerhouse Baths & Taps at Haybridge Road, Hadley, Telford
- 24th** **M** The Archery GB Big Weekend at Sinclairs Club, Holyhead Road, Ketley, Telford
- M** Terrence Higgins Trust African Day Celebration Event at Randlay Community Centre, Telford

Cllr M Smith

June	1st	M	The Big Lunch at Abbeyfield House, Wellington, Telford
	2nd	M	Official Opening of Pickstock Telford Ltd, Meat Processing Facility at Hortonwood 45, Telford
		M	Shropshire Fire & Rescue Service Medal Ceremony at Theatre Severn, Shrewsbury
	7th	M	WW1 Centenary Commemoration Event, Broad Oaks Field, Donnington, Telford
	8th	M	Royal Air Force Cosford Air Show at RAF Cosford
	10th	M	Bridge House Open Evening at Bridge House, Wappenshall
	12th	DM	Dedication Service of Midcounties Co-operative Funeralcare Home, WH Smith's Store, Wellington, Telford
		M	High Sheriff of Shropshire Home Reception at The Leasowes, Cound, Shrewsbury
	14th	M	Shifnal & District Male Voice Choir Charity Concert at St Michael's Church, Madeley, Telford
	15th	M	Mayor of Oswestry Town Council's Civic Service at St Oswald's Parish Church, Oswestry
	18th	M	Citizenship Ceremony at Register Office, Wellington, Telford
	21st	M	Opening of the new Premier Stores at Burford, Brookside, Telford
	22nd	M	Mayor of Wellington Town Council's Civic Service at Wellington Methodist Church, Wellington

B

- 25th** **M** Universal Free School Meals Launch at Wrockwardine Wood Infants School, Telford
- M** Launch of the TPT Business Community Award at The Glebe Centre, Wellington
- 28th** **M** WW1 Service of Remembrance at Wrockwardine Wood Infant School/Holy Trinity Church, Telford
- M** Oakengates United Church Celebration Day at Oakengates United Church, Oakengates, Telford
- M** Foster Carers Association Summer Ball at The Ramada Hotel, Telford
- 29th** **M** Celebration of Ketley Methodist Church Refurbishment at Ketley Methodist Church, Telford
- July** **1st** **M** Shropshire Homes School Sport Festival Shrewsbury Sports Village, Sundorne Road, Shrewsbury
- 2nd** **M** Diabetes UK Healthy Lifestyle Roadshow Telford Town Centre, Richoh Square (Outside Debenhams)

TELFORD & WREKIN COUNCIL

COUNCIL – 17th July 2014

REPORT OF CABINET – FOR INFORMATION ONLY

MATTERS DETERMINED BY THE CABINET

1.0 INTRODUCTION

This report sets out those matters determined by the Cabinet at its meetings on 15th May and 26th June 2014.

2.0 CABINET BUSINESS

Matters that have been determined by Cabinet are listed below:

2.1 15th May 2014

- K 2.1.1 Scrutiny Review of Empty Properties and Private Landlords
- K 2.1.2 Scrutiny Review of Local Arrangements for the Planning and Provision of Primary School Places
- NK 2.1.3 Telford Loyalty Card
- NK 2.1.4 Representation on Outside Bodies 2014/15 – Telford Trust

2.2 26th June 2014

- K C 2.2.1 2013/14 Out-turn and 2014/15 Initial Update
- K 2.2.2 Non-Accommodation Services Preferred Provider Frameworks
- K 2.2.3 Domiciliary Care Preferred Provider Frameworks
- NK 2.2.4 A New Approach to Supporting Housing Options
- K 2.2.5 West Mercia Energy Joint Agreement
- NK 2.2.6 Annual Governance Statement 2013/14
- NK 2.2.7 Appointment of Representatives to Outside Bodies 2014/15
- NK 2.2.8 Update on Dawley Social & Memorial Club, King Street, Dawley

Key

- K = Key Decisions
- NK = Non-Key Decisions
- E = Exempt Items

3.0 DELEGATION OF POWERS GRANTED BY THE CABINET

REPORT HEADING	DELEGATION GRANTED TO	DETAIL OF DELEGATION GRANTED
Non-Accommodation Services Preferred Provider Frameworks	<p>Assistant Director: Family, Cohesion & Commissioning</p> <p>Assistant Director: Law, Democracy & People Services</p>	<p>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</p> <p>To execute all documentation required to give effect to the agreements reached in relation to the tender for a preferred provider framework</p>
Domiciliary Care Preferred Provider Frameworks	<p>Interim Director: Care, Health & Wellbeing</p> <p>Assistant Director: Law, Democracy & People Services</p>	<p>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</p> <p>To execute all documentation required to give effect to the agreements reached in relation to the Preferred Provider Framework</p>
A New Approach to Supporting Housing Options	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

<p>West Mercia Energy Joint Agreement</p>	<p>Assistant Director: Law, Democracy & People Services</p>	<p>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</p>
<p>Scrap Metal Dealers</p>	<p>Various Officers</p>	<p>As listed in Appendix 1 of the report to carry out compliance and enforcement functions under the Scrap Metal Dealers Act 2013</p>
<p>Update on Dawley Social & Memorial Club, King Street, Dawley</p>	<p>Assistant Director: Development, Business & Employment</p> <p>Assistant Director: Law Democracy & People Services</p>	<p>In consultation with the Cabinet Member: Finance & Enterprise to implement the proposals outlined in section 4.5 of the report</p> <p>To agree and execute all necessary documentation to give effect to the proposals contained within the report</p>
<p>LEGAL COMMENT FINANCIAL COMMENT LINKS WITH CORPORATE PRIORITIES RISKS AND OPPORTUNITIES ENVIRONMENTAL IMPACT EQUALITY & DIVERSITY WARD IMPLICATIONS</p>	<p>As described in each report considered by Cabinet. Copies of all reports have been previously circulated to all Members of the Council</p>	

TELFORD & WREKIN COUNCIL

**CABINET – 26 JUNE 2014
COUNCIL – 14 JULY 2014**

2013/14 OUTTURN AND 2014/15 INITIAL UPDATE

**REPORT OF THE ASSISTANT DIRECTOR: FINANCE, AUDIT &
INFORMATION GOVERNANCE (CHIEF FINANCIAL OFFICER)**

LEAD CABINET MEMBER – CLLR BILL McCLEMENTS

PART A) – SUMMARY REPORT

1.0 SUMMARY OF KEY ISSUES

1.1 2013/14 Financial Outturn

Telford and Wrekin Council has a long track record of very effective financial management. Cabinet Members and senior officers have worked together to maintain tight financial control which is ever more important in the face of the most challenging financial environment that local government has faced for 70 years. We have focussed on seeking to maximise the financial position for the Council through closedown of the 2013/14 accounts in order to put us in the best possible financial position moving forward to what will be our most difficult year yet. Financial prospects for the medium term are expected to continue to be extremely challenging with savings of £10m - £13m required each year for at least the next 3 years based on current national planning totals as the Government continues to reduce funding for essential local services.

Despite our track record of having already delivered £53m pa of ongoing savings, the Council has launched a culture change programme to further develop the disciplines of effective financial management across all parts of the Council. It is in this context of constantly trying to improve cost effectiveness so that we can make cost reductions whilst always seeking to minimise the impact on front line services delivered to our community that the Council has managed the closedown of our accounts for 2013/14. Where possible savings planned for 2014/15 have been delivered as early as possible to create some one-off flexibility to help ease the transition for other services where delivery of savings is more challenging.

This decisive management action has achieved a very positive financial outturn for 2013/14 and positions the authority well for 2014/15. Effective financial control has meant that the £2.5m general budget contingency available for use in 2013/14 was not touched. As a result of this prudent financial management, the whole amount of this general contingency fund can 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 service and financial planning savings targets. The gross revenue budget for 2013/14 was £445m and the net budget for reporting purposes £134m. The revenue outturn position is clearly well within budget with a final net underspend of £0.100m (which is equivalent to only -0.07% of net budget). However, as agreed in the 2014/15 budget strategy report, this is after having made provision for a number of transfers to reserves, subject to Member approval, which will support the delivery of future budget strategies and these are detailed in section 5.3 of the report. This position has been achieved after delivering £11m of budget savings in 2013/14, on top of the £42m made in the previous 4 years.

Our pro-active approach and actions secured a number of favourable variations during the year which contributed to the overall final position being within budget. These included:

- A very significant one-off benefit of £4.884m was generated from back-dating the change in accounting treatment of the calculation of Minimum Revenue Provision – this has been transferred to a reserve in accordance with the agreed service and financial planning strategy for 2014/15 to fund the debt charges for the Pride in Your Community Initiative for the next 12 years.
- A benefit of £1.546m arising from treasury management activities. This includes £0.250m generated as a one-off saving in 2013/14 as a result of changing our accounting policy in relation to capitalisation of interest on capital projects pending their completion. As well as generating a significant one-off revenue benefit this change in accounting policy will also help facilitate commercial developments (including potentially building houses for rent) more in line with private sector practices.
- Ongoing close management of employee budgets during the year has given rise to savings totalling £1.5m relating to vacant posts, many linked to service restructures i.e. tight management of employee budgets has enabled early delivery of future planned savings.
- A rigorous review of all contingencies, provisions and central budgets has identified £1.1m which can be freed-up on a one-off basis from the funding set aside for contractual inflation commitments due to the low inflation environment which has prevailed in recent years releasing a one-off benefit of £1.1m
- A refund of £0.731m from the Government relating to an excessive top-slice from our Revenue Support Grant made by the Government to fund capitalisation directions.
- Services delivered in year savings of £0.370m

The main pressures experienced during 2013/14 were:

- Adult Social Services ended the year with a £2.9m overspend. As reported throughout the year, the cost of purchasing care packages

from external providers was the key issue with a £2.8m overspend. This was due to increased demand and the impact of the NHS reducing funding available for Continuing Health Care cases. There were also pressures relating to Supporting People which had a £0.5m overspend at year end.

- Children's Safeguarding ended the year with a £1.4m overspend. This was a combination of the cost of Children in Care Placements, which had an overspend of £2.1m at year end, parenting assessments which was £0.3m overspent, and the transition and leaving care budget which was £0.4m overspent at year end; offset by £1.4m one off service contingency funds and other service underspends.
- Re-ablement and in house service provision for Adults with Learning Disabilities ended the year at £0.4m overspent mainly due to staffing costs. A review of this service is currently underway.

1.2 Capital

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. This underspend will enable some treasury management savings to be made in 2014/15.

1.3 Income Monitoring

Council Tax (£66m), business Rates (£70m) and sales ledger income collection (£27m) were slightly behind targets for the year. However, the total amount of council tax collected was £4.17m greater than the previous year whilst total business rates cash collected was £1.47m greater than the previous year. Debt is pursued rigorously and continues to be collected after the end of the financial year with all recovery avenues being explored.

1.4 General

The draft formal statement of accounts will be available in July as KPMG begin the external audit and will also be available for public inspection for 20 working days from 30 June.

- 1.5** Summaries of the outturn on revenue and capital along with major variations are shown as appendices to this report.

1.6 2014/15 Update

Whilst tight management and effective financial control by both Cabinet Members and senior officers has generated a favourable out-turn position in 2013/14, the Council faces a very challenging year in 2014/15 and a number of key issues are already highlighted in this first high level review of the budget position. Once the final accounts are completed more detailed new year monitoring will take place and a further, more detailed, report will be brought to a future meeting of the Cabinet with an updated position.

2.0 RECOMMENDATIONS

2.1 In relation to the 2013/14 Financial Outturn, Members are asked to approve the following recommendations which will go forward to Full Council for approval:

- (i) The Revenue outturn position and related virements in Appendix 3 for 2013/14 which is subject to audit by the Council's external auditors; also, the transfer to reserves detailed in paragraph 5.3 and the earmarking of the 2013/14 general contingency as a specific drawdown budget available to Adult Social Services in 2014/15.**
- (ii) Approve the Capital outturn position and related supplementary estimates, virements and re-phasing shown in Appendix 4 as summarised in the report.**

2.2 To note the performance against income targets.

2.3 To note the initial pressure areas identified for 2014/15.

3.0 SUMMARY IMPACT ASSESSMENT

COMMUNITY IMPACT	Do these proposals contribute to specific Priority Plan objective(s)?	
	Yes	Delivery of all priority objectives depend on the effective use of available resources. Financial management ensures best use of resources.
TARGET COMPLETION/DELIVERY DATE	Outturn forms the basis of the formal statement of accounts which are audited during July and will be published by the end of September following consideration by the Audit Committee.	
FINANCIAL/VALUE FOR MONEY IMPACT	Yes	The financial impacts are detailed throughout the report.
LEGAL ISSUES	No	None directly arising from this report. The S151 Officer has a statutory duty to monitor income and expenditure and to take action if overspends /shortfalls emerge. There is a requirement to publish the audited Statement of Accounts by the end of September and the draft accounts

		should be presented to the Audit Committee before the end of June.
OTHER IMPACTS, RISKS & OPPORTUNITIES	No	
IMPACT ON SPECIFIC WARDS	No	Borough Wide

PART B) – ADDITIONAL INFORMATION

4.0 2013/14 REVENUE BUDGET

4.1 The Council had a gross revenue budget of £411m for 2013/14 and the final net revenue outturn position is as follows (a summary is provided in Appendix I):

	£m
Net Budget	133.830
Net Expenditure	133.730
Net Underspend	-0.100
Percentage Net Variance	-0.07

4.2 Variations by Service Delivery Unit are summarised below and further detail is provided in Appendix 2.

Service Area	Budget £	Outturn £	Variance £
Children's Safeguarding & Specialist Services	22,221,497	23,573,072	1,351,575
Education & Corporate Parenting	10,847,377	10,044,921	(802,456)
Family, Cohesion & Commissioning Services	12,508,492	11,879,498	(628,994)
Development, Business & Employment	625,361	254,722	(370,639)
Neighbourhood & Leisure Services	28,242,966	28,102,071	(140,895)
Adult Social Services	41,961,534	44,895,606	2,934,072
Public Health, Well Being & Public Protection	1,825,860	1,801,548	(24,312)
Customer Services	8,143,546	7,958,108	(185,438)
Law, Democracy & People Services	367,410	271,155	(96,255)
Finance, Audit & Information Governance	10,374,051	8,563,873	(1,810,178)
Cooperative Council Delivery Unit	1,418,590	1,361,850	(56,740)
Council Wide	(4,706,284)	(9,659,717)	(4,953,433)
Total before Transfers to Reserves	133,830,400	129,046,707	(4,783,693)
Transfers to Reserves		4,684,000	4,684,000
Total after Transfers to Reserves	133,830,400	133,730,707	(99,693)

Note: the above figures include both service and corporate variances (such as asset rentals) - the detailed analysis is shown in Appendix 2. The figures are

also before pensions accounting entries (as required by International Accounting Standard 19) and impairment costs which will be finalised for the production of the Statement of Accounts – these are technical accounting entries which are reversed out in the Income & Expenditure Account and do not impact on the overall outturn position shown above but which are required by accounting regulations that the Council must comply with. Therefore the position in the published accounts will differ from that set out above.

4.3 Variances over £0.100m are highlighted below.

Service Area	Variance £m
<u>Children's Safeguarding & Specialist Services</u>	
Children in Care (CiC) – the number of children in care at 31 March 2014 was 309 with a £2.090m overspend reported at year end. This compares to 321 children in care at 31 March 2013 and a reported overspend of £2.397m. There was an increase in costs relating to Internal Fostering/Relative Carers and other Internal care during the year which has been offset by a reduction in costs relating to External Residential and External Foster Care. The Service continues to closely monitor and review all placements in line with their Cost Improvement Plan.	+2.090
Contingency – set aside to meet CiC pressures as part of service and financial planning strategy for 2013/14.	-0.930
Parenting Assessments – The overspend reflects both the costs associated with court proceedings and parenting assessments. These are specialist assessments of parents' abilities to meet the needs of their children and are sometimes court ordered. The service is currently exploring more cost effective methods of undertaking this work.	+0.287
Care Leavers – overspend relating to the cost of supporting 16-18 year olds as they leave care.	+0.374
<u>Education & Corporate Parenting</u>	
Corporate Parenting – a benefit of £0.144m has arisen due to rationalisation of funding for spending on Education.	-0.144
ICT Commissioning – a benefit of £0.170m has arisen due to rationalisation of funding for spending on Education.	-0.170
Joint/Community Use – loss of school income arising from the requirement to implement a new funding formula for schools.	+0.104

Education Services Grant – updated grant following conversion of several secondary schools to academies.	+0.139
<u>Family & Cohesion Services</u>	
Cohesion - close budgetary control has resulted in an underspend of £0.296m at year end. This is a combination of staffing vacancies, successful income generation within the Youth Service and a general tightening of spend throughout the year. This area will contribute to savings proposed as part of the approved 2014-17 budget strategy.	-0.296
Early Intervention – close budgetary control has resulted in an underspend of £0.347m at year end which is a combination of reduced spending and vacant posts.	-0.347
Shortbreaks – a number of projects scheduled for 2013/14 have not progressed as quickly as anticipated which has resulted in an underspend at year end.	-0.159
<u>Care & Support</u>	
Purchasing budgets – the overspend relates to increased caseload and the impact of the CCG policy on continuing health care cases and increased costs relating to the purchase of externally purchased care. One-off funds from the CCG are being used in 2013/14 to help offset an element of the significant ongoing additional cost pressures relating to Continuing Health Care clients consistently reported throughout the year. New governance arrangements have been implemented to monitor the service, including financial and service delivery performance, with a clear aim to deliver cost reductions and service transformation which should result in lower unit costs of care.	+2.760
CCG contribution towards Continuing Health Care costs – lower than anticipated funding	+0.500
In House Services – this overspend relates to salaries, including overtime paid to staff, delivering in house support services as part of care for ALD clients. This service now sits within Customer Services and a review of internal ALD services is currently underway.	+0.444
Supporting People – delay in achievement of saving combined with an increase in demand for the service.	+0.501
<u>Public Health</u>	
Staffing and operational budgets – savings arising from	-0.558

both vacancies in posts and underspend on contingency budgets agreed as part of transition arrangements.	
<u>Neighbourhood & Leisure Services</u>	
Leisure Centres – shortfall on income across various sites including the Ice Rink, Horsehay Golf Centre, the Town Park and Oakengates net of an overachievement at Wellington relating to Aspirations and swimming lessons.	+0.221
Highways Maintenance – increased costs associated with pothole and minor resurfacing gangs working Jan-Mar.	+0.278
Highways Maintenance – savings to mitigate costs of pothole and minor resurfacing gangs.	-0.187
Waste – savings as a result of round reductions/changes to domestic refuse collection	-0.246
Waste - increased costs relating to the purchase, delivery and storage of replacement bins, boxes and bags.	+0.158
<u>Development, Business & Employment</u>	
Lifelong Learning – largely as a result of loss of government grant funding	+0.168
Lifelong Learning – use of one of grant reserves	-0.133
Estates & Investments – loss in Property Investment Portfolio investment income arising from the longer-term rationalisation of the property portfolio to secure a more sustainable income position ongoing. This includes income targets for the retail units in Southwater and BDC.	+0.223
Southwater – the multi-storey car park currently being constructed is now operational although this was slightly later than originally anticipated when the budget for 2013/14 was prepared in the Winter of 2012 and therefore the part-year budgeted income anticipated was not fully received. However the programme for capital spend has also slipped which will reduce borrowing costs in 2013/14; the benefit of this is included in the Treasury Management underspend shown below.	+0.165
Development Management – net of additional income in line with significant inward investment and other development activity and additional appeal costs.	-0.173
Business & Dvpt Planning – There is a net one off, in year	-0.192

benefit due to vacancy management across the service area.	
Management Account – reduced use of consultants	-0.137
Management Account – higher income than budgeted due to planned capitalisation of costs.	-0.110
<u>Customer Services</u>	
ICT – additional project income being used to offset additional staffing costs for corporate ICT projects and PC replacement programme	-0.276
ICT – supplies and services underspend relating to some system costs being shared by schools and a general saving on computer costs through robust contract negotiations.	-0.334
ICT – contribution to corporate ICT reserve to support essential investment in ICT infrastructure and kit as part of the overall ICT and customer services strategy	+0.520
Revenues & Benefits – printing service income shortfall due to work being given to some external providers, this has now ceased and a general reduction in the amount of printing as we increase use of technology. .	+0.107
Revenues & Benefits – additional income from court fees	-0.129
Catering – additional income due to increased take up in school meals and impact of new commercial catering activity	-0.154
<u>Finance, Audit & Information Governance</u>	
<u>Treasury Management</u>	
Benefit of active treasury management including the impact of prevailing low interest rates during the year and lower than budgeted capital spend. This also includes £0.250m relating to capitalisation of interest for assets under construction which has been undertaken as part of year end and will require a change in accounting policy to be approved as part of the approval of the statement of accounts.	-1.546
As agreed in the 2014/15 budget strategy report, the £4.9m that has been generated from the back-dating of the change in accounting treatment of calculation of Minimum Revenue Provision is being transferred to a provision to fund the debt charges for the Pride in Your Community Initiative for the next 12 years.	-4.884m
	+4.884m

<u>Law, Democracy & Public Protection</u>	
Licensing – shortfall in licensing income	+0.154
Land Charges – additional income relating to land charges	-0.112
Car Parking – as previously reported	+0.111
<u>Government Funding Refund</u> –refund in relation to previously top-sliced Revenue Support Grant.	-0.731
<u>Housing & Council Tax Benefit Subsidy</u> Projected benefit from recovery of overpayments.	-0.374
<u>Purchase Rebates</u> The majority relates to surplus dividend from West Mercia Energy relating to 2012/13 outturn performance.	-0.186
<u>Other One off Resources</u> – identified to contribute to service overspends.	-2.368
<u>Other Council Wide Items</u> –includes one-off benefit from review of funding set aside for contractual inflation being and the delivery of in year savings.	-2.228

4.4 Public Health.

Responsibility for Public Health transferred to the Council from the NHS in April 2013 together with the associated specific ring-fenced grant funding, totalling £10.6m in 2013/14. The conditions of the grant are that it must be used to address health needs and improve health and well-being in the community. Improving public health outcomes is delivered across a number of Service Areas and a summary of the application of the grant in 2013/14 is shown in the table below:

	£
Public Health, Well Being & Public Protection	(7,424,998)
Children's Safeguarding & Specialist Services	(100,000)
Family, Cohesion & Commissioning Services	(1,287,835)
Neighbourhood & Leisure Services	(502,490)
Development, Business & Employment	(302,809)
Adult Social Services	(997,567)
Total Public Health Grant 2013/14	(10,615,699)

The majority of the grant was allocated to Services during the year, with the exception of £0.834m which was applied to eligible expenditure at year end (£0.533m to Adult Social Services; £0.302m to Development, Business & Employment) – and therefore appears as

additional income in these areas as it was not included in the budget. Overall, including a small balance carried forward to 2014/15 in accordance with the grant conditions, the grant was fully spent in 2013/14.

5.0 RESERVES & BALANCES

5.1 The main General and Special Fund balances are £3.124m at 31st March 2013. Subsequent to closedown a full risk based evaluation of all balances will be undertaken to provide an updated view of balances available for the budget strategy. It should be noted that this is likely to generate a slightly greater figure as being available to support future service and financial planning strategies.

5.2 The position on the main General and Special Fund Balances is:

	£m
Balances at 1 st April 2013	3.124
Contribution to General Fund Balances i.e. 13/14 underspend	0.100
Balances at 31st March 2014	3.224

The General/Special Fund balance forms part of the Council's overall reserves and balances.

5.3 The following transfers to reserves are suggested:-

	<u>£m</u>
<ul style="list-style-type: none"> • Bad Debt Reserve – all avenues are exhausted before debt is written off, however it is prudent to set aside a one-off reserve given the difficult economic climate we are currently in. 	0.500
<ul style="list-style-type: none"> • Waste – the new contract began in 2013/14 but it isn't until 2019 that all waste services are transferred into it; this provides a contingency against cost pressures in the early years when the contractor is not able to fully control all waste services and additional costs may arise. 	0.200
<ul style="list-style-type: none"> • Severance Fund –this fund supports the delivery of ongoing savings. 	3.000
<ul style="list-style-type: none"> • Accommodation –Contribution towards various accommodation and ICT related work. 	0.300

<ul style="list-style-type: none"> Capacity Fund – to provide one off resources required for service development and the delivery of savings. 	0.250
<ul style="list-style-type: none"> Economic Development - Contribution towards infrastructure improvements. 	0.400
<ul style="list-style-type: none"> Healthy Breakfast Initiative - research shows that children being hungry on arrival to school can create problems such as tiredness, lack of concentration and poor behaviour of learning. This 12 month pilot scheme, which involves 3 primary schools, Donnington Wood Infant, Donnington Wood Junior and Old Park, will provide up to 830 pupils with a healthy snack during morning registration, between 8.45am and 9.00am Monday to Friday. Progress will be reported throughout the pilot to all Primary Heads. 	0.034
Total	4.684

Within the overall outturn position funds have also been set aside to create a corporate ICT reserve totalling £0.520m. This will support essential investment in ICT infrastructure and kit as part of the overall ICT and customer services strategy which is integral to the future delivery of many savings as well as enhancing our customers experience of doing business with us.

6.0 2013/14 CAPITAL PROGRAMME

6.1 The capital programme for 2013/14 was £99.1m; spend at year end was £84.6m giving a year end variation of £14.5m which is summarised in the table below:

Priority	Budget	Spend		Variance
	£m	£m	%	£m
Protect and Support Our Vulnerable Children & Adults	3.745	2.441	65	-1.304
Protect and Create Jobs as a 'Business Supporting, Business Winning Council'	17.926	19.012	106	1.086
Improve the Health and Well Being of our Communities and Address Health Inequalities	2.244	1.412	63	-0.832
Regenerate Those Neighbourhoods in Need	7.971	5.693	71	-2.278
Ensure That Neighbourhoods are Safe, Clean and Well Maintained	15.639	15.088	96	-0.551

Priority	Budget	Spend		Variance
	£m	£m	%	£m
Improve Local People's Prospects through Education and Skills Training	47.696	38.326	80	-9.370
Managing the Organisation	3.904	2.603	67	-1.301
Total	99.125	84.574	85	-14.550

6.2 The main scheme delays/re-phasing to 2013/14 are shown below with detail included in Appendix 4.

	£m
<u>Vulnerable Children & Adults</u>	
<ul style="list-style-type: none"> Social Care ICT Review: fully committed in 2014/15; delays in programme which has resulted in re-phasing 	-0.295
<ul style="list-style-type: none"> Social Education Re provision – scheme currently being assessed 	-0.350
<ul style="list-style-type: none"> Disabled Facilities Grant – in progress; fully committed in 2014/15. 	-0.327
<u>Business Support, Business Winning</u>	
<ul style="list-style-type: none"> Town Centre – scheme ahead of budget forecast resulting in re-phasing. 	+0.822
<u>Health & Wellbeing</u>	
<ul style="list-style-type: none"> Parks for People – Phase 2- fully committed; the scheme is due to be completed by March 2015 in line with lottery grant funding. 	-0.760
<u>Regenerating Neighbourhoods in Need</u>	
<ul style="list-style-type: none"> Travellers Operational Sites – scheme evaluation in progress. 	-0.690
<ul style="list-style-type: none"> Housing – fully committed in 2014/15 for social housing provision. 	-0.744
Brookside – fully committed in 2014/15	-0.865
<u>Ensure Neighbourhoods are Safe, Clean and Well Maintained</u>	
<ul style="list-style-type: none"> Box Road – the scheme started later than anticipated. The project is on target as per the revised work schedule and will be completed before the end of March 2015. 	-1.949

<ul style="list-style-type: none"> • Property Investment Portfolio – new allocations to be approved to fund spend in year 	+0.586
<ul style="list-style-type: none"> • Ironbridge Gorge Stability – preparation work ahead of main contract 	+0.337
<ul style="list-style-type: none"> • Highways/Footpaths – general schemes ahead of schedule 	+0.332
<u>Education & Skills</u>	
<ul style="list-style-type: none"> • Building Schools for the Future: amendments to phasing; fully committed. 	-8.873
<ul style="list-style-type: none"> • Schools: various schemes most which are grant funded. Fully committed. 	-0.908
<u>Managing the Organisation</u>	
<ul style="list-style-type: none"> • ICT – rephasing to 14/15 	-0.206
<ul style="list-style-type: none"> • Asset Management Plan – rephasing to 2014/15 	-0.139

6.3 There are a number of new approvals and virements which are also detailed in Appendix 4 and require formal approval.

6.4 The funding for the capital programme in 2013/14 included £5.4m estimated income from capital receipts. The actual income received in year was lower at £3.5m – the difference was mainly due to a number of receipts delayed. The shortfall in 2013/14 can be accommodated within the overall capital spend slippage and consequently does not result in any additional temporary borrowing. The position for 2014/15 is covered later in this report.

7.0 CORPORATE INCOME MONITORING

7.1 The Council's budget includes significant income streams which are regularly monitored to ensure they are on track to achieve targets that have been set and so that remedial action can be taken at a very early stage. The three main areas are Council Tax, NNDR (business rates) and Sales Ledger. Current monitoring information relating to these is provided below. The Council pursues outstanding debt vigorously, until all possible recovery avenues have been exhausted, but also prudently provides for bad debts in its accounts.

7.2 In summary, the overall position shows collection levels ended the year below the targets set for the year; Council Tax and NDR collection was also slightly lower than 2012/13 levels whereas Sales Ledger ended the year in a better position than 2012/13.

	Actual	Target	Performance
Collection Levels:			
Council Tax Collection	96.6%	97.00%	0.40% behind target
NNDR Collection	97.3%	97.4%	0.10% behind target
Sales Ledger Outstanding Debt	6.28%	5.50%	0.78% behind target

7.3 Council Tax (£66.5m)

The percentage of the current year liability for council tax which the authority should have received during the year, as a percentage of annual collectable debit. The measure does not take account of debt that continues to be pursued and collected after the end of the financial year in which it became due. The final collection figure for all financial years exceeds 99%.

Year end performance 2012/13	97.3%
Year End Target for 2013/14	97.0%

Performance is cumulative during the year and expressed against the complete year's debit.

Month End Target	Month End Actual	Last year Actual
97.0%	96.6%	97.3%

The council tax debit figure increased by £5 million in 2013/14 as a result of:

- The abolition of council tax benefit and the introduction of a local council tax support scheme. This resulted in a 21% reduction in benefit for working age taxpayers, and 8000 people having to pay council tax for the first time.
- An increase in the property base of over 700 properties.
- The abolition of Class A and C exemptions resulting in no discount period for empty properties.

We've collected just over £4 million of this additional council tax despite the challenges facing collection from these particular taxpayers who are facing numerous financial and budgetary issues. As expected, the collection rate overall for council tax has out turned at 0.4% under target and 0.70% below collection for the previous financial year. Collection on outstanding amounts will continue in 2014/15.

Collection for April 2014 is slightly above this point last year (10.46% compared with 10.45%), with an additional £186k collected.

7.4 NNDR-Business Rates (£69.5m)

The Government changed its funding mechanism for local government in 2013/14 with the implementation of the business rates retention

scheme. Under the new arrangements 50% of business rates collected is retained locally (49% for the Council; 1% for the Fire Authority) and forms part of the Council's overall funding. This transfers more risk to the Council from Central Government as any fluctuations and changes in the amount of business rates collected directly impacts on the Council's financial position. Collection and maximisation of business rates has therefore been a key priority during 2013/14.

Performance shows the % of business rates for 2013/14 that should have been collected during the year. This target, as for council tax, ignores our continuing collection of earlier years' liabilities.

The measure does not take into account the debt that continues to be pursued and collected after the end of the financial year in which it became due. As a general rule the final collection figure for any financial year exceeds 99%.

Year end performance 2012/13	97.4%
Year End Target for 2013/14	97.4%

Month End Target	Month End Actual	Last year Actual
97.4%	97.3%	97.4%

The collectable debit figure increased by £1.7 million in 2013/14 compared to 2012/13. We collected £1.4 million more in 2013/14 than in 2012/13.

In collection rate terms, we out turned at just 0.10% behind the previous years collection rate. Work continues to collect any outstanding debt.

The funding from business rates included in the Council's budget is based on estimated figures – for 2013/14 an estimate was calculated in January 2013. Any difference between this and the final business rates yield for the year feeds into future years funding as an adjustment so doesn't directly affect 2013/14 outturn. In January 2014 an estimate of the business rates income expected in 2014/15 was calculated which included the estimated outturn for 2013/14 and these figures were included in the 2014/15 budget. As previously reported, although there was growth in the business rates base during the 2013/14, there was also an increase in the value of reliefs granted (the majority being mandatory) which outweighed the benefit. At 31 March 2014, there was also £84.8m rateable value under appeal and, in line with accounting requirements, a provision has been set aside to meet the potential costs when these are settled. Overall the final position for 2013/14 is in line with the estimate included in the 2014/15 budget.

Collection for April 2014 is slightly lower than this point last year both in terms of collection rates (12.75% compared to 12.92% last year), and cash collected (£5k).

The 2014/15 budget strategy includes £1.1m growth from business rates income which will be monitored throughout the year.

7.5 **Sales Ledger (£26.6m)**

This includes general debt and Social Care debt. Debt below 2 months is classified as a normal credit period.

The target percent is set relating cumulative debt outstanding from all years to the current annual debit. The targets and performance of income collection for 2013/14 are as follows:

Age of debt	Annual Target %	January 2013	
		£m	%
Total	5.50	1.633	6.28%

The amount outstanding sales ledger debt has reduced by 1.17% compared to this point last year.

Sales ledger performance for April 2014 continues to improve; 6.07 outstanding compared to 7.31% this time last year.

8.0 **2014/15 UPDATE**

The first detailed monitoring report for 2014/15 will be considered at Cabinet in July. However, this section of the report will give an early indication of some emerging issues for the new financial year, informed where relevant, by the closedown position reported above. Inevitably, early focus is on areas of potential pressure and managers are now taking action to seek ways to minimise these pressures and to identify ways to mitigate remaining issues.

8.1 **Revenue**

Adult Social Services

The service was overspent by just under £3m in 2013/14 (after adjusting for the impact of the last organisational restructuring exercise). This position is exacerbated in 2014/15 by the need to deliver significant savings whilst at the same time work towards delivery of the Better Care Fund and prepare for the introduction of the Care Act. Considerable work is being done within the service area actively led by the Director and Assistant Director to deliver against the financial targets which is requiring a root and branch review of data, systems, staffing structures, processes and culture within the service. Governance structures are in place to ensure monitoring of the effectiveness of this activity at the highest levels within the organisation and further details will be included in future reports to Cabinet. The creation of a draw down budget for Adult Social Services in addition to

the corporate budget contingency would allow some re-phasing of savings to cover any shortfalls from not realising a full year impact in 2014/15.

Adult Care In-House Provider Services

The service faces a significant challenge in addressing an overspend against the 2013/14 budget and contributing towards savings targets for 2014/15. A full review of the service is therefore underway and action plans are already in place to ensure realisation of savings from January 2015 onwards.

Single Status.

The 2014/15 budget allows provision for the implementation of the single status agreement; however, whilst work is on-going to implement this negotiations are unlikely to be completed until 2015/16.

Childrens' Safeguarding

Early projections and monitoring information, after 6 weeks of the new year, in relation to Children in Care placements shows reasonable progress against the cost improvement plan and expected placement "step downs". They do, however, reflect the projected use of just under £1m of the £1.2m draw down budget due to new demand.

Education & Corporate Parenting

Education Services Grant – the level of Education Services Grant will reduce in year by the conversion of any existing maintained school to Academy status. Whilst known conversions have been reflected in the current 2014/15 budget any further changes will have an impact.

Transport

The 2014/15 budget relies on the delivery of Transport savings within various Service Areas, progress on these targets will need to be closely monitored to ensure timely delivery.

DSG

Pressure continues to be experienced in the budgets funded by Dedicated Schools Grant especially in the high needs area of education. Robust management and control of these areas is required to ensure all expenditure can be met from within the total grant available and does not impact on the Council's General Fund budget.

Neighbourhood and Leisure Services

Leisure:

- The income targets for the leisure centres for 2014/15 are challenging. The refurbishment of Oakengates Leisure Centre, planned for Summer 2014, will limit the availability of some facilities during this period. The estimated impact on income is a shortfall against budget of £40,000. However, the new facilities at Newport and Telford Ice Rink will be fully open during 2014/15, and increased income from these sites could mitigate the temporary

shortfall at Oakengates. Leisure income is closely monitored, and management action taken where possible. Any significant variances will be reported through the S&FP process during the year.

- The impact of new pension regulations is estimated to add an additional £10,000 of costs across leisure as additional hours payments become eligible as pensionable pay.

Waste:

- There is an ongoing pressure in the waste service relating to the replacement costs of red top and green wheelie bins, which remain a council cost until 2019 when the new contractor takes responsibility for all aspects of waste collection. The estimated overspend on this budget for 2014/15 is £50,000.

Development, Business and Employment

The economic climate is likely to continue to cause some residual pressure on income targets in this service area, including shortfalls in rent and service charge income as a result of void commercial properties. However plans are in place to modify the property investment portfolio to address this in the medium to longer term. There is a specific pressure relating to the new multi storey car park in Southwater, which opened in June although this is offset by re-phasing of the capital spend as explained earlier in this report . The position on all income budgets will be closely monitored during the year and remedial action taken where possible. Any significant variances will be reported through the S&FP process during the year.

Treasury

A benefit of £0.25m is estimated due to the prevailing low interest rates and impact of the outturn position. This may improve further as the year progresses and projections are updated.

8.2 Capital

The 2014/15 capital programme relies on £38.2m of capital receipts as part of its funding. Adjusting this for the receipts deferred from 2013/14, mentioned earlier in this report, brings the total value of receipts required in 2014/15 to £40.1m. Early monitoring indicates that around £10m of these receipts will not now be received until future years. A full review of all capital receipts included in the medium term budget strategy is underway and updates will be provided in future monitoring reports.

9.0 PREVIOUS MINUTES

07/03/2013 – Full Council, Service & Financial Planning Strategy
25/07/2013, 31/10/2013, 12/12/2013, 20/02/2014 – Cabinet, Financial Monitoring Reports
12/09/2013, 21/11/2013, 23/1/2014– Full Council, Financial Monitoring

10.0 **BACKGROUND PAPERS**

2013/14 Budget Strategy and Financial Ledger reports
2014/15 Budget Strategy

Report Prepared by:

Ken Clarke, Assistant Director: Finance, Audit & Information
Governance – 01952 383100;

Pauline Harris, Corporate Finance Manager – 01952 383701

Summary of 2013/14 Outturn Variations

Service Area	Budget	Outturn	Variance	Analysis of Variance	
				Asset Rentals	Service
	£	£	£	£	£
Children's Safeguarding & Specialist Services	22,221,497	23,573,072	1,351,575		1,351,575
Education & Corporate Parenting	10,847,377	10,044,921	(802,456)	(491,496)	(310,960)
Family, Cohesion & Commissioning Services	12,508,492	11,879,498	(628,994)	(4,287)	(624,707)
Development, Business & Employment	625,361	254,722	(370,639)	(80,382)	(290,257)
Neighbourhood & Leisure Services	28,242,966	28,102,071	(140,895)	1,213	(142,108)
Adult Social Services	41,961,534	44,895,606	2,934,072	0	2,934,072
Public Health, Well Being & Public Protection	1,825,860	1,801,548	(24,312)	(4,168)	(20,144)
Customer Services	8,143,546	7,958,108	(185,438)	(318,699)	133,261
Law, Democracy & People Services	367,410	271,155	(96,255)	0	(96,255)
Finance, Audit & Information Governance	10,374,051	8,563,873	(1,810,178)		(1,810,178)
Cooperative Council Delivery Unit	1,418,590	1,361,850	(56,740)		(56,740)
Council Wide	(4,706,284)	(9,659,717)	(4,953,433)	897,819	(5,851,252)
Total before Transfers to Reserves	133,830,400	129,046,707	(4,783,693)	0	(4,783,693)
Proposed Transfers to Reserves					
Severance Fund		500,000	500,000		
Bad Debt Reserve		500,000	500,000		
Adult Social Care draw down		2,500,000	2,500,000		
Waste contingency		200,000	200,000		
Accommodation		300,000	300,000		
Capacity Fund		250,000	250,000		
Economic Development		400,000	400,000		
Breakfast Club		34,000	34,000		
Final Outturn	133,830,400	133,730,707	(99,693)		
Percentage under spend against budget			-0.07%		
Application of Public Health Grant within Service Area Outturn Above					
Public Health, Well Being & Public Protection		(7,424,998)			
Children's Safeguarding & Specialist Services		(100,000)			
Family, Cohesion & Commissioning Services		(1,287,835)			
Neighbourhood & Leisure Services		(502,490)			
Development, Business & Employment		(302,809)			
Adult Social Services		(997,567)			
Total Grant		(10,615,699)			

2013/14 Revenue Budget Variations over £50,000						
Description	Budget	Outturn	Variation	Asset Rent	Service	Comments
	£	£	£	£	£	
Childrens Safeguarding						
Children in Care Placements	10,097,009	12,186,921	2,089,912		2,089,912	The 2012/13 reported outturn position was £2.397m overspent. The 13/14 budget strategy included growth of £600k and a review of costs resulting in a Cost Improvement Plan. The number of Children in Care at 31st March 2014 : 309 compared to 31st March 2013:321. There is a growth in 2013/14 outturn (compared to 2012/13) of £231k for Internal Fostering / Relative Carers and other Internal care. This is offset by a £510k reduction in costs relating to External Residential and External Foster Care over the same period. The CiC Placements budget for 2014/15 has savings of £1.190m included and a Cost Improvement Plan is in place to deliver spend within this resource.
Corporate Contingency	-	(930,000)	(930,000)		(930,000)	One off contingency used as part of the budget strategy to meet demand of new admissions.
Other placement and parent assessments	497,430	784,649	287,219		287,219	This overspend reflects both the costs associated with court proceedings (in-house legal fees and the use of barristers) and parenting Assessments. There has been growth in expenditure from 2012/13 for both Residential / Community based assessments (200k) and Legal Fees (£44k). This increased pressure has been reported throughout the year. Processes were put in place at Resource Allocation Management Panel to control costs in the last quarter of 2013/14 financial year, which will help deliver the target set in the Cost Improvement plan for 2014/15 to bring spend back to budgeted levels.
Staffing	4,864,199	4,773,711	(90,488)		(90,488)	The 2013/14 Cost Improvement Plan included a target to reduce the use of Agency staff from the numbers called upon in 2012/13 of around 13fte's. Number of agency staff at 31st March 2014 was 9, against a target of 0. The final outturn in 2013/14 for Safeguarding included £465k for the cost of agency staff compared to £807k in 2012/13. This is mostly offset by costs incurred for T&W staff appointed to cover posts critical for capacity in delivering the service. There is an objective in the 2014/15 Cost Improvement Plan to deliver further reductions in Agency costs and keep spend within budgeted levels across all staffing budgets.
Variations under £50k	2,238,769	1,986,426	(252,343)		(252,343)	
Asset Rentals						
Total Children's Safeguarding	17,697,407	18,801,707	1,104,300	0	1,104,300	
Plus Children's Specialist Services underspend variance	3,810,640	3,683,977	(126,663)		(126,663)	
Plus Transition & Leaving Care Team - overspend variance	713,450	1,087,388	373,938		373,938	
Total Children's Safeguarding & Specialist Services	22,221,497	23,573,072	1,351,575	0	1,351,575	
Education & Corporate Parenting						
Corporate Parenting	222,849	79,003	(143,846)		(143,846)	Rationalisation of funding for spending on Education has resulted in a variation on the Council's General Fund position
ICT Commissioning	411,228	240,886	(170,342)		(170,342)	Rationalisation of funding for spending on Education has resulted in a variation on the Council's General Fund position
Supply Agency	(56,297)	(834)	55,463		55,463	Reserves previously used to support this budget have been fully spent
Joint/Community Use	728,600	833,046	104,446		104,446	Loss of income mainly relating to Shortwood School arising from requirement to implement a new funding formula for schools.

2013/14 Revenue Budget Variations over £50,000						
Description	Budget	Outturn	Variation	Asset Rent	Service	Comments
	£	£	£	£	£	
Education Services Grant	(2,930,000)	(2,790,602)	139,398		139,398	Revised Grant projection following the conversion of several secondary schools to Academies - ESG is paid at a reduced rate for pupils in academies.
School Transport	2,780,055	2,691,603	(88,452)		(88,452)	Outturn expenditure is at a similar level to 2012/13 resulting in a saving against the 2013/14 budget, which had assumed some inflationary pressure.
Miscellaneous Mgt & Admin	73,530	(16,125)	(89,655)		(89,655)	Review of spending and a revision to forecasts within the service has resulted in savings being identified
Curriculum & Provision	137,548	79,950	(57,598)		(57,598)	Salary savings connected to the ending of the Springboard project.
Misc Special School Expenditure	34,338	99,294	64,956		64,956	Largest contribution to this is £33K Queensway redundancy costs arising from provision changing from Jigsaw to Queensway and associated staffing changes
Misc Primary School	3,329,075	3,385,058	55,983		55,983	Additional expenditure on primary remissions compared to budget
Misc Secondary School	3,435,252	3,338,078	(97,174)		(97,174)	Most significant contribution to underspend is remissions expenditure being £24K compared to £66K in 1213 (MAT academy conversions contributed to this)
Variations under £50k	(2,420,931)	(2,505,070)	(84,139)		(84,139)	
Asset Rentals	5,102,130	4,610,634	(491,496)	(491,496)		
Total Education & Corporate Parenting	10,847,377	10,044,921	(802,456)	(491,496)	(310,960)	
Family & Cohesion Services						
Transport	2,790,587	2,865,187	74,600		74,600	The overspend reported on Transport in 2013/14 is due to an underachievement of planned savings. A full review of transport commenced during the year , and a strategy is in place to deliver savings in line with the Council's current budget strategy. This position is an improvement on that last reported due mainly to a lower than forecast cost of Concessionary fares
Cohesion	3,035,656	2,739,811	(295,845)		(295,845)	Careful budget management has resulted in the increased level of savings being reported. The total underspend across operational(mainly staffing) budgets equates to £179k from a total budget of £2.187m, of which £106k relates to staffing vacancies. The Youth Service have underspent by £68k, resulting from prudent spending in year and successful income generation exceeding targets. The remaining £48k results from Family Intervention services and Community Safety. This is one of the areas delivering savings as part of the 2014-17 approved budget strategy
Housing	592,524	657,690	65,166		65,166	The main cause of this overspend is a shortfall in rents collected against target for BTW owned/operated properties. A strategic review of property utilised for Homelessness is being undertaken and a package of measures to address the financial issues is being implemented
Early Intervention	3,899,839	3,553,029	(346,810)		(346,810)	Careful budget management in the Children's and Family Centres and Early Intervention has resulted in the savings reported. This has increased from the recently reported position by around £206k from a combination of reduced spending needs and staff vacancies. This is one of the areas delivering savings as part of the 2014-17 approved budget strategy
Shortbreaks	544,035	384,635	(159,400)		(159,400)	This underspend has not been reported prior to final accounts. The expectation was that the majority of this budget would be spent but a number of projects scheduled for 2013/14 have not been progressed as quickly as anticipated. This is one of the areas delivering savings as part of the 2014-17 approved budget strategy

2013/14 Revenue Budget Variations over £50,000						
Description	Budget	Outturn	Variation	Asset Rent	Service	Comments
	£	£	£	£	£	
Other variations under £50k	4,152,567	4,084,642	(67,925)		(67,925)	Savings within various budgets which are already subject to action to deliver savings or are already under spending in year
Asset Rentals	791,404	787,117	(4,287)	(4,287)		
Total Family and Cohesion Services	15,806,612	15,072,111	(734,501)	(4,287)	(730,214)	
Less Children's Specialist Services overspend variance	(3,810,640)	(3,683,977)	126,663		126,663	
Plus Commissioning for Adult Services - underspend variance	512,520	491,364	(21,156)		(21,156)	
Total Family, Cohesion & Commissioning	12,508,492	11,879,498	(628,994)	(4,287)	(624,707)	

Care & Support						
Description	Budget	Outturn	Variation	Asset Rent	Service	Comments
	£	£	£	£	£	
Revised purchasing variation after delivering savings identified in the Financial Improvement Plan and delivered in 2013/14	39,171,688	41,931,256	2,759,568		2,759,568	The purchasing of Care from external providers continues to be a pressure on the Adult Social Services budget. This is the result of increased demand for care mainly arising from the evident increasing complexity of cases with a small proportionate increase in numbers, one of the main causes being the impact of the NHS review of clients who were formerly funded by the NHS from Continuing Healthcare Funds. The costs of care purchased are currently growing month on month and this overspend has increased by £166k on that previously reported. This overspend is the final 2013/14 position which reveals significant pressure on the budget for purchasing externally purchased care. The increasing pressure has been reported throughout the year and has consistently increased despite efforts in year to generate savings to reduce the cost base of the service, savings which have been made and are netted off this position were £393k in 2013/14. The budget strategy for 2014/15 included over £10m of cost reductions to be made to the base costs of the service by 2015/16, the majority relating to the reduction of purchased care costs. These savings are required in order to align the current cost base with the reduced 2014/15 budget. A new governance arrangement has been established to monitor various aspects of the service including financial and service delivery performance, with a clear view on implementation of cost reductions through challenging procurement costs and embracing transformation to service delivery which should result in lower unit costs of care.
Income-CCG contributions towards CHC	(500,000)	0	500,000		500,000	During the course of the year discussions took place with NHS Colleagues about increasing the level of contribution the CCG could make towards the costs being picked up by the Council for clients formerly funded by the CCG from Continuing Health Care funding. A further £0.5m was added to the expected income in the base budget as part of additional savings/income requested in the 2013/14 financial year. The CCG considered this request and further contributions were agreed over a three year period as part of the integration of the delivery of Community care services with the CCG. However, the additional £500k included in the 2013/14 financial year has not been agreed and the result is a shortfall in income in 2013/14 of £500k.
Reablement and In House ALD service provision	3,525,350	3,968,986	443,636		443,636	This overspend relates to salaries including overtime paid to staff delivering in house support services as part of care for ALD clients in services operated by the Council. The operation of these Council run care services is in the process of being reviewed in order to deliver reduced costs of operation to align the cost base with a reduced 2014/15 budget.

2013/14 Revenue Budget Variations over £50,000						
Description	Budget	Outturn	Variation	Asset Rent	Service	Comments
	£	£	£	£	£	
Care Leavers(Accommodation costs only)	713,450	1,087,388	373,938		373,938	The current forecasts reveal an improved position with overall lower cost care packages being awarded than last financial year for which the reported overspend was in excess of £700k. The residential care services and operational costs have been relocated within children's services and there is a cost improvement initiative as part of a wider programme of cost reductions to be made within Children's Safeguarding services. A large part, £385k of this overspend is as a result of the additional savings agreed with WHT expected to result from a claim against Housing Benefit by the WHT. The remainder is forecast to arise from demand on the service. Further savings are expected in 2014/15 following successful procurement processes to meet renewed models of service delivery at reduced cost. The movement from the last reported monitoring is a decrease in forecast spending of £145k an improvement in the period of reporting
Supporting People	2,022,050	2,522,852	500,802		500,802	
Other variations under £50k	1,780,316	1,465,362	(314,954)		(314,954)	
Public Health Grant		(532,500)	(532,500)		(532,500)	
Total Care & Support	46,712,854	50,443,344	3,730,490	0	3,730,490	
Less ALD In House Provider Services overspend variance	(3,525,350)	(3,968,986)	(443,636)		(443,636)	
Less Transition & Leaving Care Team overspend variance	(713,450)	(1,087,388)	(373,938)		(373,938)	
Less Commissioning for Adult Services underspend variance	(512,520)	(491,364)	21,156		21,156	
Total Adult Social Services	41,961,534	44,895,606	2,934,072	0	2,934,072	
Public Health						
Staffing and operational budgets	1,244,270	686,611	(557,659)		(557,659)	This underspend has arisen due to both vacancies in posts during the year and underspends on contingency budgets from transition arrangements.
Drugs and Alcohol Services	2,763,032	2,668,947	(94,085)		(94,085)	An underspend of £200k within the internal service has offset significant cost pressures within the overall position, such as Prescribing and Shared Care (£212k overspend). £96k of one-off underspends in year.
Sexual health Services	1,010,968	1,160,978	150,010		150,010	£100k of this overspend results from prescription services linked to locally enhanced services. These will be addressed as part of the overall Public Health budget in 2014/15.
Variations under £50k	3,297,530	2,927,462	(370,068)		(370,068)	Underspend has arisen from Community infection prevention and control (£100k) and underspends on the Healthcheck contract (£140k).
Grant income	(8,115,800)	(7,274,998)	840,802		840,802	
Carry Forward		31,000	31,000		31,000	
Total Public Health	200,000	200,000	0	0	0	
Add :Public Protection overspend variance	1,325,470	1,329,196	3,726	(4,168)	7,894	
Add Coroners underspend variance	300,390	272,352	(28,038)		(28,038)	
Total Public Health, Well-being & Public Protection	1,825,860	1,801,548	(24,312)	(4,168)	(20,144)	
Neighbourhood & Leisure Services						
Environment & Open Spaces						
Winter Maintenance	609,017	526,050	(82,967)		(82,967)	£150k growth received in 13/14, however reduced pressure due to mild winter. Review of standby payments has resulted in further reduction in expenditure.
Flooding & Drainage	506,190	592,834	86,644		86,644	Additional expenditure due to severe wet weather.

2013/14 Revenue Budget Variations over £50,000							
Description		Budget	Outturn	Variation	Asset Rent	Service	Comments
		£	£	£	£	£	
Highways Maintenance		312,425	590,902	278,477		278,477	Increased costs associated with Pothole and minor resurfacing Gangs working Jan - March.
Highways Maintenance		2,793,526	2,606,281	(187,245)		(187,245)	Savings in Highways maintenance to mitigate costs of Pothole and minor resurfacing gangs.
Street Lighting - Special Fund	Energy & maintenance costs	712,827	677,693	(35,134)		(35,134)	Net saving as a result of capped prices and benefits of innovation and replacement program installing more efficient lighting.
Street Lighting - General Fund	Energy & maintenance costs	1,356,366	1,331,347	(25,019)		(25,019)	Net saving as a result of capped prices and benefits of innovation and replacement program installing more efficient lighting.
Variations under £50k		3,468,486	3,514,551	46,065		46,065	
Asset Rentals		1,459,834	1,460,032	198	198		
Highways & Transport							
Traffic Management		131,815	73,797	(58,018)		(58,018)	Net saving as a result of reduced use of consultancy.
Highways Development		(36,267)	(72,881)	(36,614)		(36,614)	Net one off savings from vacancy management.
Variations under £50k		1,141,617	1,169,810	28,193		28,193	
Asset Rentals		21,090	22,105	1,015	1,015		
Waste & Neighbourhood Services							
Waste Collection	Supplies & Services	74,360	232,308	157,948		157,948	Purchase, delivery & storage of replacement bins/boxes/bags.
	Third Party Payments	3,136,745	2,891,258	(245,487)		(245,487)	Saving as a result of round reductions/changes for domestic refuse collection.
Waste Disposal	Waste Disposal	4,892,400	4,864,116	(28,284)		(28,284)	Net waste disposal savings including gate fee, landfill tax and road sweepings offset by pressures on Wood, Green waste and Hazardous waste.
Civic Amenities	Civic Amenities	807,828.00	724,348	(83,480)		(83,480)	Net full year effect of savings following changes to CRC opening hours and efficiency initiatives.
Variations under £50k		2,237,158	2,044,373	(192,785)		(192,785)	
Leisure Facilities & Services							
Ice Rink	Income	(15,040.00)	66,358	81,398		81,398	Net shortfall on income due to planned reduced service offer arising from redevelopment work in the surrounding area.
Horsehay	Income	(265,910.00)	(185,192)	80,718		80,718	There has been a national downturn in the use of Golf courses which has impacted on this net shortfall of income in addition to competition from other courses.
Town Park	Income	314,118.00	394,634	80,516		80,516	Net shortfall on income, of which the majority relates to the Adventure Golf facility which opened later than the income targets anticipated.
Wellington	Income	124,369.00	19,929	(104,440)		(104,440)	Net overachievement of income due to increased memberships, swimming lessons and use of pool facilities.
Oakengates	Oakengates	605,449.00	690,019	84,570		84,570	The closure of the Synthetic Turf pitch impacted on the ability to achieve the income target. The remainder shortfall of income relates to the impact of the changing room and gym refurbishment.
Variations under £50k		2,405,111	2,402,867	(2,244)		(2,244)	
Asset Rentals		533,022	533,022	0	0.00		
Arts & Culture							

2013/14 Revenue Budget Variations over £50,000							
Description		Budget	Outturn	Variation	Asset Rent	Service	Comments
		£	£	£	£	£	
Variations under £50k		574,750	624,892	50,142		50,142	
Other Service Wide Variations under £50k		341,680	306,618	(35,062)		(35,062)	
Total Neighbourhood & Leisure Services		28,242,966	28,102,071	(140,895)	1,213	(142,108)	
Development, Business & Employment							
Skills							
Lifelong Learning	Income	(490,910)	(322,576)	168,334		168,334	Loss of grant, growth given in 14/15 £133k
	Income	-	(133,000)	(133,000)		(133,000)	Use of one off grant reserve
Post 16 Transport	Income & Transport	177,000	120,662	(56,338)		(56,338)	Savings delivered through rationalisation of Post 16 transport.
Connexions for Youth	Employees	700,644	759,661	59,017		59,017	Unachievable savings target set, growth given in 14/15
Next Steps	Income	(183,340)	(122,400)	60,940		60,940	Loss of grant, growth given in 14/15
Variations under £50k		1,032,529	1,060,911	28,382		28,382	
Asset Rentals		588	-	(588)	(588)		
Development Management							
Building Regulations Applications	Income	(337,210)	(267,742)	69,468		69,468	Shortfall in Building Regulation fee income.
	Supplies & Services	20,630	92,878	72,248		72,248	MIS maintenance costs.
Planning Applications	Supplies & Services	5,830	119,082	113,252		113,252	Includes the costs of representation at planning appeals.
	Income	(919,210)	(1,205,686)	(286,476)		(286,476)	Increased income from Planning Applications.
Variations under £50k		1,900,997	1,792,769	(108,228)		(108,228)	
Business & Development Planning							

2013/14 Revenue Budget Variations over £50,000							
Description	Budget	Outturn	Variation	Asset Rent	Service	Comments	
	£	£	£	£	£		
Business & Development Planning	Employees	1,654,406	1,461,923	(192,483)		(192,483)	Savings from one off vacancy management across the Service area.
Variations under £50k	989,929	883,021	(106,908)			(106,908)	
Asset Rentals	97,422	142,044	44,622	44,622			
Regeneration & Investment							
PIP Management	Income	(5,928,700)	(5,705,566)	223,134		223,134	Ongoing rationalisation of the PIP resulted in an in year pressure, this includes income targets for retail units in Southwater & BDC. Growth of £88k has been given in 14/15. Net of one off funding.
	Service Charges	(19,400)	75,091	94,491		94,491	Service Charge voids.
Southwater Park	Income	(162,000)	3,044	165,044		165,044	Multi Storey Car Park operational from June 2014, part year budgeted income could not be achieved.
Variations under £50k	1,804,267	1,843,320	39,053			39,053	
Asset Rentals	237,001	266,554	29,553	29,553			
Property & Design							
Operational & Admin Properties	Premises - Other costs	5,272,920	5,366,967	94,047		94,047	Pressures at Addenbrooke, growth given in 14/15 £90k.
Management Account	Employee Costs	1,592,192	1,527,308	(64,884)		(64,884)	One off savings from vacancy management.
	Supplies & Services	205,680	67,770	(137,910)		(137,910)	Reduced use of consultants.
	Income	(2,573,055)	(2,683,763)	(110,708)		(110,708)	Planned use of capital.
Variations under £50k	(6,552,989)	(6,477,085)	75,904			75,904	
Asset Rentals	2,020,871	1,866,902	(153,969)	(153,969)			
Public Health			(302,809)	(302,809)		(302,809)	Grant funding for eligible expenditure
AD - Development, Business & Employment							
Service Wide	Employees	173,712	98,471	(75,241)		(75,241)	Release of top of scale funding. Given up as saving in 14/15.
	Variations under £50k	(94,443)	(73,029)	21,414		21,414	
Total Development, Business & Employment		625,361	254,722	(370,639)	(80,382)	(290,257)	
Customer & People Services							
ICT Corporate Services Staffing - Income		(2,658,840)	(2,935,231)	(276,391)		(276,391)	Additional project income generated to cover staff costs.
ICT Corporate Services Staffing - contribution to reserves			520,000	520,000		520,000	Contribution to Corporate ICT Reserve to support development of ICT Infrastructure
ICT Schools - Supplies & Services		1,101,990	951,012	(150,978)		(150,978)	Under spend against MIS system costs as costs now picked up directly by the schools.
ICT Corporate Services - Supplies & Services		1,401,930	1,218,436	(183,494)		(183,494)	Savings on computer costs

2013/14 Revenue Budget Variations over £50,000						
Description	Budget	Outturn	Variation	Asset Rent	Service	Comments
	£	£	£	£	£	
ICT Photocopying & Print Holding Account - Supplies & Services	110,060	175,214	65,154		65,154	Over spend on machine rental costs.
Catering - Primary Schools - Supplies & Services	800,390	875,653	75,263		75,263	Increased purchase costs as a result on an increase in number of meals provided.
Catering - Primary Schools - Income	(2,427,750)	(2,581,738)	(153,988)		(153,988)	Increase in number of free school meals provided.
Catering - Secondary Schools - Income	(500,760)	(568,250)	(67,490)		(67,490)	Increase in number of paid meals
FM & Cleaning - Building Support Services - Premises	50,000	103,953	53,953		53,953	Over spend on R & M building recharge, offset by additional income generated
Libraries - Telford Library - Employees	162,290	109,333	(52,957)		(52,957)	Saving arising from vacant posts
Revenues & Benefits - Income	(811,690)	(941,046)	(129,356)		(129,356)	Additional income from court fees
Revenues & Benefits - Print Services - Income	(362,740)	(255,643)	107,097		107,097	Shortfall against internal income targets due to lower volumes of printing being processed via the print room.
People Services - Employees	1,368,440	1,304,293	(64,147)		(64,147)	Impact of People Services restructure
Variations under £50k	3,895,466	3,818,484	(76,982)		(76,982)	
Asset Rentals	2,489,410	2,170,711	(318,699)	(318,699)		
Total Customer & People Services	4,618,196	3,965,181	(653,015)	(318,699)	(334,316)	
Plus ALD In-House Provider Service and reablement services overspend variance	3,525,350	3,968,986	443,636		443,636	
Plus Web Services overspend variance	0	(12)	(12)		(12)	
Less People Services underspend variance	0	23,953	23,953		23,953	
Total Customer Services	8,143,546	7,958,108	(185,438)	(318,699)	133,261	
Finance, Audit & Information Governance						
Treasury	10,374,051	8827598	(1,546,453)		(1,546,453)	Benefit from low interest rates and slippage in 13/14 together with capitalisation of interest for assets under construction at year end.
Variations Under £50k		(289,863)	(289,863)		(289,863)	Under spends mainly arising from staffing due to vacant posts and back fill arrangements. £15k saving from Life Assurance Policy due to reducing numbers of staff on old Wrekin terms.
Total Finance, Audit & Information Governance	10,374,051	8,537,735	(1,836,316)	0	(1,836,316)	
Less Contracts Team Underspend Variance and CRB Checks	0	26,138	26,138		26,138	
Total Finance, Audit & Information Governance	10,374,051	8,563,873	(1,810,178)	0	(1,810,178)	
Law, Democracy & Public Protection						
Licensing	Income	(381,600)	(227,065)	154,535	154,535	Shortfall against licensing income mainly arising from taxi drivers choosing to renew their licenses at Shropshire Council.
Land Charges	Income	(54,570)	(166,594)	(112,024)	(112,024)	Additional income generated from Land Charges.
Car Parking			111,766	111,766	111,766	As previously reported.
Variations Under £50k		2,423,910	2,203,325	(220,585)	(220,585)	
Asset Rentals		5,530	1,362	(4,168)	(4,168)	

2013/14 Revenue Budget Variations over £50,000						
Description	Budget	Outturn	Variation	Asset Rent	Service	Comments
	£	£	£	£	£	
Total Law, Democracy & Public Protection	1,993,270	1,922,794	(70,476)	(4,168)	(66,308)	
Less Public Protection overspend variance	(1,325,470)	(1,329,196)	(3,726)	4,168	(7,894)	
Less Coroners underspend variance	(300,390)	(272,352)	28,038		28,038	
Plus People Services underspend variance	0	(50,091)	(50,091)		(50,091)	
Total Law, Democracy & People Services	367,410	271,155	(96,255)	0	(96,255)	
Cooperative Delivery Unit						
Corporate Marketing - Sponsorships	(54,740)	14,570	69,310		69,310	Loss due to marketing company going into administration; new in house service now in place.
Delivery & Planning - Employees	606,244	555,336	(50,908)		(50,908)	Saving from vacant posts during the year.
Variations Under £50k	867,086	791,932	(75,154)		(75,154)	Savings as a result of VR's, vacant posts and additional income generated in Corporate Communications.
Total Cooperative Delivery Unit	1,418,590	1,361,838	(56,752)	0	(56,752)	
Less Web Services overspend variance	0	12	12		12	
Total Cooperative Council & Commercial Delivery Team	1,418,590	1,361,850	(56,740)	0	(56,740)	
Council Wide						
Housing Benefit Subsidy	(13,980)	(387,715)	(373,735)		(373,735)	Variation from budget as a result of recovery of overpayments.
Central Government Grant Refund		(731,308)	(731,308)		(731,308)	The Revenue Support Grant settlement included a reduction in funding relating to central support costs of academies; the information and formula used to calculate this has been changed which results previously disadvantaged local authorities receiving a refund.
Purchase Rebates	(202,500)	(388,467)	(185,967)		(185,967)	The majority relates to surplus dividend from West Mercia Energy
One Off Resources and Additional Funds		(2,368,000)	(2,368,000)		(2,368,000)	Mainly one off resources and some uncommitted ongoing budgets identified to contribute to the Care & Support overspend
Other Council Wide Items, including the Central Contingency MRP benefit	3,780,470	1,552,129	(2,228,341)		(2,228,341)	
MRP - transfer to reserve	0	4,884,103)	(4,884,103)		(4,884,103)	
MRP - transfer to reserve	0	4,884,000	4,884,000		4,884,000	
Variations under £50,000	4,825,259	4,833,613	8,354	(27,848)	36,202	
Asset Rental Reversals	(13,095,533)	(12,169,866)	925,667	925,667		
Total Council Wide	(4,706,284)	(9,659,717)	(4,953,433)	897,819	(5,851,252)	
Total Variations	133,830,400	129,046,707	(4,783,693)	0	(4,783,693)	

0

2013/14 Revenue Virements for Approval

Virements To:	£	Virements From:	£
Children's Safeguarding			
Children In Care Placements	2,089,912	Corporate Contingency	930,000
Other Placements and Parenting Assessments	287,219	Employee Costs	90,488
		Variations under £50,000	252,343
	<u>2,377,131</u>		<u>1,272,831</u>
Education & Corporate Parenting			
Joint/Community Use Income	104,446	Corporate Parenting	143,846
Education Services Grant	139,398	ICT Commissioning	170,342
Special School Expenditure	64,956	School Transport	88,452
Primary School Expenditure	55,983	Management & Admin	17,606
Supply Agency	55,463		
	<u>420,246</u>		<u>420,246</u>
Family & Cohesion Services			
Transport	74,600	Cohesion Services	139,766
Housing	65,166		
	<u>139,766</u>		<u>139,766</u>
Customer & People Services			
ICT Contribution to Reserves	520,000	ICT Corporate Income	276,391
ICT Photocopying and Print Holding Account	65,154	ICT Supplies & Services	334,472
Catering Primary Schools supplies and services	75,263	Catering Income	210,604
FM & Cleaning - Premises	53,953		
Revenues & Benefits Print Services	107,097		
	<u>821,467</u>		<u>821,467</u>

Virements To:	£	Virements From:	£
Neighbourhood & Leisure Services			
Flooding and Drainage	86,644	Winter Maintenance	82,967
Highways Maintenance - pothole and minor resurfacing	278,477	Highways Maintenance - general	187,245
Waste Collection - supplies and services	157,948	Waste Collection - payments	245,487
Leisure Income shortfalls	327,202	Leisure income overachievement (Wellington)	104,440
		Street lighting energy and maintenance costs	60,153
		Traffic Management	58,018
		Highways Development	36,614
		Civic Amenity Sites	75,347
	850,271		850,271
Development, Business & Employment			
Lifelong Learning - Income	168,334		
Connexions for Youth	59,017	Business & Dvpt Planning Employees	192,483
Next Steps	60,940	Management Account	313,502
Building Regulations Applications Income	69,468	Public Health Grant Funding - applied to eligible expenditure	302,809
Planning Application Costs	113,252	Planning Application Income	286,476
Building Regulations Applications - Systems Costs	72,248	Variations under £50,000	24,705
Property Investment Portfolio Income	223,134		
Property Investment Portfolio Service Charges	94,491		
Southwater Park Income	165,044		
Operation & Admin Properties	94,047		
	1,119,975		1,119,975
Care & Support			
Purchasing Care - all client groups	2,759,568	Public Health Grant - applied to eligible expenditure	532,500
Income	500,000	Variations under £50,000	314,954
Reablement and In House ALD Services	443,636		

Virements To:	£	Virements From:	£
Care Leavers	373,938		
Supporting People	500,802		
	4,577,944		847,454
Public Health			
Sexual Health Services	150,010	Staffing and Operational Budgets	557,659
Grant Income	840,802	Drugs and Alcohol Services	94,085
		Variances under £50,000	339,068
	990,812		990,812
Law, Democracy & Public Protection			
Licensing Income	154,535	Land Charges Income	112,024
Car Parking	111,766	Variances under £50,000	154,277
	266,301		266,301
Cooperative Council Delivery Unit			
Corporate Marketing Sponsorship Income	69,310	Delivery & Planning - employees	50,908
		Variances under £50,000	18,402
	69,310		69,310
Council Wide			
Treasury - transfer to reserve	4,884,000	Treasury Benefit from changing MRP charging methodology	4,884,103
		Housing Benefit Subsidy	373,735
		One Off Resources / Additional Funds	2,368,000
		Other Council Wide Items	2,092,952
	4,884,000		9,718,790
Total	16,517,223		16,517,223

Capital - Slippage, Supplementary Estimates & Virements

Slippage - Scheme	Priority	Slippage - £	Funding Analysis					
			Prudential	Capital Receipts	External	Govt. Grant	Borrowing	Revenue
A&C ICT Programme	Protect and Support our Vulnerable Children & Adults	-294,893	-150,000			-144,893		
Abraham Darby - Fire and Intruder Alarm	Improve Local People's Prospects through Education and Skills Training	-3,327				-3,327		
Aggresso Project	Managing the Organisation	-40,920	-40,920					
Arthog - Boiler	Improve Local People's Prospects through Education and Skills Training	15,241				15,241		
Asset management plan - general works and surveys	Managing the Organisation	-138,542	-138,542					
Basic Need - Contingency	Improve Local People's Prospects through Education and Skills Training	-77,507				-74,057		-3,450
Bishton Court	Improve Local People's Prospects through Education and Skills Training	-67,154				-67,154		
Borough Towns Initiative-Dawley	Ensure That Neighbourhoods are Safe, Clean and Well Maintained	-83,052		-83,052				
Box Road	Ensure That Neighbourhoods are Safe, Clean and Well Maintained	-2,860,520				-2,860,520		
Bridge Maintenance	Ensure That Neighbourhoods are Safe, Clean and Well Maintained	48,262				48,262		
Brindleyford	Improve the Health and Well Being of our Communities and Address Health Inequalities	-11,190			-11,190			
Brookside	Regenerate Those Neighbourhoods in Need and Work Hard to Ensure That Local People Have Access to Housing	-865,178	-385,178	-480,000				
Building Schools for the Future	Education & Skills BSF	-8,873,051	6,862,723	-9,546,566	-7,000	-5,730,607	-784,601	333,000
Capital receipts Site Preparation	Managing the Organisation	233,294		233,294				
Commercial and Business Fund	Managing the Organisation	-33,281		-33,281				
Contingency for reactive works	Improve Local People's Prospects through Education and Skills Training	-1,566				-42		-1,524
Dawley PRU - KS3	Improve Local People's Prospects through Education and Skills Training	-7,500				-7,500		
Dawley Tennis Courts	Improve the Health and Well Being of our Communities and Address Health Inequalities	-3,046			-3,046			
Devolved Formula Capital	Improve Local People's Prospects through Education and Skills Training	-4,527			-526	-4,000		
Donnington Wood Infants - New Early Years Development	Improve Local People's Prospects through Education and Skills Training	-54,224			-44,549	-9,675		
Energy Sustainability Schemes	Improve Local People's Prospects through Education and Skills Training	-16,258						-16,258
Hadley	Regenerate Those Neighbourhoods in Need and Work Hard to Ensure That Local People Have Access to Housing	-79,021	-403,000			323,979		
Haughton Special School - Extension	Improve Local People's Prospects through Education and Skills Training	-99,230			-99,230			
Highways additional £3m	Ensure That Neighbourhoods are Safe, Clean and Well Maintained	332,327	332,327					
Highways Additional Allocation	Ensure That Neighbourhoods are Safe, Clean and Well Maintained	1,000				1,000		
Highways General	Ensure That Neighbourhoods are Safe, Clean and Well Maintained	-160,680				-160,680		
Hollinswood Primary - Line Marking	Improve Local People's Prospects through Education and Skills Training	-750				-750		
Horsehay Fitness Facility	Improve the Health and Well Being of our Communities and Address Health Inequalities	-7,504	-7,504					
Housing	Regenerate Those Neighbourhoods in Need and Work Hard to Ensure That Local People Have Access to Housing	-1,656,044	-850,816	-130,000		-675,228		
ICT/eGov	Managing the Organisation	-206,043	-188,809					-17,234
Integrated Transport	Ensure That Neighbourhoods are Safe, Clean and Well Maintained	88,019				88,019		
Ironbridge Gorge Stability	Ensure That Neighbourhoods are Safe, Clean and Well Maintained	337,312				337,312		
John Fletcher - Rewiring Phase 1	Improve Local People's Prospects through Education and Skills Training	-14,488				-14,488		
Lilleshall Primary -Dropped Kerb	Improve Local People's Prospects through Education and Skills Training	-3,257				-3,257		
Loan Contingency Grant	Regenerate Those Neighbourhoods in Need and Work Hard to Ensure That Local People Have Access to Housing	-52,969			-52,969			
Local Transport Body	Ensure That Neighbourhoods are Safe, Clean and Well Maintained	-93,101				-93,101		
LSTF-small scheme	Ensure That Neighbourhoods are Safe, Clean and Well Maintained	-19,316				-19,316		
Malinslee	Ensure That Neighbourhoods are Safe, Clean and Well Maintained	-30,416	-30,416					
Managing the funding of the Capital Programme	Managing the Organisation	-878,000	-9,593,718	8,715,718				
Meadows Primary - 4 Classbase	Improve Local People's Prospects through Education and Skills Training	46,081				46,081		
Moorfield Primary - Man hole and Boiler Replacement	Improve Local People's Prospects through Education and Skills Training	-385				-385		
Muxton Primary - 3 Classbase extension	Improve Local People's Prospects through Education and Skills Training	-30,000				-30,000		
Newdale Primary - classbase extension and roof works	Improve Local People's Prospects through Education and Skills Training	-107,505				-107,505		
Newport Fitness Facility	Improve the Health and Well Being of our Communities and Address Health Inequalities	-25,679	-25,679					
Newport Infant - Internal Adaptation to form classbase & 1 classbase/Family R	Improve Local People's Prospects through Education and Skills Training	-36,582				-36,582		
Newport Juniors - DDA Works	Improve Local People's Prospects through Education and Skills Training	-6,000				-6,000		
Oakengates	Regenerate Those Neighbourhoods in Need and Work Hard to Ensure That Local People Have Access to Housing	-210,161	-210,161					
Parks and Play	Improve the Health and Well Being of our Communities and Address Health Inequalities	-16,940	-16,940					
Parks For People	Improve the Health and Well Being of our Communities and Address Health Inequalities	-760,219		-272,922		-487,297		
Property and Design Fees	Managing the Organisation	-120,240	-120,240					
Queenswood Primary Accessibility Adaptations	Improve Local People's Prospects through Education and Skills Training	-2,230				-2,230		
Short Breaks - Ican2 Providers	Improve Local People's Prospects through Education and Skills Training	-9,000				-9,000		
Short Breaks - Playscheme	Improve Local People's Prospects through Education and Skills Training	-8,000				-8,000		
Short Breaks - Transport	Improve Local People's Prospects through Education and Skills Training	-12,000				-12,000		
Short Breaks for Disabled Children	Improve Local People's Prospects through Education and Skills Training	-154,119				-154,119		
Short Breaks for Disabled Children - Building adaptations for Foster Carers	Improve Local People's Prospects through Education and Skills Training	-10,000				-10,000		
Short Breaks for Disabled Children - SIS	Improve Local People's Prospects through Education and Skills Training	-2,660				-2,660		
Short Breaks for Disabled Children - Southall School Imersion Room/Igloo, biki	Improve Local People's Prospects through Education and Skills Training	-1,932				-1,932		
Social Care Capital Grant	Protect and Support our Vulnerable Children & Adults	-60,836				-60,836		

Social Education Reprovision	Protect and Support our Vulnerable Children & Adults	-350,000							-350,000
St Matthews Primary - Hi Lo Bed	Improve Local People's Prospects through Education and Skills Training	-4,645							-4,645
Street Lighting Invest To Save	Ensure That Neighbourhoods are Safe, Clean and Well Maintained	118,869	118,869						
Supported Independent Living	Protect and Support our Vulnerable Children & Adults	-326,700	-326,700						
Sutton Hill	Regenerate Those Neighbourhoods in Need and Work Hard to Ensure That Local People Have Access to Housing	-115,770	-115,770						
TCAT - The Bridge 16+ Provision	Improve Local People's Prospects through Education and Skills Training	-34,076							-34,076
Teagues Bridge Primary - 3 classbase extension , Hall , Boiler & Roof	Improve Local People's Prospects through Education and Skills Training	-141,982							-141,982
Telford Ice rink	Improve the Health and Well Being of our Communities and Address Health Inequalities	-5,456	-5,456						
Town Centre - Accommodation Strategy	Protect and Create Jobs as a 'Business Supporting, Business Winning Council'	81,494	81,494						
Town Centre - Phase 1	Protect and Create Jobs as a 'Business Supporting, Business Winning Council'	822,764	822,764						
Various Schools - Asbestos Removals	Improve Local People's Prospects through Education and Skills Training	-15,098	-7,760						-7,338
Various Schools - Asbestos Surveys	Improve Local People's Prospects through Education and Skills Training	-29,418		-1,378				-22,802	-5,238
Various Schools - Energy Management Support Package	Improve Local People's Prospects through Education and Skills Training	-2,409						-2,409	
Various Schools - Equipment (Vehicle DV07 VGE)	Improve Local People's Prospects through Education and Skills Training	-1,900						-1,900	
Various Schools - Tree Maintenance	Improve Local People's Prospects through Education and Skills Training	-10,201						-10,201	
Woodside Regeneration	Regenerate Those Neighbourhoods in Need and Work Hard to Ensure That Local People Have Access to Housing	-30,734	-8,748	-21,986					

Total		-17,254,767	-4,408,180	-1,620,173	-218,510	-10,505,261	-818,409	315,766
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New Allocations	Priority	Value - £	Funding Analysis					
			Prudential	Capital Receipts	External	Govt. Grant	Borrowing	Revenue
Asset management plan	Managing the Organisation	10,000				10,000		
Borough Towns Initiative-Dawley	Ensure That Neighbourhoods are Safe, Clean and Well Maintained	21,396					20,000	1,396
Box Road	Ensure That Neighbourhoods are Safe, Clean and Well Maintained	911,156				213,787	697,369	
Brookside	Regenerate Those Neighbourhoods in Need and Work Hard to Ensure That Local People Have Access to Housing	58,620	58,620					
BSF	Education & Skills BSF	-246,309		-246,309				
Burton Borough - Main roof	Improve Local People's Prospects through Education and Skills Training	260						260
Burton Borough - Maths Block 3 Roof	Improve Local People's Prospects through Education and Skills Training	6,375						6,375
Dawley	Ensure That Neighbourhoods are Safe, Clean and Well Maintained	0	50,000				-50,000	
Dawley Tennis Courts	Improve the Health and Well Being of our Communities and Address Health Inequalities	19,625				19,625		
Donnington Wood Infants - New Early Years Development	Improve Local People's Prospects through Education and Skills Training	49				49		
Dothill Primary - Kitchen Refurbishment	Improve Local People's Prospects through Education and Skills Training	53,375				53,375		
Haughton Special School Extension	Improve Local People's Prospects through Education and Skills Training	100,000				100,000		
Highways General	Ensure That Neighbourhoods are Safe, Clean and Well Maintained	34,473				34,473		
Holinswood Primary - Line Marking	Improve Local People's Prospects through Education and Skills Training	1,185						1,185
Housing	Regenerate Those Neighbourhoods in Need and Work Hard to Ensure That Local People Have Access to Housing	283,436		26,767			133,989	122,680
ICT/eGov	Managing the Organisation	120,000						120,000
Integrated Transport	Ensure That Neighbourhoods are Safe, Clean and Well Maintained	2,862				2,862		
Jiggers Bank Stabilization	Ensure That Neighbourhoods are Safe, Clean and Well Maintained	17,345					7,319	10,027
Lilleshall Primary - Flood Damage	Improve Local People's Prospects through Education and Skills Training	46,970						46,970
Lilleshall Primary - Pressure Reducing Valve	Improve Local People's Prospects through Education and Skills Training	2,382						2,382
Lilleshall Primary -Dropped Kerb	Improve Local People's Prospects through Education and Skills Training	1,621						1,621
Local Transport Body	Ensure That Neighbourhoods are Safe, Clean and Well Maintained	151,579				20,000	131,579	
LSTF-small scheme	Ensure That Neighbourhoods are Safe, Clean and Well Maintained	5,636				5,636		
Meadows Primary	Improve Local People's Prospects through Education and Skills Training	31,123				31,123		
Millbrook Primary - Internal Works	Improve Local People's Prospects through Education and Skills Training	18,000				18,000		
Muxton Primary - 3 Classbase extension	Improve Local People's Prospects through Education and Skills Training	33,928				33,928		
Muxton Primary - DDA Equipment	Improve Local People's Prospects through Education and Skills Training	349						349
Newport Fitness Facility	Improve the Health and Well Being of our Communities and Address Health Inequalities	11,035	11,035					
Newport Infant - Internal Adaptation to form classbase & I classbase/Family Rc	Improve Local People's Prospects through Education and Skills Training	36,000				36,000		
Newport Infants - Heat Exchangers	Improve Local People's Prospects through Education and Skills Training	1,692						1,692
Newport Infants - Toilet refurbishment	Improve Local People's Prospects through Education and Skills Training	-3,027				-3,027		
Newport Juniors - DDA Works	Improve Local People's Prospects through Education and Skills Training	1,076						1,076
PIP reinvestment program	Ensure That Neighbourhoods are Safe, Clean and Well Maintained	586,082	11,381	559,952				14,749
Redhill Primary - Automated Gates	Improve Local People's Prospects through Education and Skills Training	619						619
Redhill Primary - Roof Works (following Lead Theft)	Improve Local People's Prospects through Education and Skills Training	5,972						5,972
Social Care ICT Review	Protect and Support our Vulnerable Children & Adults	-252,000						-252,000
St Georges - 3 New Classbases	Improve Local People's Prospects through Education and Skills Training	106,599				106,599		
Supported Independent Living	Protect and Support our Vulnerable Children & Adults	180,874		38,436			142,439	
Teagues Bridge Primary - Flood Damage	Improve Local People's Prospects through Education and Skills Training	25,260						25,260
Town Centre	Protect and Create Jobs as a 'Business Supporting, Business Winning Council'	182,299	182,299					
Various Schools - Asbestos Removals	Improve Local People's Prospects through Education and Skills Training	49,684						49,684
Various Schools - Asbestos Surveys	Improve Local People's Prospects through Education and Skills Training	10,351						10,351
Various Schools - Asset Management System	Improve Local People's Prospects through Education and Skills Training	47,882						47,882
Various Schools - Energy Efficiency	Improve Local People's Prospects through Education and Skills Training	13,157				13,157		

Wellington civic	Ensure That Neighbourhoods are Safe, Clean and Well Maintained	4	4					
William Reynolds Jnr - Toilet and additional works	Improve Local People's Prospects through Education and Skills Training	16,173			16,173			
Total		2,705,167	313,338	378,846	711,760	1,082,694	0	218,529

Virements	Priority	Value - £	Funding Analysis					
			Prudential	Capital Receipts	External	Govt. Grant	Borrowing	Revenue
Housing	Regenerate Those Neighbourhoods in Need and Work Hard to Ensure That Local People Have Access to Housing	390,214		390,214				
Social Education	Protect and Support our Vulnerable Children & Adults	-200,000		-200,000				
Commercial Fund	Managing the Organisation	-390,214		-390,214				
Asset management plan	Managing the Organisation	200,000		200,000				
Social Education Centre	Protect and Support our Vulnerable Children & Adults	350,000				350,000		
Social Care ICT Review	Protect and Support our Vulnerable Children & Adults	252,000				252,000		
Social Care Capital Grant	Protect and Support our Vulnerable Children & Adults	-350,000				-350,000		
Social Care Capital	Protect and Support our Vulnerable Children & Adults	-252,000				-252,000		
BSF	Education & Skills BSF	31,717				31,717		
Borough Towns Initiative-Dawley	Ensure That Neighbourhoods are Safe, Clean and Well Maintained	2,744				2,744		
Hartshill & Bowring Tennis Courts Refurb	Improve the Health and Well Being of our Communities and Address Health Inequalities	-31,717				-31,717		
Access - Contingency	Improve Local People's Prospects through Education and Skills Training	-2,744				-2,744		
Property and DeslGn Fees	Managing the Organisation	-79,760	-79,760					
BSF	Education & Skills BSF	-60,000	-60,000					
Asset management plan	Managing the Organisation	23,308	23,308					
Horsehay Fitness Facility	Improve the Health and Well Being of our Communities and Address Health Inequalities	-2,446	-2,446					
Adventure Golf	Improve the Health and Well Being of our Communities and Address Health Inequalities	2,446	2,446					
All other School schemes	Improve Local People's Prospects through Education and Skills Training	79,760	79,760					
Integrated Transport	Ensure That Neighbourhoods are Safe, Clean and Well Maintained	60,000	60,000					
BTI Small Grants	Ensure That Neighbourhoods are Safe, Clean and Well Maintained	-23,308	-23,308					
Total		0	0	0	0	0	0	0

TELFORD & WREKIN COUNCIL

CABINET - 10 JULY 2014

PROTECTING JOBS IN THE BOROUGH: DEVELOPMENT OF A LOGISTICS HUB AT MOD DONNINGTON

REPORT OF THE DIRECTOR: DEVELOPMENT, BUSINESS & CUSTOMER SERVICE

LEAD CABINET MEMBER: CLLR BILL McCLEMENTS

PART A – SUMMARY REPORT

1. SUMMARY OF MAIN PROPOSALS

1.0 To provide an update on the MOD's Logistics Commodities & Services (Transformation) Project and to seek approval for the Council to fund, on a commercial basis, the development of a Logistics Hub at MOD Donnington.

2.0 RECOMMENDATIONS

2.1 That Cabinet recommends to Full Council the approval of the investment as outlined in this report and the approval of prudential borrowing of up to £120 million to fund this commercial investment and all associated changes to the capital programme.

2.2 Subject to appropriate Council approval being secured as detailed in 2.1 Cabinet delegates the approval of the final business case for investment to the Director: Development, Business and Customer Service, in consultation with the Cabinet Member for Finance & Enterprise and notes that any such approval will be contingent upon the business plan demonstrating that risk has been properly managed through securing necessary agreements from the Delivery Partner and the MOD to ensure that, under the terms of the agreement, the Council will be fully indemnified against its own obligations to satisfy the terms of its borrowing.

2.3 That Cabinet delegate authority to the Director: Development, Business and Customer Service, in consultation with the Cabinet Member for Finance & Enterprise to negotiate and agree the necessary land deals, loan documentation and other commercial and contractual arrangements with all interested, directly and indirectly, parties to ensure that, should a bid using the proposed Telford site be successful, it can be fully implemented within the programme.

2.4 That Cabinet delegate authority to the Assistant Director: Law, Democracy & People Services to execute all documents in accordance with the Council's Constitution so required to give effect to the proposals contained in this report as approved by Cabinet.

3. SUMMARY IMPACT ASSESSMENT

COMMUNITY IMPACT	Do these proposals contribute to specific Priority Plan objective(s)?	
	Yes	Protect and create jobs as a 'Business Supporting, Business Winning Council'
	Will the proposals impact on specific groups of people?	
	Yes	The proposals will have a direct impact on those living and working in and around the existing MOD Donnington site but will have a positive impact on the Borough generally in terms of job creation

		and prosperity.
TARGET COMPLETION/ DELIVERY DATE		MOD contract award is planned for December 2014.
FINANCIAL/ VALUE FOR MONEY IMPACT	Yes	There are significant financial implications of this proposal, which are detailed in section 8 of this report.
LEGAL ISSUES	Yes	<p>The Council has the power to borrow money and invest, not only for any purpose relevant to its functions but also for the purpose of prudential management of its financial affairs.</p> <p>The Audit Committee have agreed the necessary changes to the Treasury Management Policy allowing for an increase in borrowing to enable this investment to be made.</p> <p>Legal advice has been obtained which has considered the proposal at this stage. The advice obtained clarifies the process by which the investment can be made in such a manner to protect the interest of the Council, including identifying the nature and format of the necessary legal agreements. Legal Services will continue to advise on the proposals as further details are developed.</p> <p>The specific legal issues are addressed within the body of this report.</p>
OTHER IMPACTS, RISKS & OPPORTUNITIES	Yes	<p>There are risks associated with the development of proposals relating to the expansion of the existing MOD Donnington site for logistics and warehousing. However, these need to be balanced against the risk of full or partial closure of the MOD Donnington site, should the decision be made to consolidate operations elsewhere in the country. If this was to occur, job losses at the base as well as in the supply chain could be considerable and would have a direct impact on the economic, social and environmental wellbeing of our community as well as direct impact on the local housing market and the potential loss of significant business rates income. The actions outlined in this report, and associated investment, have the potential to mitigate this risk and in doing so secure a significant opportunity for the borough, leading to safeguarding jobs, job creation both on site and within the supply chain, a positive impact on the local housing market and increased income through business rates.</p> <p>Subject to Council approval the investment will be funded via Council prudential borrowing. The interest rates payable will be fixed at the draw down of the loan at a rate to mitigate State Aid issues, and this rate will be reflected within Finance Lease payments made by the Delivery Partner. As this rate will be slightly higher than the cost to the Council a small margin will be earned by the Council to offset all Council costs. The risk of interest rate movement between the date of Council approval and the draw down of funding, therefore, rests with the Delivery Partner. The MOD will guarantee a lease payment if a default occurs within the operational contract or under the Lease or Finance Agreement.</p>
IMPACT ON SPECIFIC WARDS	Yes	The sites are within the Hadley & Leegomery Ward (Cllr M Smith, Cllr K Austin & Cllr L Murray) and the Donnington Ward (Cllr E Clare & Cllr C Mason).

PART B – ADDITIONAL INFORMATION

4. INFORMATION

4.1 Background

4.2 MOD Donnington is currently one of two main sites within the UK that provide warehousing and distribution facilities for the MOD. In September 2011, the Council became aware of a proposal to consolidate operations and to potentially create a major National Defence Gateway resulting in the partial closure of one of the two main current sites and the enhancement of the other. The Donnington site currently employs some 700 people, a large proportion of which are associated with the current warehousing and distribution function of the site. In addition, an estimated 300 people work within the local supply chain. As such, a partial closure of the Donnington site will have a significant and detrimental impact on these individuals as well as the local economy.

4.3 Since September 2011, Members and officers have been lobbying at various levels within the MOD for Telford to be recognised as a preferred location for a National Defence Gateway. A series of documents have been developed to support this activity and to demonstrate Telford's commitment and ability to deliver a logistics and storage hub. There is no doubt that this activity has raised the profile of Telford with an extension to the Donnington base being seen as a credible solution which could unlock asset rationalisation, realise savings for the MOD and Treasury and critically, ensure continuity of military supplies to the front line.

4.4 Delivery of the National Defence Gateway will be through a new operational contract for logistics and warehousing, with the preferred solution being identified through a procurement process which is currently ongoing. The Council is working closely with the MOD as a partner to find the best solution for their logistics operation and to reinforce the significant potential that MOD Donnington has to offer. We are also working with the shortlisted bidders to reinforce the fantastic opportunity Telford has to offer, which has been acknowledged by all parties.

4.5 Selection of the preferred bidder and therefore ultimately the location for a new Defence Gateway will be determined by the MOD in September 2014 with final bids to be submitted mid August 2014. As part of the bid evaluation process during August and September and prior to selecting the preferred bidder, the MOD will assess all areas of the bids as part of their due diligence. In particular their review will encompass planning, funding and land assembly. The fact that we still do not know which is the preferred option is the reason why officers are unable to be clear about all the details and be specific on the extent of the financing required but the following paragraphs set out how the Council has, and will continue to ensure that bidders have a robust and implementable solution at Telford.

5. Planning

5.1 A key element of the MOD assessment will be around delivery of the proposed solution which will include an assessment of the planning position. In this regard Telford's position has been significantly strengthened following the Plans Board decision on 5 March 2014, which granted approval for warehousing development shown indicatively at appendix 2 as well as planning consent issued on 10 March 2014 for warehousing shown indicatively at appendix 3. The planning decisions allow for development of a Fulfilment Centre and associated warehousing for storage and distribution, as well as an office building for use as a future Logistics Headquarters. Whilst an alternative MOD site also has outline planning consent, the approvals in Telford provide significantly greater flexibility in terms of the quantum, nature and deliverability of development. The final layout and configuration of the facility at Telford will depend upon whether the bidders deliver a fully automated or manually

operated facility as well as their view on the required storage space once the full logistics operation has been quantified.

- 5.2 Members should note that implementation of the planning consents may have an adverse impact on properties and businesses in the immediate vicinity of the site. As such a range of mitigation measures are likely to be required in and around the development site to meet our values and to ensure that the timetable can be adhered to. The work would only be carried out if the MOD decided that MOD Donnington is the preferred solution and the preferred bidder delivers a scheme on the site.

6. Funding

- 6.1 A major part of the MOD assessment will be around security of funding and will require the bidders to demonstrate that they have the necessary funding in place to deliver their proposals. The Cabinet report of February 2014 outlined a number of ways in which the Council could support delivery including design, build, fund and operate solutions. In accordance with that report, discussions with bidders have continued and culminated in a set of Heads of Terms being developed and issued to all bidders. Central to the Heads of Terms is an offer to provide capital funding for the investment in Telford. With final bids due to be submitted in mid August it is crucial that we can demonstrate that we have the necessary approvals and required funds in place, should the bidders wish to pursue this opportunity. Only then will Telford be in the best possible position to secure MOD investment at Donnington. In this context this report and a report to Council, is seeking approval for funding through Full Council to support the delivery of a National Defence Gateway in Telford.

- 6.2 The preferred delivery option involves the Council entering into a Finance Agreement with the Delivery Partner on the basis that the Delivery Partner uses funding from the Council to construct the facility to meet their requirements. Since the configuration of proposals varies from bidder to bidder, approval for a maximum funding amount of £120m is being sought. Upon entering into the Finance Agreement and Lease and/or by a fixed date set to coincide with the anticipated date of practical completion of the development, the Delivery Partner would make re-payments to the Council under the terms of the Agreement over the term of the lease. The Lease payments will be set at a level to ensure that the income received is sufficient to cover the costs of Council borrowing and repay the principal sum invested over the term of the Finance Lease as well as delivering a small return for the Council. The MOD has agreed to guarantee all lease payments if there is a default within the main operational contract or under the Lease or Finance Agreement. The final details of the lease period will be determined by the MOD but the shortest term will be 13 years (less the construction period) up to a maximum of a 30 year term. The contract for the logistics operation from the MOD is currently proposed for a 13 year period, where as a standard investment lease is usually in the region of 25 years. The MOD are currently reviewing the length of the lease and their position at the end of the contract which will ultimately define the lease period moving forward to the final bid stage. Based on the MOD timetable, this will be known by September 2014. At expiry of the Lease term the MOD may acquire the Council's freehold interest for a nominal fee. The value of the land will by that point have been recuperated out of the rental payments received under the Finance Lease.

7. Land Assembly

- 7.1 The final key area for assessment, which interfaces with the Council, will be around land assembly with the bidders being required to demonstrate that they have secured unencumbered land on which to deliver their development proposals
- 7.2 Local authorities have the power to acquire land for Planning Purposes (ss.226 & 227, *Town and Country Planning Act 1990*) if it will facilitate the carrying out of development, re-development or improvement which is likely to contribute to the economic, social or

environmental wellbeing of the area, or which is required in the interests of the proper planning of the area. Consideration as to how the acquisition is likely to contribute to these requirements is given in the Summary Impact Assessment and throughout this report.

- 7.3 We have previously secured an option to buy a parcel of land, identified in appendix 1 of this report, to facilitate development. Only if the MOD and Delivery Partner were to choose Telford as their solution would we seek to exercise the option, with the cost of the land being included in, and forming part of, the Finance Lease. There are also a number of small parcels of land associated with the development which could be acquired to allow for a more efficient approach to land assembly and potential operational activities. However, they are not essential to delivery of a solution in accordance with the Planning Consent.
- 7.4 Approval is sought to acquire the required land currently under option as well as the small parcels of land associated with the development for Planning Purposes all of which will be covered in the overall investment of £120m.
- 7.5 As the area(s) of land that the Council is seeking to acquire for Planning Purposes appear to be arable or other farmland the 'special rules' requiring public notice, consultation or consideration of public objections that relate to e.g. open space land do not apply.

8.0 FINANCIAL IMPLICATIONS

- 8.1 Based upon information from the MOD and bidders this report seeks approval to fund up to a maximum investment of £120m. Investment would include, but not be limited to land acquisition, building construction costs, fit out, funding costs during construction, associated fees etc. In order to facilitate the investment in this and other commercial projects it will be necessary to obtain Council approval to revise the Authority's maximum borrowing limits. A Treasury Management report was considered by the Audit Committee on the 30th June who resolved to recommend to Council that the Council's Treasury Management limits be amended to allow for this investment.
- 8.2 The Council will borrow the funding for this investment with due regard to the specialist advice from our financial and treasury management advisors. Funding for the total construction cost will be drawn down by the Council in accordance with the construction programme as agreed with the Delivery Partner, and the Council may, therefore, enter into a number of loans over varying periods in order to secure the most financially advantageous terms for the Council. The costs of borrowing will depend upon the length of the loan and will be fixed at the time of draw down of each tranche of funding. Interest incurred on borrowing during the construction period will be rolled up and capitalised and will be accounted for within the total investment. The risk of interest rate movement between the date of Council approval and the draw down of funding rests with the Delivery Partner.
- 8.3 The Delivery Partner will enter into a Finance Lease Agreement with the Council and will make Lease payments (quarterly in advance) which will be set at a level to include both the interest and the principal repayment on the amount invested. In order to comply with State Aid requirements a market rate of interest will be used when calculating the lease payments which are likely to be slightly higher than the interest rate paid by the Council.
- 8.4 As included in section 5.2 a number of mitigating measures are proposed in order to lessen the impact of the development on the community in the immediate vicinity. This report seeks approval to fund these measures with the costs being included in the overall investment value of £120m.

- 8.5 If the Fulfilment Centre and associated warehousing is located in Telford the new development would result in the generation of additional business rates of which an element would be retained by the Council until any 'reset' of the Local Government finance system is implemented. Clearly, if the current MoD facility was to be re-located away from the borough, the Council, the local community and the local economy would face significant adverse financial implications.

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9.0 PREVIOUS MINUTES

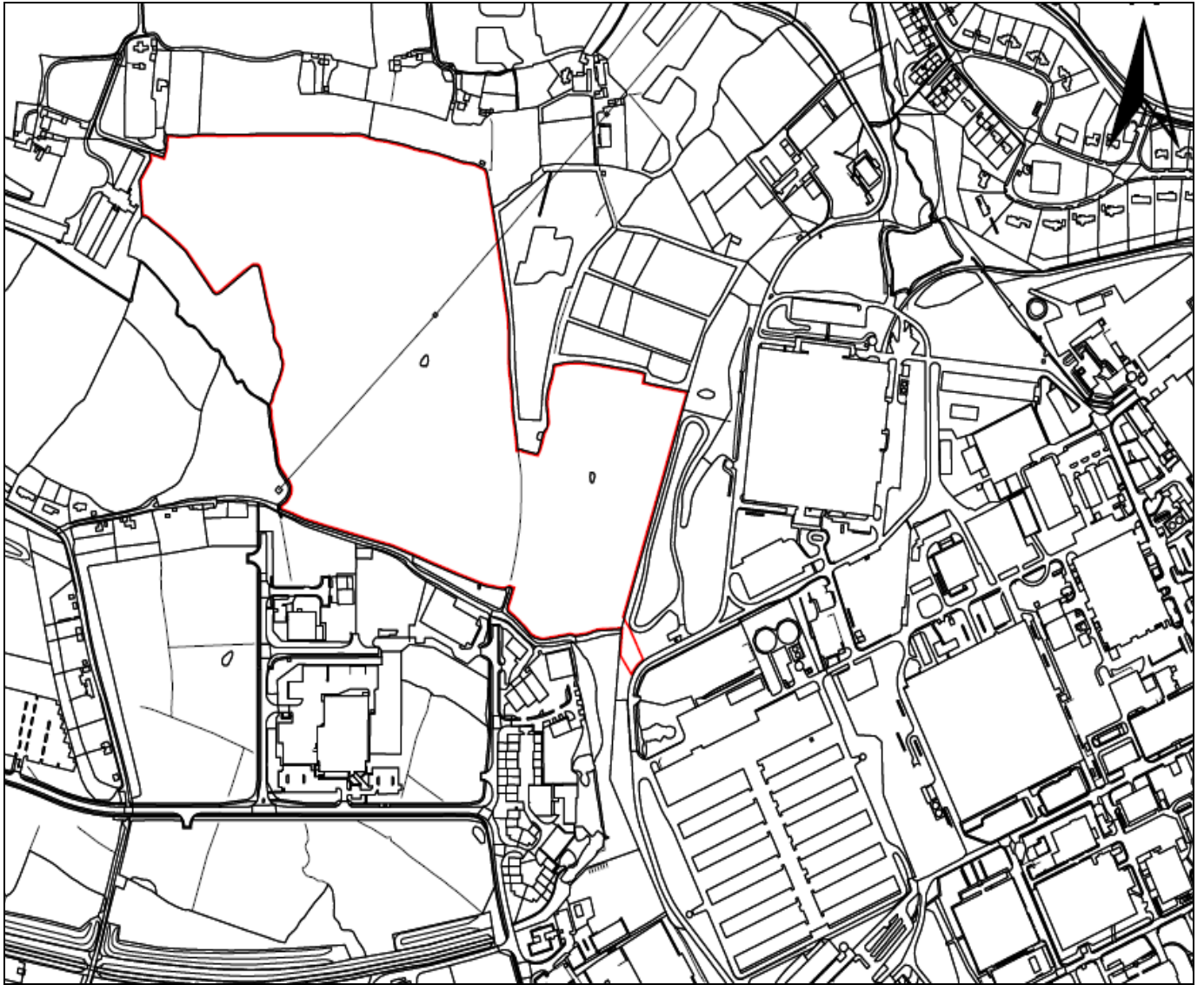
- 9.1 Development of a Logistics Hub at MOD Donnington – Cabinet of 20 February 2014.

10.0 BACKGROUND PAPERS

- 10.1 Town & Country Planning Act 1990

Report prepared by David Sidaway, Director: Development, Business & Customer Service

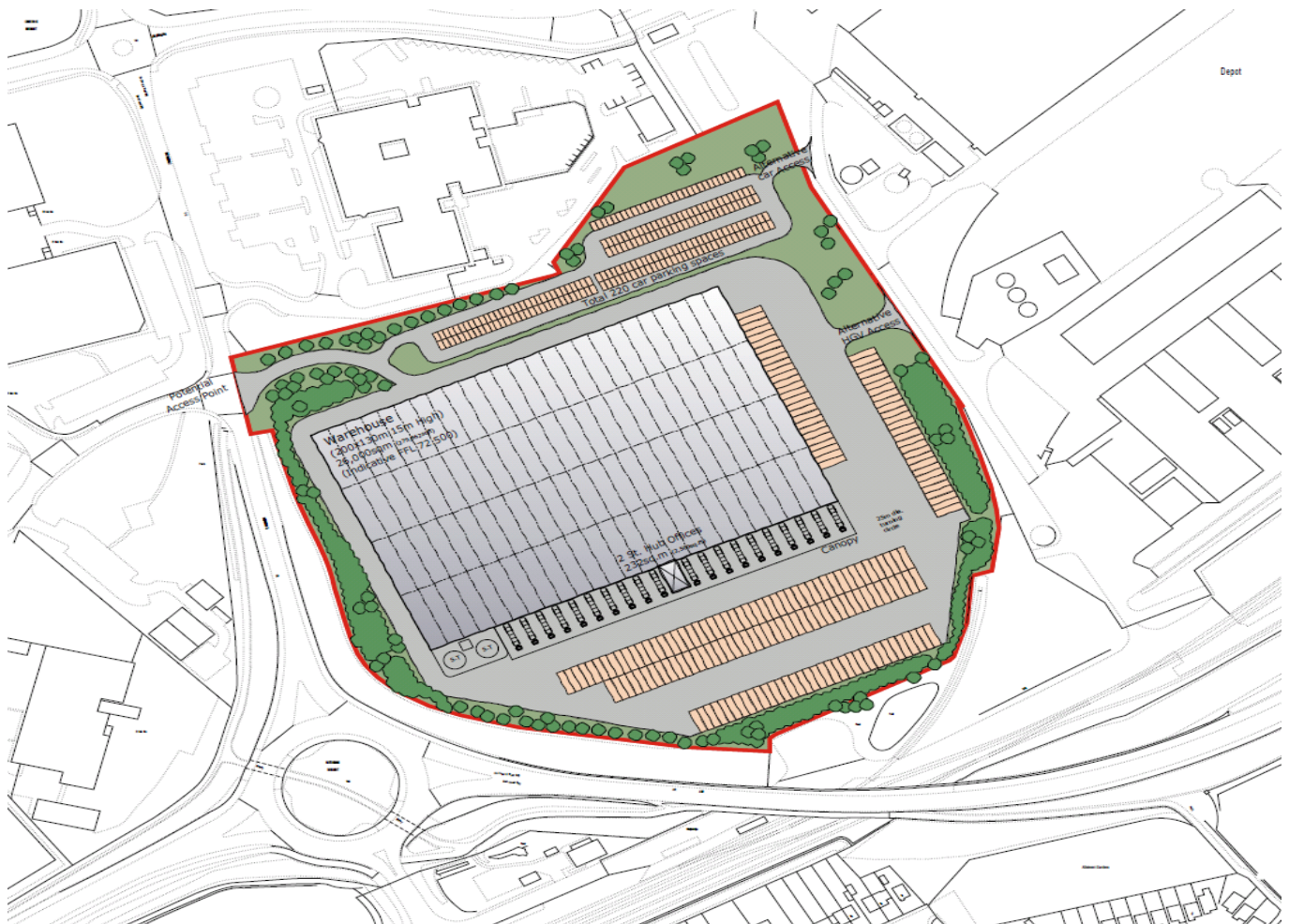
Appendix 1 – Site Plan (option land)



Appendix 2 – Proposed layout as per Planning Board 3 March 2014



Appendix 3 – Proposed Layout as per Planning Consent 10 March 2014



TELFORD & WREKIN COUNCIL

AUDIT COMMITTEE – 30 JUNE 2014

TREASURY MANAGEMENT - 2013/14 ANNUAL REPORT AND 2014/15 TO DATE

REPORT OF THE ASSISTANT DIRECTOR: FINANCE, AUDIT & INFORMATION GOVERNANCE (CHIEF FINANCIAL OFFICER)

PART A) – SUMMARY REPORT

1. SUMMARY OF MAIN PROPOSALS

The report updates members on the outcome of Treasury Management activities for 2013/14 and details the position for 2014/15 to date.

2013/14 Treasury Outturn

The treasury portfolio ended the year with net indebtedness of £102.1m (borrowing: £125.6m less investments: £23.5m), an increase of £22.9m compared to the position at 31 March 2013. Base rate was 0.5% for the whole year and is predicted to stay at 0.5% until 2016.

The borrowing strategy for 13/14 was to use maturing investments to reduce borrowing where possible. Borrowing was £15m higher at 31 March 2014 compared to 31 March 2013 which was due to capital expenditure that led to an increase in temporary borrowing at year end. Short term borrowing was used to fund short term cash flow requirements during the year at favourable interest rates.

The investment strategy for 13/14 was to gain maximum benefit with security of capital being the key consideration. The average return on investments for the year was 3.38% against a benchmark of only 0.41%; further, comparative information from our treasury advisors, Arlingclose, highlights that our rate of return is once again very significantly higher than their other local authority clients.

Overall, treasury delivered a net over-achievement of £1.546m against the budget in 2013/14. This includes £0.250m generated as a one-off saving in 2013/14 as a result of changing our accounting policy in relation to capitalisation of interest on capital projects pending their completion. As well as generating a significant one-off revenue benefit this change in accounting policy will also help facilitate commercial developments (including potentially building houses for rent) more in line with private sector practices.

A very significant one-off benefit of £4.884m was also generated from back-dating the change in accounting treatment of the calculation of Minimum Revenue Provision – this has been transferred to a reserve in accordance with the agreed service and financial planning strategy for 2014/15 to fund the debt charges for the Pride in Your Community Initiative for the next 12 years.

In total, therefore, treasury management activities contributed one off benefits to the Council totalling just under £6.5m over budget assumptions during the year – equivalent to around £90 for every household in the Borough.

2014/15 Update

The strategy for 2014/15 remains consistent with that of the previous year. Investment opportunities will be reviewed as they arise, where possible maturing investments will be used to reduce the need to borrow, and we will seek to gain maximum benefit within the agreed risk parameters.

All the temporary borrowing (£26m) at 31/3/14 has been repaid and there has been no new borrowing undertaken to date in 2014/15. Investments were £35m at 31 May 2014.

On Thursday 12th June the Governor of the Bank of England, Mark Carney, in his Mansion House speech, indicated that interest rates may have to increase sooner than assumed by the market. This will have to be taken account of in the Council's Treasury activities in 2014/15.

Prudential Indicators

There are a number of amendments to prudential indicators to accommodate very significant capital regeneration projects.

2. RECOMMENDATIONS

Audit Committee Members are asked to:-

- 2.1 note the contents of the report
- 2.2 note the performance against Prudential Indicators.
- 2.3 approve the proposed amendment to non UK sovereign counterparty limits
- 2.4 recommend that Council approves the increases in Authorised and Operational limits for 2014/15 to facilitate the Council to potentially undertake very significant capital regeneration investments of a commercial nature and approve the other changes to prudential indicators

3. SUMMARY IMPACT ASSESSMENT

COMMUNITY IMPACT Do these proposals contribute to specific priority plan objectives?

Yes/No Efficient Community Focussed Council

Will the proposals impact on specific groups of people?

Yes/No

**TARGET
COMPLETION /
DELIVERY DATE**

Part of ongoing Treasury Management Activities within the Treasury Management Strategy and Policy approved by Council.

FINANCIAL/VALUE FOR MONEY IMPACT	Yes/No	Where appropriate these are detailed in the body of the report.
LEGAL ISSUES	Yes/No	The AD: Finance, Audit and IG (Section 151 Officer), has responsibility for the administration of the financial affairs of the Council. In providing this report the Section 151 Officer is meeting one of the responsibilities of the post contained within the Council's Constitution at Part 2, Article 12, paragraph 12.04(f) which states "The Chief financial Officer will contribute to the promotion and maintenance of high standards of governance, audit, probity and propriety, risk management and the approval of the statement of accounts through provision of support to the Audit Committee."
OTHER IMPACTS, RISKS AND OPPORTUNITIES	Yes/No	The key opportunities and risks associated with treasury management activities are set out in the body of the report and in the Treasury Management Strategy and Policy approved by Council and will be regularly monitored throughout the year.
IMPACT ON SPECIFIC WARDS	Yes/No	

4. **PREVIOUS MINUTES**
 Council 7 March 2013
 Audit Committee 25 June 2013
 Audit Committee 28 January 2014
 Council 27 February 2014

PART B – ADDITIONAL INFORMATION

5. **BACKGROUND**

Treasury Management in local government is regulated by the 2001 revision of the CIPFA Treasury Management in Public Services: Code of Practice (the Code). This Council has adopted the Code and fully complies with its requirements. The primary requirement of the Code is the formulation and agreement by full Council of a Treasury Policy Statement, which states the policies and objectives of its treasury management activities.

A requirement of the Council's Treasury Management Practices is the reporting to the Council of both the expected treasury activity for the forthcoming financial year (the annual treasury strategy statement) and subsequently the results of the Council's treasury management activities in that year (this annual treasury report).

6. 2013/14

The annual report is covered in paragraphs 6-15 and deals with: -

- 2013/14 Portfolio position;
- the borrowing strategy for 2013/14;
- the borrowing outturn for 2013/14;
- compliance with treasury limits;
- investments strategy for 2013/14;
- investments outturn for 2013/14;
- debt rescheduling;
- Shropshire Council debt
- overall outturn position
- leasing

7. 2013/14 PORTFOLIO POSITION

The Council's treasury management position at the beginning and the end of the year was as follows: -

	31 March 2013		31 March 2014	
	Principal £m	Rate %	Principal £m	Rate %
Borrowing	110.614	3.49	125.583	3.37
Investments	31.426	3.86	23.510	3.38
Net Indebtedness	(79.188)		(102.073)	

There was new temporary borrowing and repayment of £11m PWLB during 2013/14; temporary borrowing was £26.1m at 31 March 2014. The capital programme was funded from a combination of borrowing, capital receipts, grants and other external contributions plus funds from maturing investments; this has resulted in an increase in net indebtedness during the year. Prudential borrowing increased in 2013/14 due to planned capital expenditure approved as part of the capital programme.

The Adopted Treasury Strategy was to:-

- Monitor borrowing opportunities determined by the prevailing markets.
- To use maturing investments to reduce borrowing where possible.
- Reduce the volatility of investment returns while maintaining adequate flexibility in arrangements.
- To achieve optimum return on investments commensurate with proper levels of security and liquidity.

9. COUNCILS RESPONSE TO ECONOMIC CLIMATE

- 9.1 2013/14 saw continued difficulties with both sovereign and individual bank credit ratings. Base rate remained at 0.5% throughout the whole of 2013/14. The UK economy has started to improve but the Monetary

Policy Committee remains cautious. Base rate has generally been predicted to stay at 0.5% until mid 2016 although Mark Carney, Governor of the Bank of England has recently indicated that the first rate increase may be sooner than generally expected.

9.2 The Council has reduced both the amount and duration of its investments and as other investments mature, total investments will be reduced further. These funds were used to reduce the need to borrow and reduce exposure to investment risk.

9.3 We have closely followed guidance issued by our Treasury Advisors in relation to credit ratings, financial standing and duration.

10. **BORROWING 2013/14**

10.1 **Original Economic Projections**

The Expectation for Interest Rates – When the budget was set for 2013/14 the “average” City view anticipated that Bank Rate would remain at 0.5% until mid 2015 before starting to rise gradually back towards more normal levels in 2015, though Bank Rate would take a long time to return to around 4.5%.

10.2 **Outturn 2013/14**

During 2013/14 the Monetary Policy Committee (MPC) was focused on helping the economy to recover, but with inflation falling to target level.

The MPC also maintained the level of quantitative easing at £375bn.

The dominant focus in 2013/14 was on quarterly GDP growth figures and the unemployment rate. Overall for 2013/14 the economy grew by 2.7%.

Inflation had been a major concern of the MPC but this has fallen from 2.8% in March 2013 to 1.6% in March 2014. Inflation is predicted to increase back to the 2% target level within the 2 year horizon.

Borrowing and Investment Rates in 2013/14

The overnight investment rate has varied little during the year. The 3 month investment rate has fallen slightly during the year to stand at 0.38% at year end having started the year at 0.44%.

Treasury Borrowing and Rescheduling

The borrowing strategy for the current year has been to use maturing investments to reduce the Council’s exposure to interest and market volatility and reduce borrowing where possible.

During the year we borrowed no new PWLB loans, although we did have some maturities totalling £11m.

PWLB Repayments & Discounts

No loans were repaid early or rescheduled during the year.

An analysis of the maturity structure of our debt is shown below.

Analysis of Debt Maturity as at 31st March

	2013		2014	
	£'000	%	£'000	%
Maturing in less than 1 year	11,093	10.0	37,063	29.5
Maturing in 1-2 years	11,001	9.9	1,001	0.8
Maturing in 2-5 years	3,002	2.7	3,002	2.4
Maturing in 5-10 years	2,506	2.3	1,506	1.2
Maturing in more than 10 years*	<u>83,012</u>	75.1	<u>83,011</u>	66.1
	<u>110,614</u>	100.0	<u>125,583</u>	100.0

* this includes £60m LOBO (Lenders Option Borrowers Option) loans that are potentially callable at certain points before the maturity date. There is therefore the potential that these loans would have to be replaced sooner exposing the council to the prevailing market at that time. To-date, none of our LOBOs have been called before maturity.

Debt Performance

As highlighted in section 7 the average debt portfolio rate has fallen over the course of the year from 3.49% to 3.37%. This is due to temporary borrowing the council undertaken in 2013/14 as compared to 2012/13. The low rates of this in 2013/14 reduced the overall interest rate of the portfolio in that year.

11. **COMPLIANCE WITH TREASURY LIMITS**

During the financial year the Council operated within the Treasury Limits and Prudential Indicators set out in the Council's Treasury Policy Statement and annual Treasury Strategy Statement apart from borrowing exceeding the operational limit for some of the year due to a significantly changed pattern of cashflows arising from the new local government finance system introduced on 1st April 2013 and previously advised to Audit Committee members. However at all times we remained within the Council's Authorised Borrowing Limit and there are no consequences for the temporary breach of the operational limit. The outturn for the Prudential Indicators are detailed in Appendix 1 which shows that no limits were breached during the year.

12. **INVESTMENTS 2013/14**

12.1 **Strategy**

Internally Managed Investments - The authority currently manages all of its investments in-house and invests within the institutions complying with its counterparty limits and credit ratings. Some investments are short term related to cash flows and others include longer term investment instruments that benefited returns in 2013/14.

Investment Strategy - The agreed short term investment strategy for 2012/13 was to achieve optimum return on investments commensurate with proper levels of security and liquidity and to use maturing investments to reduce the need to borrow, where possible.

12.2 Outturn 2013/14

Detailed below are the results of the investment strategy undertaken by the Council, based on the average investment during the year.

	Average Investment	Rate of Return (gross of fees)	Rate of Return (net of fees)	Benchmark Return *
<u>Internally Managed</u>				
Investments	£46.609m	3.38%	3.38%	0.41%

No institutions in which investments were made showed any difficulty in repaying investments and interest in full during the year. This performance is significantly better than all other local authority clients of our Treasury Management Advisors, Arlingclose.

13. SHROPSHIRE COUNCIL DEBT

The Council makes an annual contribution (£1.968m in 2013/14) towards County Council costs on pre disaggregation debt (i.e. pre unitary inception) - interest paid averaged 5.56% last year. The rate of interest paid on this is managed by Shropshire and is considerably higher than the rate payable by Telford & Wrekin Council on its borrowing.

14. OVERALL OUTTURN FOR 2013/14

The net overall position is summarised in the table below. The sound overall position has resulted from a mix of cash flow benefits plus proactive treasury management activities. The budget reflected the position when the budget was set, the underspend has been achieved through active management of debt principal and the low interest rates prevailing for the year. Overall a net saving of just over £1.5m was made against budget for the year with a further one-off benefit of £4.884m arising from the change in accounting policy relating to the calculation of Minimum Revenue Provision.

Summary of Outturn Position

	Estimate £m	Outturn £m	Variance £m
Interest Received	(1.275)	(1.581)	(0.306)
Principal Repayments	5.314	4.562	(0.752)
MRP saving from change of policy	0.000	(4.884)	(4.884)
Set up MRP provision	0.000	4.884	4.884
Capitalisation of Interest	(0.000)	(0.252)	(0.252)
Interest Paid	4.380	4.095	(0.285)
Net Position	10.374	8.828	(1.546)

15 **LEASING**

Each year the Council arranges operating leases for assets such as vehicles, computers and equipment. This helps spread the cost over a number of years in line with the anticipated life of the equipment.

The final drawdown for 2013/14 was completed in March. The drawdown from Siemens totalled £0.052m and funded the purchase of gym equipment over five years at an interest rate of 2.05%.

16. **2014/15 UPDATE**

The remainder of this report deals with the current financial year based largely on information to 31 May 2014.

16.1 **Strategy**

The strategy for 2014/15 is to continue to use maturing investments, where possible, to reduce the need to borrow thus reducing investment exposure. We will review investment opportunities if they arise and also review borrowing opportunities as we progress through the year and look to take advantage of the advantageous interest rates if possible. 2014/15 and 2015/16 could see the Council investing in significant regeneration projects including the MoD logistics hub and building homes and commercial property for rent to the private sector as well as potential investment in a solar farm. As referred to in the Council's 2014/15 Service and Financial Planning Strategy report, investment in these projects would necessitate an increase in the Council's borrowing limits and this report recommends that as the business cases are now being fine tuned that it is appropriate to increase these limits to facilitate these investments subject to final agreement of the business cases.

16.2 **Interest Rates**

Base rate began the year at 0.5% and has remained there. The current expectation is that there will be no increase before June 2016.

16.3 **Prudential Regime**

This Council agreed its required indicators at Council on 27 February 2014. There have been no breaches of the indicators and none have been amended. The Council set itself an Operational limit for external debt of £220m for 2014/15 and an Authorised limit of £234m. Our total borrowing outstanding (including PFI) is £159m which is within both limits.

16.4 **Borrowing**

We have not taken any new borrowing in 2014/15 and have had no maturities to-date. In total we have £11m maturing during 2014/15.

16.5. **Internally Managed Investments**

The strategy for the year is to gain maximum benefit at minimum risk whilst achieving as a minimum, the 7 day deposit rate. As mentioned above, we will also continue to use maturing investments, where possible, to reduce the need to borrow. For the period to 31 May 2014 some £438m worth of investments have been made in our overnight call

accounts. Rates have ranged from 0.35% to 0.40%. As at 31 May 2014 internal investments stood at £34.97m.

Potentially the Council can place up to £20.0m with any Counterparty. At the end of May the greatest exposure with a single counterparty was £19.9m with Santander (56.9% of the portfolio). We currently have no investments with non UK sovereigns. A detailed breakdown is shown in Appendix 2.

16.6 Non UK Sovereign Counterparty Limits

At present we have a non UK sovereign counterparty limit set at 20% of the portfolio. This was set when we had a much greater level of external investments, since then we have reduced both the total amount and length of our external investments. Since most of our investments are short term for cashflow purposes and the amount of investments can vary constantly a limit of 20% is difficult to manage from a treasury perspective. **We are therefore proposing to amend this limit to a total of £20m for all investments with any non UK sovereigns, but always subject to them meeting our requirements in terms of security of the counterparty.**

16.7 Amendments to Prudential Indicators for 2014/15

The Council is considering undertaking 2 major capital regeneration projects (Housing and MOD), as well as potentially building a solar farm and to accommodate the additional spending in 2014/15 it is necessary to increase a number of prudential indicators as follows;. The Authorised and Operational limits can only be approved by Full Council.

- **Capital Expenditure. It is anticipated that an additional £51m will be spent in 2014/15. This will increase capital expenditure from £115.650m approved by Council in February to £166.650, of which £51.304m will be prudential.**
- **Gross Debt will increase from £133.3m to £184.3m for borrowing and £244.7m in total.**
- **Capital Financing Limit will increase from £270.3 at 31/3/15 to £321.3m**
- **Authorised Limit for External Debt will increase by £70m to £240m for borrowing and £304m in total**
- **Operational Limit for External Debt will increase by £65m to £223m for borrowing and £285m in total.**

17 Background Papers

CIPFA Code of Practice for Treasury Management in Local Authorities;
Fund Manager Valuations; Temporary Borrowing records; PWLB records
Investment records

Report prepared by:
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Tel. (01952) 383702

PRUDENTIAL INDICATORS

PRUDENTIAL INDICATOR	2012/13	2013/14	2013/14
(1). EXTRACT FROM BUDGET AND RENT SETTING REPORT	£m	£m	£m
	Actual Outturn	Original Estimate	Actual Outturn
Capital Expenditure			
TOTAL	71.7	99.1	84.6
Ratio of financing costs to net revenue stream			
General fund	3.15%	3.11%	3.11%
Net borrowing requirement			
brought forward 1 April	147.7	121.7	110.6
carried forward 31 March	110.6	110.3	125.6
in year borrowing requirement	-31.1	-11.4	+15.0
Capital Financing Requirement as at 31 March			
TOTAL	242.0	237.9	271.1
Annual change in Cap. Financing Requirement			
TOTAL	-7.8	-3.8	+29.1
Incremental impact of capital investment decisions	£ p	£ p	£ p
Increase in council tax (band D) per annum (not cumulative)	-0.53	-3.71	-3.71

PRUDENTIAL INDICATOR	2012/13	2013/14	2013/14
(2). TREASURY MANAGEMENT PRUDENTIAL INDICATORS	£m	£m	£m
	final	original	final
Authorised limit for external debt - borrowing	230	145	145
other long term liabilities	6	65	65
TOTAL	236	210	210
Operational boundary for external debt - borrowing	210	125	125
other long term liabilities	4	63	63
TOTAL	214	188	188
Upper limit for fixed interest rate exposure Net principal re fixed rate borrowing / investments	100	100	100
Upper limit for variable rate exposure Net principal re variable rate borrowing / investments:-	80%	80%	80%
Upper limit for total principal sums invested for over 364 days (per maturity date)	95%	95%	95%

Maturity structure of fixed rate borrowing during 2013/14	lower limit	upper limit
under 12 months	0%	40%
12 months and within 24 months	0%	25%
24 months and within 5 years	0%	50%
5 years and within 10 years	0%	75%
10 years and above	25%	100%

Summary of Investments at 31 May 2014

	Sovereign Credit Rating	Individual credit Rating	Total £m	%
Call Accounts				
HSBC	UK AA+	F1+AA- support 1 viability a+	5.033	
Santander	UK AA+	F1A support 1 viability a	19.935	
			24.968	71.40
Fixed Deposits				
Barclays	UK AA+	F1A support 1 viability a	5.000	
Close Brothers	UK AA+	F1A support 5 viability a	5.000	
			10.000	28.60
Variable Deposit				
			0	
Total			34.968	100.00

The Contract Procedure Rules

Information to reader:

The Local Government Act 2000 (Constitutions) requires the Constitution to include rules, regulations and procedures relating to the Authority's procurement process. The rules are contained within this document. There is also a considerable amount of guidance and templates that underpin and facilitate these rules. Links to this guidance are shown as underlined [blue narrative](#)

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Guidance Documents

- A. [Guidance to the Contract Procedure Rules](#)
- B. [Procurement Flow Chart](#)
- C. [Guidance for Health and wellbeing, care, education and Support](#)
- D. [Additional procurement guidance for Construction](#)
- E. [Grant Decision Guide](#)
- F. [Social Value Guide](#)

1. Purpose

1.1 The aims of the Contract Procedure Rules [the Rules] are to:

- achieve value for money
- ensure compliance with all legal requirements
- ensure transparency, openness, non discrimination and fair competition
- support the Council's corporate aims, values and priorities
- protect our officers
- demonstrate probity, consistency, accountability and integrity
- assist in time management and planning for procurement

1.1 The Rules are supported by Guidance. Officers should have due regards to this Guidance when planning and carrying out procurement

2. Scope

2.1 The Rules apply to all contracts with outside organisations, or people, including agreements with or on behalf of other public sector organisations & partner agencies, where there is an agreement to supply goods, works or services, in return for money or payments in kind, whether that agreement is formal or informal. This includes:

- purchasing of all goods and services or works
- loan or leasing arrangements
- instruction of outside experts or consultants under contracts for services
- tenders for sub-contracts
- grants and external funding arrangements
- Sale of services, goods and assets

2.2 These Contract Procedure Rules do not apply to contracts of employment or contracts relating to interests in land.

3. Legal and Statutory Requirements

3.1 The Council is obliged by virtue of section 135 of the Local Government Act 1972 to make contract procedure rules to ensure competition and regulate the procurement process

3.2 Every contract above the relevant [EU Thresholds](#) whether made by, or on behalf of, the Council must comply with the relevant statutory requirements (known as the 'EU Procurement Rules')

3.3 Contracts must also comply with the Council's Financial Regulations and protect the Councils' interests fully

3.4 The risks of non compliance with the Regulations are significant and include awards of damages, a fine for the authority and contracts being cancelled. A breach of these contract procedure rules is a disciplinary matter.

3.5 Where there is a conflict between these Contract Rules and EU Regulations, then EU Regulations will apply.

4. Responsibilities

4.1 Every officer and member of the Council has a responsibility to declare any links or personal interests which they may have with purchasers or suppliers and/or contractors if they are engaged in contractual or purchasing decisions on behalf of the Council. Officers should complete a [Declaration of Interest Form](#) and submit this to the Assistant Director or relevant Director as soon as they become aware of such an interest. Members are responsible for amending their own entries in the Register of Interests held by Member Services as soon as they become aware of such an interest.

Designation	Responsibilities
Assistant Directors	<ul style="list-style-type: none"> • Ensure that their teams comply with these Contract Rules. • Ensure that key strategic procurement projects are properly resourced and have legal, financial, procurement and where necessary HR input at the outset. • Ensure that schemes of delegation are obtained as required
Service Delivery Managers	<ul style="list-style-type: none"> • Ensure that officers with sufficient training, experience and knowledge of the Rules carry out procurement. • Ensure that resources are available to allow compliance with the Rules • Ensure contracts are signed at the appropriate level in accordance with the Finance Regulations and the Rules • Appoint a Procurement Champion for their Service Delivery Area • Attend Auctions to bid for items providing that funding is in accordance with approved budgetary estimates. • Enter into leasing arrangements on behalf of the Council
Officers	<ul style="list-style-type: none"> • Comply with these Contract Rules, Financial Regulations, and the Code of Conduct for employees and with all UK and European Union legislation. • Ensure they and any team members they are responsible for are suitably trained before they procure. • Ensure that any agents, consultants and contractual partners acting on their behalf also comply with the Rules • Maintain an audit trail of all authorities given and decisions made to show how the Rules have been complied with in a fair and transparent process • Involve Procurement and Legal Services at the earliest opportunity and at all necessary stages of the procurement • Store all documents in electronic form, including any correspondence in a restricted shared drive or eTeam site.
Third Parties	<ul style="list-style-type: none"> • Must comply with the Rules and Officers instructing third parties to procure contracts must supply them with a copy • Officers and third parties must ensure that any Conflict of Interest is avoided in the first instance or declared to the appropriate Assistant Director using the Declaration of Interest Form. Legal advice must be obtained by Officers where any conflict has the potential to impact on a contractual relationship

5. General Requirements

5.1 The Public Services (Social Value) Act 2012

The Act requires public bodies in England and Wales to consider:

- how what is proposed to be procured might improve the economic, social and environmental well-being of the relevant area, and
- how, in conducting the process of procurement, it might act with a view to securing that improvement

The Act must be considered at the pre – procurement stage of all contracts for services.

For further information please refer to the [Social Value Guide](#) guidance

5.2. Equalities

5.2.1 The general equality duty, set out in the Equality Act 2010, requires Councils to have due regard to the need to:

- eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the act
- advance equality of opportunity between people who share a [Protected Characteristic](#) and those who do not and
- foster good relations between people who share a protected characteristic and those who do not.

5.2.2 The Council must consider the impact the procurement outcome may have on the people who live and work in their area, with regard to their age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

5.2.3 If the procurement:

- may have a high negative impact,
- had a previous impact assessment that identified a high negative impact,
- impacts on a large number of people, or,
- deals with particularly sensitive issues

5.2.4 You may need to carry out a Community Impact Assessment at the planning stage of your procurement. Further guidance can be found on the [Assessing Impact](#) page of the Council's intranet.

6 Key Decisions

6.1 Officers must consider whether the decision to procure is a [Key decision](#) and if so ensure that details are entered onto the [Notice of Key Decision](#) in good time.

6.2 Where the procurement is a key decision, the Officer must obtain evidence of the key decision being approved such as the minutes from the relevant cabinet meeting, and store this for completeness with the tender and contract documentation.

7 Contract Classification and Forms of Contract

- 7.1 Officers should consider which type of contract they are procuring:-
- A contract for works, including [construction and engineering](#)
 - A contract for services or
 - A contract for goods
- 7.2 If the procurement is for a “mixed” contract then the predominant purpose will prevail. The appropriate terms and conditions for that type of contract must be used as detailed below.
- 7.3 The Council’s [Terms and Conditions](#) must be used for all tenders and contracts and the Council must avoid entering into contracts under provider’s/contractor’s terms and conditions.
- 7.4 On occasion, there may be a requirement for a specialised service which brings with it a need for non standard Terms and Conditions. In this case the Terms and Condition must always be discussed with Procurement Team in advance and approved prior to any tender issue and contract award.
- 7.5 Officers should ensure that any Terms and Conditions indicated by use of a regional or national framework do not differ significantly the Council’s own Terms and Conditions and if in doubt should have these reviewed by the Legal team.
- 7.6 Officers must consider the total value of the contract at the outset (see [guidance to contract procedure rules](#)) and follow the prescribed route below using the [Procurement flow chart](#) for guidance.

Total Value	Action
Under £10,000	Achieve best value through informal quotes
Between £10,001 and EU Threshold Limits	Three Written Quotes obtained through the eTendering system
Over EU Threshold limits	Formal Tender Using eTendering system

- 7.7 For all construction procurement, the following will apply

Total Value	Action
Under £5,000	Direct contract or single quotation with supplier from supplier list – can compete if further Value for Money (VFM) is likely to be achieved
Between £5,000 and £50,000	Three Written Quotes obtained from the supplier list.
Between £50,000 and EU Threshold	Formal Tender required from at least 4 suppliers for traditional contracts and at least 3 suppliers for Design and Build.

Over EU Threshold	A minimum of five suppliers must be invited to tender for traditional contracts and at least 4 suppliers for Design and Build (unless fewer suitable candidates have met the selection criteria and these are sufficient to ensure genuine competition).
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8. In House Provision and Corporate Contracts

- 8.1 Officers must check if there is an option to access current in-house Services for example Facilities Management, Cleaning Services, Catering Services, Professional Services and Maintenance for Building and Construction, Communications, Energy Management, Training. Use of an in house resource should offer better overall value.
- 8.2 Officers must also check if there is an option to access an existing [Corporate Contract](#) Where a suitable Corporate Contract exists this must be used unless there is a justifiable reason not to. A list of corporate contracts can be found on the Procurement Intranet page.

9. Frameworks

- 9.1 Officers must ensure that they follow the rules in the framework which set out how individual contracts can be called off. This may be direct award if prices are provided but more often this will involve a further procurement activity, referred to as a mini or further competition. Officers must ensure that the cost quality evaluation criteria used as part of the initial framework award is used to select suppliers through further competition but relevant extra sub criteria can be added. Officers must also check that all terms and conditions of the framework comply with and compliment the Council's own values and priorities.
- 9.2 Authority to establish a new framework agreement (as opposed to ordering from a framework) must be agreed by the relevant Assistant Director.

See [guidance to contract procedure rules](#) for further information

10. Joint and Collaborative Procurement and Schemes financed partly or wholly by another Public Sector Organisation,

- 10.1 Where the Council acts as a Lead Authority to let contracts on behalf of a consortium of public sector bodies, these Contract Procedure Rules must be complied with and all records kept by the Council's nominated officer.
- 10.2 Officers leading or participating in multi-agency schemes where the key decision process applies must obtain approval from the Chief Finance Officer prior to committing the Council to participate in the scheme.
- 10.3 Officers leading multi-agency schemes must ensure that partnership working agreements are in place before procurement activity for the scheme begins or the contract is let.
- 10.4 European Regional Development Funding (ERDF) requires specific procurement rules

to be followed in addition to these rules.

See [guidance to contract procedure rules](#) for further information

11. Appointing Experts and Consultants,

11.1 A [Use of Consultants](#) Business Case must be completed for any procurement of a consultant or expert where the total value of their services will exceed £500.

11.2 Specific Council [Consultant terms and conditions](#) must be used for the appointment of a consultant. It is essential that an appointed Consultant has suitable Professional Indemnity Insurance and certificates should be checked before any contract commences and on an ongoing basis until all advice is completed.

See [guidance to contract procedure rules](#) for further information

12. eProcurement,

12.1 The Council's eTendering system must be used for all procurement activity over £10,000. This will ensure a robust audit trail and is a cost saving to both the Council and potential suppliers. Full details on how this can be used are available via the Procurement intranet page.

12.2 Prior approval from the must be obtained from the Assistant Director of Law Democracy and Public Protection if you wish to procure without using the Council's eTendering system.

See [guidance to contract procedure rules](#) for further information

13. Supporting the Economy and advertising,

13.1 All requirements over £5,000 must be advertised through competition of an [Advert Form](#). Officers can advertise requirements below £5,000 if they feel that it may be of benefit, both for the Borough and the Council.

13.2 The Procurement Team will manage advertising of the requirement through social media and the Council's internet page.

See [guidance to contract procedure rules](#) for further information

14. ICT Facilities & Services,

14.1 Regardless of value, all purchases of ICT hardware, software, licenses, systems, services, or works must be through, or with the agreement of, the ICT team for the purposes of system integration, monitoring compliance with corporate standards and obtaining of Best Value. The ICT team should be consulted at the earliest stage when considering any IT related project or solution.

14.2 The Requirement must initially be logged with the ICT Service Desk by the Service Area that requires it. The ICT Service Desk will then take appropriate action to make the purchase or provide stakeholder input to an [ICT Project Mandate](#), the specification and project plan.

14.3 ICT will also support negotiations regarding annual maintenance charges and system upgrades.

15. Leasing Arrangements,

15.1 Leasing is a method of financing the acquisition of certain types of capital assets and allows the cost to be spread over several financial years through annual rentals. It is a specialised area of finance with complex legal and financial agreements. Leasing arrangements may only therefore, be entered into by the Assistant Director or his designated officer.

15.2 Please see the [Financial Regulations](#) for further information.

16. Transfer of Undertakings (Protection of Employment) Regulations 2006,

16.1 Where a contract is to be re-procured and TUPE may apply, the contract manager must write to the existing supplier and request TUPE information to be supplied via a [TUPE template](#) well in advance of the tendering exercise commencing.

16.2 Officers must ensure that sufficient time is built into the procurement so that the costs and implications can be shared with potential bidders through standard TUPE provision within the tender documents.

16.3 The contract terms and conditions for any new service contract must contain an up to date TUPE clause to ensure that future TUPE details are shared well before any subsequent retendering.

See [guidance to contract procedure rules](#) for further information

17. Grants

17.1 Grants must be approved for use by the Assistant Director and Finance Manager. They must be recorded on the Grant register held on the Procurement eTeam site.

17.2 You must adhere to the approvals limits as detailed in section 5.4 of the Financial Regulations and use the [Grant Conditions](#) document when issuing a grant

See [guidance to contract procedure rules](#) for further information

18. Memorandum of Understanding (MOU) and Service Level Agreements (SLA),

18.1 SLAs and MOUs can only be used following agreement with Legal services

18.2 All Assistant Directors have authority to sign a MOU or a SLA provided that legal approval has been given.

See [guidance to contract procedure rules](#) for further information

19. Parent Company Guarantee and Bonds,

19.1 A performance bond or adequate security will be required where:

the nature and length of the contract is such that the risk of failure is sufficiently high; or

- the estimated cost of re-establishing a service if the contract fails is relatively high; or
- the financial and technical standing of the contractor is such that the risk of the failure is sufficiently high.

19.2 The amount of the bond will be 10% of the total contract value unless otherwise agreed by the Assistant Director of Finance.

20. Keeping Records,

20.1 Each Service Area **must keep proper electronic records** of:

- the different stages of the tendering process including all the quotes and letters received, and notes of phone calls and meetings about selecting suppliers in addition to all information already held on the eTendering system
- the awarding of the contract.
- any information provided to tenderers or contractors.
- any decisions made, together with the reasons for those decisions.
- any exemptions granted to the number of quotes/tenders sought.
- Officers must keep all procurement documents for specific periods of time as laid down in the [Council's Corporate Retention and Disposal Scheme \(CRDS\)](#).
- all contracts over EU Threshold are to be passed to the Procurement Team who will record the contract on the Legal Services Deeds Database and pass to legal to arrange scanning
- original Sealed contracts must be stored in Legal Service's deeds room

20.2 A [Procurement Report](#) must be completed for Procurement over EU thresholds to meet EU Directives. This report must be held in a shared drive as can subject to Freedom of Information Disclosure.

21. Signing Contracts

All contracts must be signed by an authorised officer as set out below:

Contract Value	Acceptance by
Up to EU Threshold	Appropriate Assistant Director or designated Officer <ul style="list-style-type: none"> • One signature is required
EU Threshold to £500,000	Appropriate Assistant Director or Service Delivery Manager <ul style="list-style-type: none"> • Two signatures required (At least one of whom must be the Assistant Director or Service Delivery Manager. The second signatory can be an officer of any seniority designated by the Assistant Director or Service Delivery Manager)
In excess of £500,000	KEY DECISION

Contract Value	Acceptance by
	<p>Appropriate Assistant Director and Service Delivery Manager</p> <ul style="list-style-type: none"> Contracts must be sealed by the Assistant Director Law Democracy and Public Protection instead of being signed and the contracts are enforceable for a period of 12 years

22. Contract management

22.1 Once awarded, all contracts over £10,000 must be recorded on the Council's [Contract Monitoring Document](#). This document provides the data source for the Council's externally published Contracts Register

22.2 The Contract must then be managed in accordance with the Council's [Contract Management Toolkit](#)

22.3 The Contract Monitoring Document must be updated after each contract monitoring meeting and any savings resulting from the meetings reported through to the Procurement team for recording.

See [guidance to contract procedure rules](#) for further information

23. Contract Variations or Amendments

23.1 Officers can enter into extensions or variations provided;

- there is provision within the contract to extend (and this has not already been utilised to its full extent)
- the provision is within scope and does not constitute a material change
- the budget has been confirmed in writing and the variation is no more than 10% of the original value of contract for goods and services or 15% for works and does not exceed the value quoted in the initial EU Notice if applicable.

23.2 Standard [contract variation documentation](#) is to be used to enact the changes of the extension or variation. If the contract to be varied was sealed then a [deed of variation](#) notice is required.

23.3 Once signed or sealed, a copy of the variation should be sent to the Procurement team for scanning and filing on the deeds system linked to the original contract to enable change control

23.4 Legal advice must be sought if proposed changes amount to a significant or material change such as the new requirement not being related to any part of the original advertisement or a value change in excess of the percentages stated in 23.1 but it is unlikely this will be permissible.

24. Exemptions and Exceptions to the Contract Procedure Rules

24.1 Contracts that may be exempt from the application of the regulations and the Rules are:

- Contracts relating solely to the acquisition or disposal of an interest in

land and buildings

- Call-offs under framework agreements, providing procedures broadly equivalent to the Rules and compliant with national and EU legislation
- transactions conducted by the Assistant Director of Finance in respect of dealing in the money market
- in the cases of Social Care contracts for an individual, there is immediate risk to an Individual's health or wellbeing
- In the case of Social Care contracts where a change to a provider is not in the interests or needs of an Individual and such change would be detrimental to the Individual's outcomes
- In the case of Social Care contracts where an out of Borough placement is required to facilitate personal choice.
- where goods, services or execution of works are obtainable only from one source or contractor and there is no reasonably satisfactory alternative from a weak market
- In the case of circumstances beyond the Council's control requiring emergency Works, Supplies or Services when the best value for money option to remedy will apply as a temporary solution.

24.2 Exceptions to the rules may be:

- by the direction of the Council or (in relation to Cabinet functions) the Cabinet. The report to Council/Cabinet must clearly state the reasons why the exception is requested and the alternative contract letting method to be used to ensure best value.
- there is a case for urgent decisions outside the budget or policy framework ;
- compatibility issues such that procurement from another source would be uneconomic given the investment in previous infrastructure;
- a waiver of the rules would be in the interests of the efficient management of the service;
- where there is a legal requirement to contract with a particular supplier.
- where tendering has resulted in insufficient competition (i.e. only 1 supplier) after two attempts at open competitive tender.

24.3 Where an Officer seeks an exemption or exception to the rules they must complete a [Waiver Request Form](#) and this will be reviewed by the Assistant Director of Law Democracy and Public Protection.

24.4 Waivers will not be granted where poor time management and planning have resulted in insufficient time to carry out a complaint process.

24.5 No waivers can be granted for requirements over the EU Threshold.

24.6 Agreed waivers will be recorded by the Procurement Team on the Council's waiver register.

24.7 All exemption decisions must be kept by the originating officer along with the contract/quotation documents in accordance with the Council's Retention and Disposal Policy.

25. Sale of Services, Asset Disposal and Trading

25.1 When selling Council goods or assets Officers must comply with the aims

of the Rules specifically the need to achieve best value, ensure transparency, openness, non-discrimination, probity and accountability.

- 25.2 Surplus goods and materials belonging to the Council may be sold by agreement of the appropriate Service Delivery Manager or Assistant Director subject to compliance with Financial Procedure Rules.
- 25.3 Where sales are proposed the procedures set out in these Rules for the purchase of goods shall be followed, but “highest” shall be substituted for “lowest” in respect of best bids.
- 25.4 Officers can make use of the Council’s eBay account to sell lower value items. More information can be obtained via the Procurement Intranet page
- 25.5 Officers undertaking selling goods must be aware of product safety regulations and take reasonable steps to ensure equipment is fit for purpose and safe to use. If electrical, equipment it must bear a current valid electrical testing sticker. If there is any suggestion the product may be unsafe it should not be sold. Advice on product safety regulations is available from the Trading Standards section.
- 25.6 No IT related equipment or materials may be sold / disposed of by Officers. The Council’s disposal policy specifies that all such equipment must be returned to ICT who will arrange disposal in accordance with EU Directives and the principles of Best Value. The principle should always apply that it should never cost more to dispose of an asset than its residual worth, except where this is governed by legislation. Officers should obtain a minimum of three offers for items up to £50,000 and obtain Legal Advice for sales of over £50,000.
- 25.8 Local authority services trading is a complex area. It is service dependent, some services being prevented by statute from charging/trading. Consideration must also be given to whether the service is a discretionary service or whether there are specific charging or trading powers, and whether there is an intention to either just recover costs or to make a profit. When supplying a service to a private sector body, there is a requirement for them to accept the additional liabilities that can apply as FOI. Should an Officer consider trading services advice must be sought from Legal Services in the first instance.

The updated terms of reference in light of the changes proposed in the report, with the additions highlighted in yellow.

Telford & Wrekin Health and Wellbeing Board Terms of Reference

The Committee has the responsibility on behalf of the Council in respect of public health and health and wellbeing responsibilities within the Borough.

TERMS OF REFERENCE

1. The Health and Wellbeing Board is responsible for guiding and overseeing:
 - 1.1. The ongoing development of the joint strategic needs assessment (JSNA)
 - 1.2. Developing a high-level joint health and wellbeing strategy based upon the findings of the JSNA
 - 1.3. The establishment of sound joint commissioning arrangements
 - 1.4. The development of HealthWatch forum for public and patient engagement and involvement
 - 1.5. Public Health responsibilities and arrangements in the local authority
2. The Health and Wellbeing Board will provide a key forum for public accountability of NHS, social care for adults and children and other commissioned services that the Health and Wellbeing Board agrees are directly related to health and wellbeing in Telford and Wrekin.
3. The Health and Wellbeing Board has a duty to encourage integrated working between local health, social care and health-related commissioners.
4. The Health and Wellbeing Board will work with, and receive reports from, the Children, Young People and Families Board, Community Safety Partnership, Better Care Fund Management Group and the Living Well Board.
5. The Health and Wellbeing Board will have a link to the overarching Telford and Wrekin Local Strategic Partnership but will also very much function in its own right. In addition it will link with the existing adult and children safeguarding boards in order to ensure the focus on the improved health and wellbeing outcomes for the whole population of Telford and Wrekin.
6. The Health and Wellbeing Board will lead on the development of a Telford and Wrekin Joint Health and Wellbeing Strategy for residents which drives health improvement, plans to deliver this strategy and keeps the implementation of these plans under review.
7. Through the Joint Health and Wellbeing Strategy, the Health and Wellbeing Board will oversee a commissioning programme of service and/or pathway redesign to better meet the needs of patients and service users and to deliver improved outcomes. Successful delivery of this will be dependent on the Health and Wellbeing Board developing effective management mechanisms

- with both primary care and secondary care providers where relevant or appropriate.
8. The Health and Wellbeing Board will link into the Local Strategic Partnership, Strategic Boards and associated Partnership Boards, making recommendations to Full Council, NHS England, and the Clinical Commissioning Group Board, as appropriate.
 9. The Health and Wellbeing Board will analyse the priorities for deployment of health and care resources in the area based on information collected through the JSNA and other sources.
 10. The Health and Wellbeing Board will consider options and opportunities to maximise the impact of aligning the deployment of resources of the health and care agencies in the area on agreed priorities. This will include the joint commissioning of health and social care services for children, families, and adults in Telford and Wrekin, to meet identified needs and to consider any relevant plans and strategies regarding joint commissioning of health and social care services for children and adults.
 11. The Health and Wellbeing Board will oversee the development of this proposed joint commissioning activity, ensuring any proposed activity is aligned with local priorities and levels of need and is undertaken within available resources. To consider options for joint commissioning and procurement between relevant organisations to support this work.
 12. The Health and Wellbeing Board will oversee all areas of health and social care commissioning activity for people of all ages, to ensure that commissioning priorities are in line with those set through analysis of the JSNA and the local Joint Health and Wellbeing Strategy. This commissioning activity includes all local services commissioned by Telford and Wrekin CCG, Telford and Wrekin Council, Joint Commissioning CCG/Council, Public Health England and NHS England, which could include local specialised services; secondary dental care; general dental services; GP services; general ophthalmic services; pharmaceutical services; any services for the Armed forces or Offenders; and other primary care.
 13. The Health and Wellbeing Board will keep under review, the financial and organisational implications of joint and integrated working across health and social care services, ensuring that performance and quality standards for health and social care services to children, families and adults are met and represent value for money across the whole system.
 14. The Health and Wellbeing Board will identify and act upon changes that may be required following any new guidance in relation to the Health and Wellbeing Board.
 15. The Health and Wellbeing Board will propose recommendations, as appropriate to:
 - 15.1. Telford and Wrekin Council's Full Council
 - 15.2. NHS England Board
 - 15.3. Telford and Wrekin Clinical Commissioning Group Board

16. The Health and Wellbeing Board will ensure that the Health and Wellbeing Board works to promote the achievement of the objectives of the organisations represented on the Board, including the Council's health improvement responsibilities.

General

17. Annually at the first meeting after the Annual Council Meeting consider its terms of reference

PROCEDURE

General

1. Unless specifically provided for in these Terms of Reference the Council Procedure Rules govern the way that committees operate but these may be varied or suspended¹ at the discretion of the Chairman of the Committee in the interests of efficient and effective management of the committee.

Membership

2. Members of the Health and Wellbeing Board will comprise representatives from the Clinical Commissioning Group, Telford & Wrekin Council, Healthwatch and NHS England Local Area Team. The core members are:
 - 2.1. Cabinet Member responsible for Public Health and Public Protection ~~wider Health Services~~ (Chairman of the Health and Wellbeing Board)
 - 2.2. Cabinet Member for Adult ~~and~~ Social Care
 - 2.3. Cabinet Member for Children, Young People and Families
 - 2.4. Cabinet Member for Leisure ~~and Wellbeing~~ Services and Culture
 - 2.5. Director responsible for Adult Social Care
 - 2.6. Director responsible for Children's Services
 - 2.7. Director of Public Health
 - 2.8. NHS England Local Area Team representative
 - 2.9. Chair of Telford and Wrekin Clinical Commissioning Group (CCG) (Vice Chair Health and Wellbeing Board)
 - 2.10. Non-Executive Director from Clinical Commissioning Group
 - 2.11. Accountable Officer from Clinical Commissioning Group
 - 2.12. Representative of local Healthwatch
 - 2.13. Chair of the Community Safety Partnership
 - 2.14. Each opposition Group with 4 or more elected members shall have one place on the Health and Wellbeing Board with voting rights.
 - 2.15. Such other persons, or representatives of such other persons, as the Local Authority thinks appropriate
3. Attendance and support from such other persons, according to the agenda, including:

¹ With the exception of paragraph 12

- 3.1. Assistant Directors responsible for Commissioning (AD Family, Cohesion and Commissioning)
- 3.2. Director of Executive Lead for Commissioning, CCG
4. This reflects the statutory minimum membership in the Health and Social Care Act 2012.
5. The members of the Board will be advised and supported by officers from the local authority and CCG.
6. Members agree to share all relevant information and data, to allow performance, and other joint working arrangements, to be properly monitored and managed.

Disqualification for Membership

7. Any person who would be disqualified from being able to stand for election as a councillor will be disqualified from being a member of a committee or sub-committee of a local authority. The regulations state that these disqualifications will be retained for Health and Wellbeing Board, but the regulations will ensure the disqualifications do not apply to Health and Wellbeing Board in so far as they cover disqualifications in respect of members of the board holding any paid employment or office in the local authority – this allows the Directors of Adult Social Services, Children's Services and Public Health to be formal members of the Health and Wellbeing Board.
8. The following disqualifications will be retained for members of the Health and Wellbeing Board:
 - 8.1. Being the subject of a bankruptcy restrictions order or interim order
 - 8.2. Having been convicted in the United Kingdom, the Channel Islands or the Isle of Man of any offence and has had passed a sentence of imprisonment (whether suspended or not) for a period of not less than three months without the option of a fine.

Voting Rights

9. All Members of the Health and Wellbeing Board will be able to vote alongside the elected representatives. This applies to any additional board members appointed in addition to the statutory membership set out in the Health and Social Care Act 2012.

Meetings

10. The Health and Wellbeing Board will meet quarterly bi-monthly. Dates and times of meetings will be agreed and published in advance.
11. Agendas and supporting papers will be issued at least five clear days before each meeting and action notes will be produced, confirmed as a true record of the meeting and signed by the Chair.
12. Members of the public and press will have access to the meetings. A Protocol will be developed and agreed by Health and Wellbeing Board.
13. There will be a public speaking section at each Health and Wellbeing Board meeting. A procedure for public speaking at the Health and Wellbeing Board is in

place and is available on the Council's website or by contacting Democratic Services.

Quorum

14. Quorum of one quarter is required, cross section of partners represented, (the minimum number of members that need to be in attendance before decisions can be taken). Business shall not be transacted at a meeting of any Council Committee unless at least one quarter of the whole number of the Committee is present.

Code of Conduct and Declaration of Interest

15. The Health and Wellbeing Board will adopt the Council's code of conduct. Any interests in item(s) on the agenda should be declared at the start of the meeting.

Access to Information/Transparency Provisions

16. Meetings of the Health and Wellbeing Board will be held in public, although the press and public may be excluded during consideration of any matter which would involve the disclosure of confidential or exempt information.

17. The agenda and papers for meetings of the Board, except for any documents that may disclose confidential or exempt information, will be made available for public inspection five days before the meeting.

Reporting Mechanisms/Accountability

18. The Health and Wellbeing Board, as a Committee of the Council, will report to Full Council.

19. The Health and Wellbeing Board will regularly update the Telford and Wrekin Local Strategic Partnership with its progress and specific contributions to achieving the vision and priorities of Telford and Wrekin.

20. The actions of the Health and Wellbeing Board will be subject to independent scrutiny by the relevant members of the Overview and Scrutiny Committee of the Council.

21. The Board will review its structure, membership and activities in response to any further guidance.

Establishment of Sub-Committees

22. The Health and Wellbeing Board will be able to establish sub-committees and delegate functions to them.

Scrutiny

23. Health scrutiny function and powers will be delegated by Full Council to the relevant Scrutiny Committee and the power of referral to the Secretary of State is also delegated to the relevant Scrutiny Committee. The relevant Scrutiny Committee will notify Full Council of an intention to refer a matter to the Secretary of State before a referral is made.

BOUNDARY REVIEW COMMITTEE

Minutes of a meeting of the Boundary Review Committee held on Monday 3rd February 2014 at 6.00 pm in Darby House, Lawn Central, Telford

PRESENT: Councillors R Sloan (Chair), K Blundell, S Davies, A Eade, I Fletcher and A McClements

IN ATTENDANCE: J. Eatough (Assistant Director: Law, Democracy & People Services), P Griffiths (Democratic Services Manager) and P Smith (Democratic Services Team Leader).

A number of residents from Lilleshall were also in attendance.

BRC-13 MINUTES

RESOLVED – that the minutes of the meeting held on 26 September 2013 be confirmed and signed by the Chair.

BRC-14 APOLOGIES FOR ABSENCE

Councillor R Overton

BRC-15 DECLARATIONS OF INTEREST

None.

BRC-16 THE LOCAL GOVERNMENT BOUNDARY COMMISSION FOR ENGLAND – ELECTORAL REVIEW OF TELFORD & WREKIN BOROUGH COUNCIL

The Democratic Services Manager presented the report of the Assistant Director: Law, Democracy & People Services which outlined the final recommendations of the Local Government Boundary Commission for England (LGBCE) following their review of the electoral arrangements in the Borough.

Following consideration of the comments received on its draft proposals, the LGBCE had now published its final recommendations, a copy of which was appended to the report. As a result of some of the consultation submissions, the LGBCE had modified some of its draft proposals. The most significant of these were:

- Parishes of Eyton-upon-the-Weald Moors and Preston-upon-the-Weald Moors to be included in the Edmond & Ercall Magna ward;
- Single member wards for Admaston & Bratton, Shawbirch and Wrockwardine wards;
- Transfer of around 120 electors from Dohill ward to Shawbirch ward;
- Minor change to the boundary between Haygate and Park wards;
- Minor change to the boundary between St Georges and Priorslee wards;
- Proposed three member Madeley ward now to be called Madeley & Sutton Hill ward.

The final recommendations resulted in 12 single member wards, 12 two-member wards and 6 three member wards. No ward was forecast to have an electoral variance of greater than 10% by 2018. There would be some consequential changes to parish warding arrangements.

An Order – the legal document which brought into force the recommendations – would be laid in Parliament, and implemented subject to parliamentary scrutiny. The new electoral arrangements would come into force at the next Borough elections in May 2015.

Members expressed dissatisfaction at the outcome of the review in some areas (eg: Lawley, the rural wards between Telford and Newport) where the strong views of local communities and elected representatives had not been taken on board by the Commission. It was suggested that continuity had not been helped by the changes in LGBCE staff during the Review.

RESOLVED – that the final LGBCE recommendations, which will come into force at the next Council elections in May 2015, be noted.

BRC-17 COMMUNITY GOVERNANCE REVIEW – LILLESHALL, DONNINGTON & MUXTON PARISH: DRAFT PROPOSALS

The Committee received the report of the Assistant Director: Law, Democracy & People Services, appended to which was the suggested Draft Proposals in response to the petition for a Community Governance Review (CGR). The CGR had been triggered following the submission of a valid petition calling for a separate parish to be formed for the Lilleshall ward of Lilleshall, Donnington & Muxton Parish Council.

The Chair reported that he had attended a meeting of Lilleshall, Donnington & Muxton Parish Council to explain the CGR process and the role of this Committee. He added that he would allow the lead petitioner – Mr P Hawkins – and the Chair of the Lilleshall, Donnington & Muxton Parish Council – Mr A Baker – to speak for up to five minutes each. This was to allow the Committee an opportunity to hear views from the local community about the process so far and any representations relevant to the draft proposals.

Mr Baker stated that he wished to see an arrangement that would suit all parties. Local residents welcomed the proposed ballot along the lines suggested in the Draft Proposals document, and it was hoped that the outcome would be accepted by all as the true position of residents on this matter. There was concern at the cost and time already spent on this issue, and that it needed to be resolved.

Mr Hawkins referred to the recommendation in the Draft Proposals document for a postal ballot of all registered voters in Lilleshall, which he opposed. However, if the Committee decided to hold a ballot, he suggested that no further information or documentation from either side be included. It would be up to each side to campaign within the village, and circulate their own information.

The Democratic Services Manager then presented the Draft Proposals document. Since the publication of the Terms of Reference for the Review, 54 electors had made individual or joint submissions by letter or e-mail. The submissions indicated

that there were strong views both in favour of a separate parish and in favour of maintaining current arrangements. Copies of all the submissions received were appended to the document. The views and comments received had been considered alongside the policies laid down in the Terms of Reference, and weighed against the Council's legal duty to ensure that community governance within the Borough reflected the identities and interests of the community; was effective and convenient; and took into account any other arrangements for community representation and engagement in the area. The Draft Proposals suggested that there was evidence that Lilleshall was a distinctive community of identity and that from a budgetary perspective it should be viable. However, from the submissions received, there was an absence of community consensus. The Council did not wish to impose a change in community governance arrangements that were not in line with the wishes or interests of the Lilleshall community. Therefore, as set out in the Terms of Reference, it was proposed to undertake direct consultation with residents in order to get the views of the broader Lilleshall community. Following consultation with the Chair, a postal ballot was being organised to take place between 21 February and 7 March to gauge local opinion on the formation of a separate Lilleshall parish council. A copy of the proposed ballot paper was appended to the report, along with a document containing information from both sides that could be included with the ballot paper.

Following publication of the Draft Proposals, there would be a further three month consultation period prior to the preparation of final recommendations.

The Committee noted the proposed arrangements for the postal ballot of Lilleshall electors, and there was discussion of some of the detailed arrangements. In terms of the ballot paper itself, a view was expressed from a Lilleshall resident that the proposed wording of the question would give the "yes" campaign an advantage. However, Members considered that the question needed to be expressed as simply as possible, and that the wording as proposed was perfectly acceptable. It was also suggested that it needed to be made clear in the information provided with the ballot paper that the result of the ballot was not binding on the Council. In terms of providing information about the draft proposals ahead of the ballot, it was suggested that as well as the Council website, copies of the documents should be placed in Donnington and Newport libraries and in the mobile library. The Democratic Services Manager added that a ballot box could be located in Addenbrooke House Reception to allow residents to return their ballot paper if they had missed the last opportunity to post it back to the Council. There was also a discussion about whether information from each side should be included with the ballot papers, and on balance it was concluded that the ballot should not contain literature to avoid any allegations of bias or unfairness.

Members requested that they be given more time to look at the detail of the Draft Proposals document, and that any comments be submitted before the publication date of 7 February 2014.

RESOLVED –

- (a) that authority be delegated to the Assistant Director: Law, Democracy & People Services, in consultation with the Chair, to adopt and publish the**

Draft Proposals, subject to receipt of any further comments from members of the Committee by 7 February 2014;

- (b) that it be noted that an all-postal ballot will take place later in February in order to gain the views of the wider Lilleshall electorate on formation of a separate Lilleshall parish council, and that the ballot paper design and question be approved;**
- (b) that no information presenting the case for change and the case for no change be included with the postal ballot paper**

The meeting ended at 6.36 p.m.

Chairman:

Date:

BOUNDARY REVIEW COMMITTEE

Minutes of a meeting of the Boundary Review Committee held on Tuesday 29th April 2014 at 6.00 pm in Addenbrooke House, Ironmasters Way, Telford

PRESENT: Councillors R Sloan (Chair), K Blundell, S Davies, A Eade, I Fletcher, A McClements and R Overton

IN ATTENDANCE: P Griffiths (Democratic Services Manager) and P Smith (Democratic Services Team Leader).

BRC-18 MINUTES

RESOLVED – that the minutes of the meeting held on 3 February 2014 be confirmed and signed by the Chair.

BRC-19 APOLOGIES FOR ABSENCE

None

BRC-20 DECLARATIONS OF INTEREST

None.

BRC-21 COMMUNITY GOVERNANCE REVIEW – HADLEY & LEEGOMERY PARISH WARDING

The Committee received the report of the Assistant Director: Law, Democracy & People Services concerning a request from Hadley & Leegomery Parish Council for a Community Governance Review to make adjustments to its ward boundaries.

The Democratic Services Manager reported that, following the last review of warding arrangements in Hadley & Leegomery Parish in 2009, there had been an error in drawing the boundary between the Hadley Castle and Leegomery wards, resulting in 430 electors in the Haybridge Road area being included in Leegomery ward when they should have been in Hadley Castle. Unfortunately, this anomaly had been incorporated into the recent Electoral Review for Telford & Wrekin by the Local Government Boundary Commission for England (LGBCE). The LGBCE had been approached to see if their final recommendations for Hadley & Leegomery could be amended to reflect the correct boundary, but it appeared that the LGBCE did not have powers to amend its final recommendations. Following discussions with the Parish Council, it was proposed that the best way forward to resolve the situation was to instigate a Community Governance Review. The request to restore the boundaries agreed following the 2009 Review in order to correct the error had been received, and the Council was required by law to conduct a Community Governance Review.

In conducting the Review, the Council had to be mindful of the relevant legislation and guidance, but, because of the particular circumstances, it was proposed that the timetable and process for the Review be as simple and straightforward as possible. The first stage was to draw up a Terms of Reference document, a draft of which was appended to the report. The document provided information on the warding and present electoral arrangements, the legislative background, the consultation process to be followed and guidance on how consultees should approach the key issues. There would be a 6 week consultation period but, in order to facilitate the process, a Draft Proposals document had already been drawn up, and this was appended to the report. It was proposed that the Final Recommendations would be considered in June/July 2014.

During the ensuing discussion, the Chair advised that there had been an amicable meeting with the Parish Council, and the clear purpose of the exercise was to put right an anomaly with the current boundary between the Hadley Castle and Leegomery wards. In response to a question about what other options might be available, the Democratic Services Manager advised that the main factor would be the numbers of electors within each ward.

RESOLVED –

- (a) that the Terms of Reference document for the Review, as shown at Annex 2 of the report, be adopted and published;**
- (b) that the Draft Proposals document, as shown at Annex 3 of the report, be adopted and published;**
- (c) that the Assistant Director: Law, Democracy & People Services be appointed as the “Proper Officer” for the purposes of the Review.**

The meeting ended at 6.13 p.m.

Chairman:

Date:

CO-OPERATIVE & COMMUNITIES SCRUTINY COMMITTEES

Minutes of a meeting of Co-operative & Communities Scrutiny Committee held on Wednesday, 19th March 2014 at 2.00pm at Sutton Hill Community Centre, 103 Southgate, Sutton Hill, Telford TF7 4HG.

PRESENT: Councillors A. McClements (Chair), N. England, A. Jhawar, J. Pinter.

Also attending: R. Jones, Community Participation Manager; W. Tonge, Community Involvement Manager; S. Durnall, Community Involvement Officer; A. James, Youth & Community Team Leader; N. Raja, Involvement Officer; S. Jones, Scrutiny Officer.

CCSC-01 APOLOGIES FOR ABSENCE

Cllrs. J. Seymour, J. Thompson, K. Tomlinson and Co-optee John Ellis
Cabinet Member Cllr. S. Davies.

CCSC-02 DECLARATIONS OF INTEREST

None

CCSC-03 MANAGEMENT OF COMMUNITY CENTRES

The Chair welcomed everyone to the meeting which was to receive an update on progress in implementing the recommendations in the committee's report on the Management of Community Centres. An update report had been circulated as Appendix A. She thanked staff at Sutton Hill Community Centre for hosting the meeting so that members could see first hand how things had changed since the review was carried out. She was sorry that Cllr. Bentley was unable to attend the meeting as he had done such a lot of work on the review.

The review had been extensive and the committee had visited all the Council's community centres and others run by other organisations. The committee had concluded that the centres should remain under Council management except that Priorlsee should be transferred to estates and managed as a commercial let, and had made 18 recommendations on how the centres should be developed. She invited the officers present to present the progress report.

The Community Participation Manager made some opening remarks:

- That the update report provided an overview of progress did not bring to life all the fantastic work that had been done.
- She thanked scrutiny for its work; the review had put the community centres on the agenda and the report had given a steer and provided a framework for the development of the centres.
- The development of the community centres had been taken on as a priority for the

Community Participation Team and the team had been restructured around delivery of this as one of the key priorities. Responsibility for development of the centres now sat across the whole team instead of, as previously, with 3 staff.

- There had been a lot of hard work and some real successes since the scrutiny review. The new team had come into post in January 2014 and she was confident it would go from strength to strength. Members were welcome to visit the other centres to see what a difference there was.
- Partners were involved via the Steering Group and there had been conversations about how they could be involved and a work programme was in place.
- Any new ideas from scrutiny would be welcome.
- The Manager put on record her thanks to the team in particular Wendy Tonge and Sarah Durnall, for their hard work in making things happen and handed over to them to give a presentation.

The officers presented photographs to show how the centres had been improved and gave a snap shot of some of the activities in each centre as follows:

- There had been 6 community centres. The key challenges were lack of investment and lack of community consultation and involvement. There had been questions about the future of the centres. Following scrutiny's recommendation the centre in Priorslee was transferred to estates and property to manage as a commercial let which had been complex and taken a lot of work. This left 5 community centres. All the centres had been redecorated, refurbished and Wifi enabled. Staff had "begged and borrowed" wherever possible to save money.
- Donnington Wood Lifelong Learning Centre
The centre was 14 years old and was well used. They had spoken to users to find out how they felt about the centre. It had been redecorated and re-carpeted with cut-offs from the carpets at Addenbrook House; the IT centre had been upgraded; chairs had been donated by Stirchley Centre and unwanted items had been taken from Civic Office; the cafe was being used by builders from the housing development next door; work had been done with local residents and volunteers to encourage their involvement and would be built on; feedback from users on the changes was good.
- Watling Street Community Centre
The centre had been redecorated and new carpets fitted. The Arleston residents group had been involved in choosing the paint colour and the decoration. The residents group had secured £10k funding from UK Coal for a new kitchen which would improve resources and help make the centre more of a hub for the local community. They had worked with Community Payback on bedding plants outside the centre to increase its appeal and create a welcoming feel. A community development worker had been in post for 2 months funded by AFC Telford and had already had a big impact with 3-4 successful events.
- Sutton Hill Community Centre
Prior to the meeting the Involvement Officer had given the members a tour of the facilities and the Youth & Community Team Leader had showed members around the adjoining youth centre. The centre had been Wifi enabled. Members were shown the ICT suite which had been relocated from a smaller room into a bigger room and was being used for a Job Junction session run jointly with TCAT which

was buzzing. Members also saw the main hall which was being used for indoor bowls, and the cafe bar in the main hall, which were hired out to different groups. There were different rates for different types of organisation to encourage and support voluntary and community groups. A “Friends of Sutton Hill” group was being set up which would be able to bid for external funding. Members also visited the adjoining youth centre which was used to deliver universal and targeted support for young people in Sutton Hill, and heard some of the ideas for training courses which could be delivered from there. The outdoor space shared by the community and youth centres had been cleared by volunteers and the idea was to turn it into a space for family social events. There was a soft seating area at the front of the centre, which had been refurbished and Premiere Inn had donated and delivered chairs worth around £250 per pair. The Involvement Officer said the cafe was starting to be well used and people had started dropping into the centre just to use the cafe. He said it was starting to feel like a thriving community centre.

- Leegomery Community Centre

The building had been tired but had been repainted which had delighted the pre-school. Hadley and Leegomery Parish Council had gifted £10k towards an IT suite so that TCAT courses and Job Junction could be run from the centre which was a good opportunity for local people. The cafe had had a facelift and now felt much more inviting. Work was being done with a commercial catering company to review the cafes in all the community centres to explore ways of improving and developing them.

- Brookside Community Centre

Brookside community centre was closed for major refurbishment as part of the £6.2m regeneration of the centre which included shops and the community centre. Local residents had been consulted and had seen the design of the new building which would have a glass entrance, new reception area, multi-use offices, cafe, main hall, a pre-school with outdoor space, class rooms, a quiet room, an updated training room, hygiene suite (the first in Telford) with hoists for adult changing, linked to outdoor space and youth groups. The space had been designed to be flexible so the classrooms could be opened up for social hiring. The corridors had been designed to be wide so they could be used for exhibitions. Local groups had taken ownership of decisions about the centre: the Brookside Improvement Group played a key role and had been successful in obtaining £1m Lottery funding that would be invested over 10 years; the Brookside Events Group have also organised fund raising events; the Brookside Community Interest Company were interested in running the cafe; the Bikes and Recycling social enterprise was looking at using the centre – they make old bicycles safe and resell them, and were hoping to take on an apprentice.

The Chair thanked the officers for the presentation and commended them on the fantastic amount of work they had done. She had personally seen what a difference there had been in the Watling Street Centre. Before, it had been unused and unloved. The residents had been involved in choosing the paint for the centre and the redecoration had made a big difference. The notice boards were now up to date. It was starting to have a big impact on the community and residents were starting to feel part of it. She also reminded members that scrutiny had recommended taking a

phased approach to developing the centres because of the amount of work involved and said it was fantastic that all the centres had moved ahead so much all at once.

Members then asked a number of questions:

- The Chair said scrutiny had been concerned that that TCAT had withdrawn delivery of courses from some centres and wanted to know how this was being addressed. The Community Involvement Officer explained they had been working with TCAT on this. TCAT's funding was attached to the number of learners and their ability to draw down funding was linked to centre usage to enable TCAT to attract the number of students to make courses viable. The first step had been to invest in and upgrade the IT suites in Leegomery and Sutton Hill to increase capacity and attract users so there were enough learners for TCAT to deliver courses. The idea was that they would then see a return on investment from usage by TCAT.
- The Chair asked how they were increasing usage. The Community Involvement Officer explained there were new ways of working and staff had been given a target to increase income by £4000 over previous levels. The transfer of Priorisee and the closure of Brookside had impacted on income but they were not far off achieving the target.
- Cllr. England asked about the finances, whether the centres were subsidised by the Council and if they calculate the cost per user. The Community Involvement Manager explained there were 2 budgets – the Participation Team hold the staff budget and Asset & Property hold the building budget. Cllr. Jhawar asked whether the centres were losing money before and if the idea now was to generate income. The Participation Manager said they had followed scrutiny's recommendation that the priority for the centres should be community benefit and not profit generation. The staff had done a lot of work to develop the centres as community assets meeting the needs of the local community and not as commercial operations. This was why the scrutiny review had been very helpful in deciding the priorities, but it may be helpful to analyse costs against number of users.
- Cllr. Jhawar asked how they measure success. There were several ways:
 - what people say about the centres, and feedback had improved
 - the contribution of the centres to reducing deprivation, and there were lots of outcomes
 - increasing usage, and they had seen a difference
 - meeting financial targets – the priority was community benefit rather than making money. Leegomery made money because rooms were let out because of the layout of the building and there was little community benefit so there is a balance. The Chair said they needed to look at both and Cllr. Jhawar agreed that community and financial success were different. The Involvement Manager said that the scrutiny review had said that the priority should be community benefit and so that's what they had focussed on. They had come a

long way in a short space of time but there was still a long way to go. They needed to develop a marketing plan to attract more events to bring in more income but needed to be mindful of not losing focus on community benefit.

- The Chair asked if the idea of a Community Board (of centre managers) had progressed. There was a strong relationship with the centre managers at the Park Lane Centre and Dawley Centre who had been really supportive. They had donated some of the furniture and were sharing information.
- The Chair asked how ward members had been involved. Ward members had been asked for their views and there had been informal discussions with individual members about centres in their ward for example with Cllr. White and Cllr. Mackenzie. The level of involvement varied between members. Cllr. Davies had been very involved in Brookside but the other centres were different and involvement and opportunities depended on the building, but they always tried to contact the relevant ward members to seek their views.
- The Chair asked about engagement of Town and Parish Councils. All relevant Town and Parish Councils had been informed about the review of the centres and asked for their input. Hadley & Leegomery Parish Council had made a donation. The Clerk from Madeley Town Council had sought the views of the councillors and meetings had been held there.
- The Chair asked about the use of outdoor space. The Involvement Officer from Sutton Hill said the outdoor space had been cleared and there were plans to use it for family events. In Watling Street Community Payback had been involved in outside work. The use of outdoor space would be considered as part of the development of the centres.
- The Chair asked if there was the potential to link the community centres to the Pride in Your Community investment. The Community Involvement Manager said there was a big opportunity to identify community projects which could be linked to Pride in Your Community. The Chair said that it had been done in Watling Street where the Street Champions been really involved and they had got other people involved in projects. The Participation Manager said one of the benefits of the restructure was that staff were not tied to one centre but were responsible for the whole remit and the Chair said she could see the benefit of this in Watling Street.
- Cllr. England asked about the future development plan and whether there was a 3 year investment plan. The Community Involvement Manager said it depended on the budget and there was no 3 year commitment now. Two year business plans were being developed but corporately there was no more money so they had to be creative. They were linking into other organisations such as Town and Parish Council, the Youth Offending Service, Probation etc. to develop a co-operative culture and maximise resources. Residents groups stood a better chance of securing external funding so “Friends of....” groups were being developed so they could bid for funding. For example, the Council was not

eligible to apply for the UK Coal funding, but the local residents group had bid for and won £10k for the kitchen for Watling Street.

- The Chair commented that the restructure meant there were fewer staff overall but an increase in capacity for the community centres and she asked how this had affected key holding arrangements. The Participation Manager said the restructure meant there was increased on-site presence but it was not as good as it could be and the next phase was to look at community key holding. This had started in the Watling Street Centre where the community development worker was a key-holder.

There were no further questions.

The Participation Manager told members that she could not be more proud of the team and what an amazing job Sarah and Wendy had done. They had worked very hard to persuade people to give furniture and equipment to the centres which could not otherwise have been afforded.

The Chair thanked the staff and congratulated them on their achievements over the last 18 months. There had been good progress on implementing the 18 scrutiny recommendations and there was more to do but they were getting there.

The Community Involvement Manager said that thanks were due to Cllr. Davies in his absence for leading the work. She said the 2 year business plan was being developed and they would welcome the opportunity of bringing this to scrutiny for input and this was agreed by members.

RESOLVED:

- **That the update be noted**
- **That the business plan be brought to a future meeting**

CCSC-04 CHAIR'S UPDATE

The Chair reminded members that an e-mail had been circulated suggesting that issues related to the welfare reforms should be brought together for consideration at the next meeting as follows:

- Update on the full year impact of the welfare reforms with Budget & Finance
- Support for adults with learning disabilities who have had their benefit sanctioned
- The provision of debt advice and help, particularly preventative work and the role of the credit unions
- Impact of the withdrawal of Local Crisis Assistance funding.

Representatives from partner organisations would be invited to attend. Further work may be agreed at the meeting.

This approach was agreed by members and a date would be agreed by e-mail.

A date would also be agreed by e-mail to look at the community centre business plan.

The meeting ended at 3.30pm

Chairman:.....

Date:.....

PLANNING COMMITTEE

Minutes of a meeting of the Planning Committee held on Wednesday, 30 April 2014 at 6.00pm in the Walker Room, Meeting Point House, Telford

PRESENT: Councillors J C Minor (Chairman), N A Dugmore, I T W Fletcher, E J Greenaway, J Loveridge, G C W Reynolds, S A W Reynolds, B J Thompson (as substitute for A S Jhawar) and C R Turley.

ALSO PRESENT:

PC-100 MINUTES

RESOLVED – that the minutes of the meetings of the Planning Committee held on 5 March 2014 and 19 March 2014 be confirmed and signed by the Chairman.

PC-101 APOLOGIES FOR ABSENCE

Councillor A S Jhawar

PC-102 DECLARATIONS OF INTEREST

Councillor I T W Fletcher commented that he was a Member of St Georges & Priorslee Parish Council but that he had not taken part in any discussions regarding planning application TWC/2013/0901 and, in the circumstances, he would not be withdrawing from the meeting for that item.

Councillor J C Minor also commented that he was a Member of St Georges & Priorslee Parish Council as well as one of the Borough Ward Members but that he had not taken part in any previous discussions regarding planning application TWC/2013/0901 and, therefore, he would not be withdrawing from the meeting for that item.

Councillor S A W Reynolds stated that, with regard to planning application TWC/2014/0129, she was one of the Local Ward Members but that she had not taken part in any previous discussions and, in the circumstances, she would not be withdrawing from the meeting for that item.

PC-103 DEFERRED/WITHDRAWN APPLICATIONS

None.

PC-104 SITE VISITS

RESOLVED – that a site visit takes place at 4.00pm on Wednesday, 21 May 2014 at land to the north of Haygate Road, Wellington, Telford, Shropshire in respect of planning application TWC/2013/1033.

PC-105 PLANNING APPLICATIONS FOR DETERMINATION

Members had received a schedule of planning applications to be determined by the Committee and fully considered each report and the supplementary information tabled at the meeting regarding planning applications TWC/2013/0592, TWC/2013/0855, TWC/2013/0901, TWC/2014/0129 and TWC/2014/0134.

- (a) TWC/2013/0592 - Former Ever Ready Factory, Hinkshay Road, Dawley, Telford, Shropshire

Planning Committee had previously considered this application and granted planning permission to include 38% affordable housing on 16 October 2013. Following the subsequent submission of a viability assessment Members were now asked to consider assertions that no affordable housing was viable on site and associated proposed amendments to the planning obligation package as set out in the update report tabled at the meeting. The Council's Inward Investment & Housing Group Manager had reviewed the viability assessment and considered it to be sound. The original report was included for reference but Members were advised that they were only being asked to consider amendment to the Section 106 Agreement.

Following questions by Members, the Assistant Director: Planning Specialist advised upon viability in terms of the National Planning Policy Framework and the provisions within the Growth and Infrastructure Act which reduced the scope for obstacles to development proposals. He also offered advice regarding the various ways that affordable housing could be delivered and commented upon the negotiation which Officers had undertaken to secure the proposed financial obligations in terms of local priorities.

Members were keen to enable delivery of housing on this brownfield site which would significantly enhance a gateway entrance to the Town Park but lamented the loss of affordable housing on site and as such were keen to ensure that this aspect should be subject to review.

RESOLVED – that with respect to planning application TWC/2013/0855 the Development Management Service Delivery Manager be authorised to grant planning permission subject to

- (A) The Applicant/Landowner entering into a Section 106 Agreement with the Council (final terms to be agreed by the Development Management Service Delivery Manager) relating to:**
- i. A contribution of £150,000 toward off-site affordable housing in the Telford urban area;**
 - ii. A contribution of £150,000 toward recreation and leisure facilities near to the application site;**
 - iii. A contribution toward the provision of primary education of £200,000 based on a scheme of 165 dwellings and the housing mix provided;**
 - iv. £45,000 towards the maintenance of informal open space**
 - v. £ 5,000 towards planning monitoring contribution; and**

vi. **Ensure a review mechanism**

(B) The conditions set out in the main report (with authority to finalise conditions for approval to be delegated to Development Management Service Delivery Manager).

- (b) TWC/2013/0855 - Land to the rear of Willow Tree Cottage, Station Road, Newport, Shropshire

This application sought full planning permission for the erection of 51 dwellings with vehicular access from Station Road with associated parking/garaging and landscaping, and a diversion of the existing Definitive Right of Way.

An update report was tabled at the meeting which set out highways issues regarding the implications of the development on the proposed roundabout associated with the adjacent schemes off Station Road (TWC/2011/0871 and TWC/2011/0916).

Cllr R Pitt, representing Newport Town Council, spoke to oppose the application on the grounds of overshadowing, loss of affordable housing, drainage and that Officers' recommendations on the initial scheme submitted were not fully adopted in the amendments.

Mr G Wade, a local objector, spoke to oppose the application in terms of the impact on Station Cottage with regard to overlook due to ground height differential, loss of light, drainage, access rights, urban design issues, density and referred to recent Planning Policy Guidance issued on 6 March 2014. He asked Members to consider a site visit and/or to defer determination of the application whilst highways issues regarding outstanding schemes were resolved. The Chairman exercised his discretion to allow Mr Wade to circulate the photographs which supported his original written objection in order to demonstrate the impact on his property.

The applicant, Mr A Sheldon, addressed the Committee in support of the application, noting that outline permission existed for surrounding land but as this was a full application affordable housing could be available in a relatively short period of time; he commented that there were no technical issues outstanding and that the design and layout were of a high quality.

The Planning Officer highlighted aspects of the report relating to principle of development, accessibility, internal road layout, density, separation distances, ground level differential, drainage, planning obligations to be secured through the Section 106 Agreement, and highways access and delivery as explained in the update report.

In response to questions raised during Members' deliberations, the Planning Officer clarified plot orientation at the scheme entrance and confirmed that discussions between the applicant and Local Access Forum Officer had resulted in an acceptable route for the diversion of the public right of way. She stated that in the context of proposed modern development in the area, density was not particularly high and that there would be a mixture of parking options available which would benefit from natural surveillance and further consideration could be given to fences and

landscaping to improve security. The Planning Officer also clarified that the Council did not have specific guidance regarding separation distances but the design of the scheme took into account the proximity of nearby dwellings and she confirmed that there were no windows overlooking Station Cottage. Specific concerns were raised by Members regarding the comments of Urban Design and the Planning Officer advised that urban design comments were based upon an ideal and some of the recommendations had been accommodated by the applicant but a balanced view was required.

During the course of their deliberations, Members also considered the requirements of the National Planning Policy Framework, five year housing land supply, and the government's agenda for growth. In addition, comments were also made regarding sustainability, density in context of existing and proposed developments and affordable housing.

The Assistant Director: Planning Specialist assured Members that Officers considered that the proposal was acceptable in this location and in the amended design and form. He stated that the diversion of the Public Right of Way would be subject to a separate legal process. He suggested that Members consider the application as a "standalone" application and applicants for other proposed development would then have to give due consideration to this development in their proposals.

The Committee's Legal Advisor offered clarification regarding the delegated authority which had been requested to enable the setting for terms for a complex Section 106 Agreement with regard to recognition for other applications which may, or may not, come forward and the impact upon the access junction.

Upon being put to the vote, it was by a majority:-

RESOLVED – that with respect to planning application TWC/2013/0855 the Development Management Service Delivery Manager be authorised to grant planning permission subject to

(A) The Applicant/Landowner entering into a Section 106 Agreement with the Council (final terms to be agreed by the Development Management Service Delivery Manager) relating to:

- i. Provision of 11 affordable rented and 6 shared ownership dwellings;**
- ii. A contribution of £63,320.92 towards offsite highway infrastructure works;**
- iii. A contribution of £114,228 towards primary and secondary education provision;**
- iv. A contribution of £29,400 towards offsite play and recreation and a commuted sum towards maintenance (to be agreed);**
- v. Planning monitoring contribution of £10,347.45 (5% of total).**
- vi. The access arrangements and the impact on the adjacent applications (TWC/2011/0871 and TWC/2011/0916) as required; and**

(B) The conditions set out in the update report (with authority to finalise conditions for approval to be delegated to Development Management Service Delivery Manager).

(c) TWC/2013/0901 - Units 7-9, Gower Street Industrial Estate, Gower Street, St Georges, Telford, Shropshire, TF2 9HW

This application sought outline planning permission for residential development on the existing industrial estate, with all matters reserved.

An update report was tabled which set out further comments submitted by Oakengates Town Council and the Council's Highways Officer in response to amended plans.

The Planning Officer pointed out that the landowner was keen to secure planning permission so that the site could be developed but that a viability assessment had not yet been submitted and this may impact upon the achievability of the proposed 38% affordable housing.

The Chairman, Councillor J C Minor, stated that as the Local Ward Member he welcomed development of this derelict site and requested that proposed off-site play and recreational facilities be located in St Georges which had suffered significant loss of youth facilities in recent years. This position was also supported by Councillor I T W Fletcher, a Member of St Georges & Priorslee Parish Council.

Some concerns were expressed regarding access and potential for parking on Walker Crescent and Members considered that it would be prudent to set a maximum number of 20 dwellings on site to improve amenity space.

Upon being put the vote, it was unanimously:-

RESOLVED – hat with respect to planning application TWC/2013/0901 the Development Management Service Delivery Manager be authorised to either:-

(A) grant planning permission subject to the Applicant/Landowner entering into a Section 106 Agreement with the Council, with the Section 106 signed and completed by 12th May 2014, relating to:

- i. Provision of 38% affordable housing;**
- ii. A contribution of £24,862 towards primary education facilities in the vicinity;**
- iii. A contribution of £12,000 towards offsite play and recreation facilities in the vicinity of the development;**
- iv. Planning monitoring contribution of £1843.10 (5% total); AND**

(B) The conditions set out in the update report tabled at the meeting (with authority to finalise conditions for approval to be delegated to Development Management Service Delivery Manager); AND

(C) An additional condition for a maximum of 20 dwellings on site.

Or:-

Refuse outline planning permission if the Applicant fails to sign and complete the Section 106 Agreement by 12th May 2014.

(d) TWC/2014/0074 - Lydebrook House, Coalmoor Road, Little Wenlock, Telford, Shropshire, TF6 5AS

This was a proposal to remove condition no.4 of Planning Permission W93/0268 relating to agricultural occupancy due to a significant change in farming circumstances and diminished demand for agricultural workers to live near the farm.

Noting that the only issue to be considered was occupancy of the building, Members unanimously:-

RESOLVED – that with respect to planning application TWC/2014/0074 planning permission be granted subject to the original conditions of planning permission W93/0268 less condition 4 and the removal of the Section 106 Agreement.

(e) TWC/2014/0129 - 180 Wombridge Road, Trench, Telford, Shropshire, TF2 6PU

This was a proposal for the change of use from residential garage (Use Class C3) to barbers shop (Use Class A1), installation of 1no. door and 2no. windows to front elevation and alterations to access. This application had been referred to the Committee for determination by Councillor C F Smith, one of the Borough Ward Members.

An update report was tabled at the meeting which set out further comments with regard to highways issues.

Mr S Gill and Miss R Gill addressed the Committee as Applicants, with Mr Gill advising that the application arose due to a change in personal circumstances, he hoped that the business would become central to the local community and would, therefore, be reached on foot rather than by car. Miss Gill clarified the position with regard to parking, that the business would operate on an appointment basis which would offer further parking control and reminded Members that there was no loss of dwelling place as the application was for the conversion of an unused double-garage.

The Planning Officer considered that this was a low-key application and that the amended plan was acceptable. She referred to the update report which was tabled at the meeting which set out proposals to limit occupation to one barber's chair which would impact upon the number of customers and, therefore, cars in the vicinity. She also indicated that opening hours were under discussion but Officers' considered normal shop hours would be satisfactory.

Members applauded the applicant's initiative but, as some Members knew the locality particularly well, the applicant was asked to be mindful that the bus stop was not blocked by customers and that visibility for customers leaving the property may be improved by maintenance of conifer hedges.

RESOLVED – that with respect to planning application TWC/2014/0129 planning permission be granted subject to the conditions as set out in the report and additional conditions set out in the update report tabled at the meeting.

(f) TWC/2014/0134 - Land at Wheat Leasows, Telford, Shropshire

This was a Council application seeking full planning permission for the erection of ground mounted solar panels and associated infrastructure on an 11.7 hectare site of agricultural land adjoining the northern edge of Telford's urban built up boundary. An update report was tabled which set out the contents of a ministerial letter dated 22 April 2014 from the Department of Energy and Climate Change regarding solar energy guidance, comments from National Grid and comments from the Council's Drainage Engineer.

The applicant's agent, Mr R Shepherd, addressed the Committee in support of the application, highlighting the extensive public consultation which had been undertaken and lack of objection from statutory bodies, careful selection of the site in terms of limited surrounding properties, adjacent substation, minimal over-shadowing and visual impact. He stated that the application accorded with planning policy and reminded members that financing and viability were not material considerations.

The Planning Officer advised Members that there was not a specific solar energy policy and referred to the Ministerial letter dated 22 April 2014. She also noted that condition 15 referred to decommissioning if use ceased for 6 months, but that the applicant had advised this should be 12 months.

Members considered the provision of this renewable energy generating scheme on the urban fringe in terms of the local policy provisions and the National Planning Policy Framework's presumption in favour of sustainable development, loss of agricultural land, cost effectiveness and mitigation of visual impact. Some comments were made that it would be preferable for solar panels to be placed on roofs, the capacity levels were queried and assurance was sought that the application would be compliant with the Solar Trade Association's 10 Commitments. The Planning Officer indicated that capacity could not be stipulated but that reference to the 10 Commitments could be made in an informative.

Upon being put to the vote, it was unanimously:-

RESOLVED – that with respect to planning application TWC/2014/0134 full planning permission be granted subject to the conditions as set out in the update report tabled at the meeting and add informative about Solar Trade Association good practice (with authority to finalise conditions to be delegated to the Development Management Service Delivery Manager).

The meeting ended at 7.59pm

Chairman:

Date:

PLANNING COMMITTEE

Minutes of a meeting of the Planning Committee held on Wednesday, 21 May 2014 at 6.00pm in the Haybridge Refectory, Telford College of Arts & Technology, Haybridge Road, Wellington, Telford

PRESENT: Councillors J C Minor (Chairman), N A Dugmore, I T W Fletcher, E J Greenaway, A S Jhavar, C N Mason (as substitute for S A W Reynolds) and C R Turley.

ALSO PRESENT: Councillors M B Hosken and J M Seymour (for planning application TWC/2013/1033)

PC-106 MINUTES

RESOLVED – that the minutes of the meeting of the Planning Committee held on 30 April 2014 be confirmed and signed by the Chairman.

PC-107 APOLOGIES FOR ABSENCE

Councillors J Loveridge, G C W Reynolds and S A W Reynolds

PC-108 DECLARATIONS OF INTEREST

Cllr C R Turley commented on his position regarding planning application TWC/2013/1033 but stated that, in the circumstances he would not be withdrawing from the meeting for that item.

PC-109 DEFERRED/WITHDRAWN APPLICATIONS

None.

PC-110 SITE VISITS

None.

PC-111 PLANNING APPLICATIONS FOR DETERMINATION

Members had received a schedule of planning applications to be determined by the Committee and fully considered each report and the supplementary information tabled at the meeting regarding planning application TWC/2013/1033.

- (a) TWC/2013/0809 - The Former Swan Centre, Grange Avenue, Stirchley, Telford, Shropshire, TF3 1UP

This was an outline application made by the Council with all matters reserved for a residential development of up to 21 dwellings together with associated open space, landscaping and infrastructure.

Members were disappointed that there were no additional comments from Highways or the Arboricultural Officer and that the proposals lacked affordable housing.

The Planning Officer explained that the primary issue for the Highway Officer was the relocation of the existing footway/cycleway that presently ran through the site and whilst it had been hoped this could be resolved prior to the Committee the Planning Officer was confident that the issues could be dealt with by condition. He also noted that the trees in question were protected, although clearly if the trees had an impact on visibility splays they would need to be lost.

The Assistant Director: Planning Specialist also explained that the wider community benefit associated with the Building Schools for the Future Programme and the provision of the Lakeside Co-Operative Campus was considered sufficient justification to allow a policy exception regarding the normal application of affordable housing.

The recommendation was proposed and seconded and, following a vote, it was:-

RESOLVED – that with respect to planning application TWC/2013/0809 the Development Management Service Delivery Manager be authorised to grant outline planning permission subject to:-

- (a) confirmation from TWC Highways that they do not object to the planning application.
- (b) receiving a satisfactory memo from the Assistant Director: Development, Business and Housing dealing with financial contributions in respect of the provision of a sum of monies comprising a contributions of (i), (ii) and (iii) below either upon the sale of any of the development land or upon commencement of the development whichever is the sooner (precise terms to be agreed by the Development Management Service Delivery Manager).
 - (i) That commuted sums of money for the maintenance of the open space and any surface water attenuation feature on site to be agreed prior to development.
 - (ii) That funds raised from the sale of the land are directed to the delivery of the new Lakeside Academy in Stirchley.
 - (iii) Any contribution as requested by TWC Highways.
- (c) the conditions set out in the report (with authority to finalise conditions and reasons for approval to be delegated to Development Management Service Delivery Manager).
- (b) TWC/2013/1033 - Land to the North of Haygate Road, Wellington, Telford, Shropshire

This was an application seeking outline planning permission for up to 330 dwellings, of which 25% would be affordable with an agreement that an element of affordable housing could be provided off-site should the Council wish to pursue such an option.

The proposal included the provision of highway and infrastructure works, formal and informal open space, including a Neighbourhood Area Equipped for Play (NEAP) and a Local Area Equipped for Play (LEAP) and associated landscaping. Other than access, all other matters (appearance, landscaping, layout and scale) were reserved for subsequent approval. Full details of the application and numerous consultation responses were set out in the comprehensive report.

Members were presented with a lengthy update report which set out additional matters raised since publication of the main report and took some time to read this prior to receiving public speakers and the comments of the Planning Officer.

Councillor D Roberts, representing Wellington Town Council, spoke against the application on the grounds of educational sustainability, the Council's lack of 5 year housing land supply and noted that the site did not appear in any previous local plans or the Shaping Places plan currently under consultation.

Councillor J M Seymour, one of the Ward Members for Wrockwardine, also spoke to oppose the proposals; noting the level of local objections, she considered that this was the "wrong development, in the wrong place, at the wrong time". She commented on what she considered to be a lack of progress in developing a new local plan which had left the Authority at the mercy of the National Planning Policy Framework's (NPPF) presumption in favour of sustainable development and urged the Committee to fight the proposals in accordance with existing local policy.

Councillor M B Hosken, Ward Member for Ercall, spoke to oppose the proposals, citing the Council's co-operative values and strength of local opposition to the application. He believed that the proposals did not provide any community benefit and would put a strain on local utilities, transport system and result in the loss of valuable trees.

Mr J Pattinson, representing Haygate View Residents Group, addressed the Committee regarding residents' disappointment in the lack of an up to date local plan, lack of a 5 year housing land supply and noted the site's absence from the emerging Shaping Places local plan. He objected to the proposals based upon landscape quality, Wrekin Local Plan policy HE23 (Historic Parks) and Urban Design. He considered that these objections were sufficient to outweigh the requirements of the National Planning Policy Framework and referred to recent case law where an appeal against Herefordshire Council was dismissed.

Mr C Still addressed the Committee on behalf of the applicant to support the application in terms of compliance with the NPPF, particularly the lack of a 5 year housing land supply and presumption in favour of sustainable development. He noted community benefits in the form of education and highways contributions, socio-economic benefits in terms of investment and employment and housing need.

Referring to the report before Members, the Planning Officer highlighted the Council's position with regard to the NPPF and 5 year housing land supply and sought to identify whether the proposals would cause significant harm that would outweigh the benefits of housing delivery. He referred to aspects of the report relating to the sustainability of the location, building on Greenfield land, local heritage

assets, Area of Outstanding Natural Beauty and Wrekin Site of Special Scientific Interest. He drew attention to the consultation with English Heritage which concluded that the proposals would not result in significant harm to the registered park. He further drew attention to the comments of the Urban Design Officer and the illustrated masterplan submitted which could be conditioned as a parameter plan, ecology, highways, flood risk, NEAP/LEAP, upgrade to sports pitches, noise and air quality, addressed the impact on residential amenity during construction via a management agreement and planning obligations in terms of the proposed Section 106 Agreement.

During the robust debate which took place, Members made a number of comments and raised questions regarding land ownership, central government drive for economic recovery through housing delivery, Shaping Places, Strategic Housing Land Availability Assessment (SHLAA), Building for Life 12, access to public transport and planned reduction of local bus services, increased use of existing highways and the proposed junction improvements, loss of visual amenity, interpretation of the NPPF, development of Greenfield land before Brownfield, sustainability, lack of surplus of primary and secondary school places, significant adverse impact upon the historic park, urban design and loss of agricultural land.

The Assistant Director: Planning Specialist advised the Committee that the site had not been included in the Shaping Places Local Plan consultation document as this would have been tantamount to predetermination, however, if Members were minded to approve the application, the site would be included in future issues.

In response to questions, the Planning Officer advised that the local bus operator (Arriva) was currently reviewing the profitability of local bus service No55 and that its continuation was a commercial decision to be taken by the private operator. However, with further development being brought forward, this decision could be reviewed later and the service resumed. Notwithstanding, the site was considered to be very near to Wellington shops and services and therefore sustainable. The Planning Officer also explained that the highways improvement costs would be shared by a number of developments coming forward including the recently approved development at Holyhead Road (TWC/2013/0938) and that the Highways Authority would require that financial contributions should be made prior to commencement. He further advised that development at this site would not have a significantly adverse effect upon or lead to the loss of any heritage asset in the local area, a view supported by English Heritage. He explained that the site was separated from the Registered Park by a woodland block with the Cricket Club having been built within the Park and also providing an intervening incursion. Moreover the likely impact on the Grade II* Orleton Hall and the Grade II Old Orleton Hotel were very negligible.

The Assistant Director: Planning Specialist reiterated the comments of the Planning Officer regarding the involvement of English Heritage, the views of which had been taken on board by the applicant, and there being no objection in this regard, the conclusion reached was that there was no significant harm to heritage assets as the registered park was not part of the application site. He also went on to comment that the Council's education officers had been involved in negotiation for financial contributions and were satisfied with the sums agreed. He noted that numerous

Councils across the country were affected by the lack of a deliverable 5 year housing land supply and he argued that the Council was keeping pace with legislation for the development of a new local plan. Commenting on the number of homes which had been delivered in the last year and the anticipated figures for the next 12 months, he noted that the Planning Minister had written in response to the Cabinet Member for Housing, Development & Borough Towns regarding government initiatives to help stalled sites proceed and congratulated the Council's adoption of a positive approach towards encouraging building on brownfield land. He further advised the Committee that interpretation of the NPPF was an issue for the Courts and not for individual Planning Authorities.

The Development Management Service Delivery Manager also referred to a letter received from the Planning Minister that afternoon following a meeting of the Council and other neighbouring authorities regarding the 5 year land supply issue which set out the circumstances in which the Secretary of State would call in an application, including conflict with national policy, impact on economic growth, effect beyond locality, cross boundary applications, urban design issues and national security.

The recommendation in the report was proposed and seconded from the floor and, upon being put to the vote it was:-

RESOLVED – that with respect to planning application TWC/2013/1033 the Development Management Service Delivery Manager be authorised to grant planning permission subject to:-

- (a) the applicants/landowners entering into a Section 106 Agreement for the provision of 23% affordable housing on-site together with an off-site financial contribution of £300,000 to include a suitable review mechanism; the payment of £576,929 for primary education enhancement and £306,751 for secondary education enhancement (25% of total on commencement of development, 50% on completion of 25% of the dwellings and 25% on completion of 50% of the dwellings; a contribution of £130,000 towards the provision of upgraded sports pitches to be paid upon completion of 25% of the properties; a contribution of £25,000 for public art provision either on site or in Wellington to be paid upon commencement of development; a contribution of £410,720 towards off-site junction improvements to be paid upon commencement of development; contribution of £15,000 towards bus infrastructure improvements to be paid upon commencement of development; a contribution of £20,000 towards off-site traffic calming to be paid upon commencement of development; a contribution of £5,000 for Travel Plan monitoring and £15,000 for planning and financial monitoring to be paid upon commencement of development.
- (b) the conditions set out in the report (with authority to finalise conditions and reasons for approval to be delegated to Development Management Service Delivery Manager).

(c) TWC/2014/0010 - Land adjacent Chillcott Drive, Madeley, Telford, Shropshire

This was a full planning application which sought permission for the erection of 44 dwellings comprising 100% affordable tenure and associated access and landscaping. This application followed an outline approval for residential development in April 2013.

Mr R Fletcher, addressed the Committee on behalf of the applicant, in support of the proposals in terms of affordable housing aspirations and needs.

The Planning Officer drew attention to aspects of her report relating to sustainability, highways comments, noise impact, flooding, design and provision of affordable housing.

Members welcomed the application, particularly the provision of affordable housing although it was noted that some 4-bed or 5-bed homes would have been warmly welcomed. Members were concerned about the impact on the neighbouring care home during construction and were advised that the proposed conditions made provision for a management plan which would control hours of construction, mud on road and hoarding, etc.

The recommendation was proposed and seconded and, following a vote, it was:-

RESOLVED – that with respect to planning application TWC/2014/0010 the Development Management Service Delivery Manager be authorised to grant planning permission subject to the applicants/landowners entering into a Section 106 Agreement for financial contributions of £47,210 towards the adoption of the woodland; £16,500 towards off site leisure and play facilities; £7,500 for the treatment of infected Ash trees and further subject to the conditions set out in the report.

The meeting ended at 7.52pm

Chairman:

Date:

PLANNING COMMITTEE

Minutes of a meeting of the Planning Committee held on Wednesday, 11 June 2014 at 6.00pm in Training Rooms 5/6, AFC Telford United Learning Centre, off Haybridge Road, Wellington, Telford

PRESENT: Councillors J C Minor (Chairman), N A Dugmore, E J Greenaway, A S Jhavar, J Loveridge, A A Mackenzie (as substitute for K R Guy), A A Meredith (as substitute for I T W Fletcher), and C R Turley.

PC-001 MINUTES

RESOLVED – that the minutes of the meeting of the Planning Committee held on 21 May 2014 be confirmed and signed by the Chairman subject to the addition of an £8,000 contribution towards pedestrian crossing enhancements in respect of planning application TWC/2013/1033 which had been included in the recommendation set out in the main report but omitted from the update.

PC-002 APOLOGIES FOR ABSENCE

Councillors I T W Fletcher, K R Guy and L A Murray

PC-003 DECLARATIONS OF INTEREST

None.

PC-004 DEFERRED/WITHDRAWN APPLICATIONS

None.

PC-005 SITE VISITS

RESOLVED – that a site visit takes place at 4.00pm on Wednesday, 2 July 2014 in Tibberton in respect of planning applications TWC/2014/0230 (Back Lane/Plantation Road, Tibberton) and TWC/2014/0236 (land adjacent 12 Tibberton).

PC-006 PLANNING APPLICATIONS FOR DETERMINATION

Members had received a schedule of planning applications to be determined by the Committee and fully considered each report and the supplementary information tabled at the meeting regarding planning applications TWC/2012/0530 and TWC/2014/0057.

- (a) TWC/2012/0530 - Off, Priorslee East, Gatcombe Way/York Road/Hereford Drive, Priorslee, Telford, Shropshire

This was a proposal to extend the time limit for implementation of outline planning permission W2002/1421 for phased residential development of land at Priorslee East. The proposal was rooted in the designation of Telford as a new town under

historic planning powers that the Government allowed the Commission for New Towns to enjoy under the New Towns Acts of 1965 and 1981. Following the passage of time, these historic rights had passed and more formal planning permissions for allocated housing sites to be determined by the Local Authority had come in to force. The proposal was first considered by the Authority under outline planning application W2002/1421 in March 2003 but due to protracted Section 106 negotiations, the planning application was not issued until July 2009. An update report was tabled at the meeting which detailed the receipt of an update to the ecology report.

The majority of Members were satisfied with the application, although some concern was expressed regarding the level of contributions towards primary education and marketing of the sites. The Planning Officer explained that there was no loss of contributions, simply that the formula had changed since the original application was approved which meant that, had the application come forward in the present there would be a higher level of contribution expected. The Legal Advisor pointed out that contributions were subject to indexation so the actual contribution payable would be significantly higher. The Development Management Service Delivery Manager agreed to discuss marketing issues with the applicant, HCA, with whom regular meetings were undertaken.

RESOLVED – that with respect to planning application TWC/2012/0530 the Development Management Service Delivery Manager be authorised to grant outline planning permission subject to the applicants/landowners entering into a Section 106 Agreement (terms to be agreed by the Service Delivery Manager of Development Management) relating to:-

- (i) To provide 25% of dwellings built as affordable dwellings comprising of 20% affordable rent and 5 % shared ownership unless otherwise agreed in writing;
- (ii) A contribution of £122,300 toward the provision, maintenance or enhancement of play equipment or facilities near to the application site;
- (iii) A contribution toward the provision of primary education of £405,336.96 based on the scheme provided;
- (iv) The maintenance of informal open space to a detailed schedule of rates.

and further subject to the conditions set out in the update report (with authority to finalise conditions and reasons for approval to be delegated to Development Management Service Delivery Manager).

- (b) TWC/2014/0057 - Land west of The Cottage, Arleston Village, Arleston, Telford, Shropshire

Planning permission TWC/2012/0240 was granted in October 2012 which included provision for 50 extra care housing units. Unfortunately the applicant had not been able to secure an operator for the Extra Care facility and delivery of this element was not possible at this time. This application, therefore, sought outline planning permission for the erection of 30 No. bungalows for the elderly to replace the Extra Care facility granted under permission TWC/2012/0240. The bungalows would be provided as a mix of one and two bedroom bungalows of 1 and 1½ storeys in height.

It was noted that, as a potential fall back position, the applicant also sought to reserve the right to deliver the Extra Care facility as an extant permission should the demand for bungalows alter and the localised market for Extra Care on this site change. A full explanation of the background to the application was detailed in the Planning Officer's report. An update report was also submitted which clarified the recommendation with regard to the fall back position. Councillor A D McClements, local Ward Member, had requested that the application be determined by the Planning Committee.

Councillor J Gorse read a statement on behalf of Councillor A D McClements, the Ward Member, who was unable to attend the meeting. The statement referred to the previous application which was granted due to the exceptional circumstances of an Extra Care provision which was considered to be of sufficient benefit to outweigh the loss of green network land. At the time, Councillor McClements had raised concerns that the Extra Care facility was being used as a means to secure planning permission on land which had previously been turned down for development and she had been concerned at this "trade off". Community facilities had been promised as part of the previous application but this application did not appear to make any equivalent provision. Concerns were raised regarding a perceived lack of consultation among residents, the likely increase in traffic flow on Dawley Road as a result of the greater number of units being built, access to the site, loss of green network and the higher density of development resulting in the buffer between Arleston Village being narrower effecting a greater intrusion on the unique character of the Village. It was also pointed out that there was no recognition in the application as to how the bungalow development would benefit the community, following the previous promise of community facilities with the Extra Care facility. The statement concluded with the Committee being urged to undertake a site visit.

Mr G Devey addressed the Committee on behalf of local residents who opposed the application, noting that the previous approval was based upon the exceptional circumstances presented by the provision of an Extra Care facility which was considered to be of sufficient benefit to outweigh the loss of green network land. Mr Devey did not consider that this application presented similar benefits and asked Members to consider whether the application for bungalows offered sufficient environmental, economic and community benefits to outweigh the protection afforded to the Green Network. He also questioned at what stage the developer would be required to commit to building bungalows or an Extra Care facility, how 1.5 storeys could be considered as a bungalow and meet Housing our Aging Population: Panel Innovation (HAPPI) standards and what the position would be regarding Council Tax. He referred to the increase of traffic which would be generated on Dawley Road which was not mentioned in the assessment. He noted an increased likelihood of flooding and whether the owner of the stream was aware of the proposals and their responsibilities, he also noted that the increased parking provision associated with the proposed bungalows and questioned this in terms of sustainability. He concluded by lamenting the loss of green space.

Ms J Bowater, the applicant's agent, addressed the Committee in support of the proposals. The application was brought after all efforts to deliver an Extra Care facility had been unsuccessful. The bungalows, some of which were dormer style (hence the 1½ storeys), would provide affordable housing for the elderly and meet

HAPPI standards; the applicant had indicated a willingness to work with the Council on the detail. Since bungalows enjoyed enduring popularity, they would provide an equally valuable alternative form of housing and community benefits. The applicant had agreed in principle to work with Morris Care on delivery and the Local Planning Authority would be notified prior to the submission of a reserved matters application as to whether the preferred option was the development of bungalows or an Extra Care facility.

The Planning Officer highlighted aspects of the report, pointing out that the loss of the Extra Care facility was unfortunate but that the principle of development for the elderly had been established so could, therefore, be supported under saved policy OL4 and corporate priorities to deliver supported and specialist housing. She noted the applicant's aspirations to provide housing for the elderly and that the exemplar scheme would meet HAPPI standards which could be further controlled through condition and the proposed Deed of Variation. She pointed out the applicant's contention that in any comprehensive review of the Green Network, and in light of the approved outline scheme, the site would be unlikely to retain its Green Network designation. Notwithstanding this, an assessment in terms of contribution to the aims of the Green Network had been provided. The Planning Officer pointed Members to the well-versed five year housing land supply issue and the principle in favour of sustainable development as set out in the National Planning Policy Framework (NPPF), lack of objection from the Council's technical officers and supportive Highways data. However, the Planning Officer also noted the objection of the local Ward Member and the number of representations received against the proposals from local residents. She further noted that there was a growing need for local facilities for the elderly and that Extra Care facilities were particularly in high demand but that provision in the area was limited, with only one facility approved to come forward in Wellington. She also explained the difficulties that the applicant had encountered in securing a provider for the proposed Extra Care facility which were fully set out in the report.

The Chairman noted the Ward Member's request that the Committee undertake a site visit but, noting that the Local Planning Authority may be criticised for non-determination, he considered that a site visit was unnecessary as the majority of the Committee's Membership remained the same as when a site visit had last been undertaken. Recalling the previous comprehensive visit, the majority of the Committee Members agreed that a site visit was unnecessary.

During the ensuing debate Members asked a number of questions and expressed disappointment at the likelihood that a much valued Extra Care facility would not come to fruition.

Members noted that the previous application was granted based upon the exceptional circumstances presented by the provision of an Extra Care facility. Based on the previous planning history at the site, Members considered that had the Extra Care facility not been proposed, it was unlikely that an application to develop the site would have been permitted. However, at the guidance of the Chairman and Legal Advisor, the Committee considered the application on its merits.

Clarification on the mix of bungalows was sought along with detail as to whether they would be warden-controlled. The Planning Officer responded that the illustrative layout proposed 13 one bedroom bungalows and 17 two bedroom bungalows (the dormer/1½ storey units) which would be affordable rented through a registered provider; and without an onsite warden. The Legal Advisor indicated that the agreement on the tenure of the bungalows was that they would be available in perpetuity to over 55 year olds who required affordable rent. The tenure would be agreed under the terms of a Section 106 Agreement and would be managed by an affordable housing provider. Concern was expressed that the affordable housing element could be lost if the houses were sold on but the Legal Advisor indicated that the Section 106 obligations would be passed on. Members remained cautious in this respect and the Legal Advisor offered further reassurance on the effectiveness and enforceability of the mechanism, advising that as the Section 106 Agreement would be registered, any potential future purchaser would have the terms and obligations explained to them by their solicitor.

Members expressed concern that the requirement for a contribution of £5,000 for the provision of support and monitoring of the Travel Plan required under the terms of the Section 106 Agreement associated with the approved scheme would be negated. The Planning Officer indicated that the Extra Care facility benefited from a travel plan in relation to the limited number of car parking spaces, community and staff use but due to the mix of other issues involved in residential development, it was not a requirement for the development of bungalows.

Members also expressed concern regarding the access to the site, recalling from the site visit that a gate at Kingsland meant that there was no through road. The Planning Officer advised that access had already been approved and was not part of this application which constituted the red line boundary only. However, Members felt that the traffic assessment was unsatisfactory for this application and that further information was required. It was proposed that deferral of the application for a site visit would allow sufficient time for this information to come forward but the proposal was not seconded.

Further concerns were expressed regarding the sustainability of the proposed bungalows. Whilst it was noted that they would be built to HAPPI standards, some of them would be 1½ storeys and which it was believed would involve stairs and limit wheelchair accessibility. In addition, Members noted that the Strategic Housing Marketing Assessment (SHMA) noted a rise in the demand for single bedroom properties but that this application proposed a greater number of two bedroom properties, which led to concerns regarding their future use and sustainability.

Members were also disappointed that the proposal to develop affordable housing and accommodation for the elderly had only been discussed in principal with the agent and that the Council had not been involved in the creation of the outline proposals. The Planning Officer explained that these were comments from the housing team based on indicative site drawings, and since publication of the report, the applicant had considered the comments of the Housing Team and she had, late that day, received correspondence that indicated that the applicant would work with the Housing team to achieve their requirements in terms of ground floor areas and meeting HAPPI standards stating how they would achieve this.

The fears of the Parks and Open Spaces Officer relating to indiscriminate parking on open spaces/verges as a result of limited parking provision were shared by Members. However, the Planning Officer reminded Members that the layout was illustrative only and that the technicalities of car parking provision were not part of the remit of the Parks and Open Spaces Team and would be for the Highways Officer to consider as part of any reserved matters application.

The Legal Advisor and Development Management Service Delivery Manager noted concerns of Members and suggested that if Members were minded to refuse the application, serious thought should be given to the reasons for refusal which would need to stand up to appeal.

There being no proposer that the application be approved, it was proposed and seconded that approval be refused.

The Development Management Service Delivery Manager gave a summary of his understanding of the potential reasons for refusal identified by Members in the debate as outlined above. Following further discussion by Members, the reasons for refusal were clarified, and it was proposed and seconded that the application be refused for the following reasons and, upon being put to the vote, it was unanimously:-

RESOLVED – that planning application TWC/2014/0057 be refused, with authority to finalise the reasons for refusal to be delegated to Development Management Service Delivery Manager following consultation with the Chairman, as it was considered that:-

- (a) historically, development at the site had been resisted and the exceptional circumstances associated with the provision of an Extra Care facility did not exist in this application
- (b) the application was contrary to policy OL4 and CS10 as the community benefit associated with the provision of bungalows did not outweigh the loss of green network and would not sufficiently meet local needs
- (c) the applicant had not provided sufficient evidence to demonstrate why the proposed Extra Care facility was not viable
- (d) the employment opportunities generated by an Extra Care facility would be lost and the application would result in a loss of community facilities
- (e) members still had concerns that the traffic comments did not adequately assess the impact on Dawley Road which would be caused by the significantly greater number of traffic movements associated with individual bungalows in contrast to the more limited number of movements associated with the Extra Care facility

The meeting ended at 7.05pm

Chairman:

Date:

BOUNDARY REVIEW COMMITTEE

Minutes of a meeting of the Boundary Review Committee held on Monday 23 June 2014 at 5.00 pm in Training Room 5/6, AFC Telford Learning Centre, Wellington, Telford

PRESENT: Councillors R Sloan (Chair), K Blundell, E Carter, I Fletcher, A McClements, R Overton and P Watling

IN ATTENDANCE: J Eatough (Assistant Director: Law, Democracy & People Services), P Griffiths (Democratic Services Manager) and P Smith (Democratic Services Team Leader)

BRC-1 MINUTES

RESOLVED – that the minutes of the meeting held on 29 April 2014 be confirmed and signed by the Chair.

BRC-2 APOLOGIES FOR ABSENCE

None

BRC-3 DECLARATIONS OF INTEREST

None.

BRC-4 COMMUNITY GOVERNANCE REVIEW – HADLEY & LEEGOMERY PARISH WARDING : FINAL RECOMMENDATIONS

The Committee received the report of the Assistant Director: Law, Democracy & People Services that contained the proposed final recommendations following a review of ward boundaries in Hadley and Leegomery Parish.

At its last meeting, the Committee agreed to commence a Community Governance Review following a request from Hadley & Leegomery Parish Council to correct an error that had arisen in the boundary between Hadley Castle and Leegomery wards by restoring the boundaries agreed following the last review of warding arrangements in the Parish in 2009. Unfortunately, this anomaly had been incorporated into the recent Electoral Review for Telford & Wrekin by the Local Government Boundary Commission for England (LGBCE). Following the publication of the Terms of Reference and Draft Proposals documents for public consultation, one submission had been received from Hadley & Leegomery Parish Council, a copy of which was appended to the report. This reiterated the Parish Council's desire to see the ward boundary corrected in time for the 2015 elections.

The Final Proposals document attached to the report concurred with the request and submission, and recommended that the most appropriate ward boundary between Hadley Castle and Leegomery wards be that shown on the attached Map 2. This

reflected the boundaries agreed at the 2009/10 Community Governance Review of the Parish, and would see approximately 430 electors in Hadley being returned to the Hadley Castle Parish ward. If the final recommendations were adopted, the Council would then publish a Reorganisation of Community Governance Order, effective for the 7 May 2015 Parish elections, and formally request the LGBCE to make a Related Alterations Order.

The Democratic Services Manager reported that the Order to give effect to the LGBCE's final recommendations following its recent Review of Electoral Arrangements in the Borough of Telford & Wrekin had been delayed and had not yet been laid before Parliament. Until these parliamentary approvals had been obtained, the Council would not be able to progress the necessary legal and administrative processes to implement the final recommendations of this Community Governance Review. It was therefore suggested that recommendation 2.2 in the report be amended to reflect this situation.

Members were supportive of the final proposals, given that this had been requested by the Parish Council in order to correct an anomaly in the ward boundary, and that there were no objections.

RESOLVED –

- (a) **that the Final Recommendations , as shown in the document attached to the report and at Map 2, be adopted and published;**
- (b) **that, subject to the necessary parliamentary approvals being passed, a Reorganisation of Community Governance Order be published by the Council, effective for the 7 May 2015 Parish elections, and that then a formal request be made to the Local Government Boundary Commission for England to make a Related Alterations Order.**

BRC-5 COMMUNITY GOVERNANCE REVIEW – LILLESHALL, DONNINGTON & MUXTON PARISH : FINAL RECOMMENDATIONS

The Committee received the report of the Assistant Director: Law, Democracy & People Services, appended to which was the suggested Final Proposals in response to the petition for a Community Governance Review (CGR). The CGR had been triggered following the submission of a valid petition calling for a separate parish to be formed for the Lilleshall ward of Lilleshall, Donnington & Muxton Parish Council.

The Draft Proposals agreed by the Committee, and published in February 2014, recognised that Lilleshall appeared to fulfil the technical and legal requirements to form a separate Parish. However, in order to assist in making a final recommendation, it was agreed to hold a ballot of Lilleshall electors to determine their views on a separate Parish. The result, based on a 53% turnout, was 320 in favour of a separate Lilleshall Parish and 259 against. Subsequently, a counter petition opposing any change in parish arrangements was received, signed by 553 electors. A copy of the petition was attached to the report along with the submissions received following the publication of the draft proposals.

The Final Recommendations were for the creation of a separate Lilleshall Parish Council returning 7 Parish Councillors. This was a finely balanced recommendation, based on the fact that Lilleshall fulfilled the tests required for the formation of a separate Parish, together with the consultation responses received since the Review commenced. A number of responses had been received opposing change together with a substantial counter petition. However, greater weight had been attributed to the result of the poll of electors, which had given the community an opportunity to express their views in a secret ballot carried out under election rules.

During the ensuing debate, Members acknowledged that this had been a difficult Review with strongly held views in the community both for and against the proposal for a separate Parish Council. During both this and the earlier CGR, a number of petitions had been submitted on both sides, but these often overlapped in terms of signatories and had provided no clear guidance as to the views of the broader Lilleshall community. The Committee were in agreement that the result of the secret ballot of all Lilleshall electors, based on a good turnout, was the most accurate gauge of local opinion and that this did give the proposal for a separate Parish a democratic mandate. In response to questions about the processes that would need to be followed to establish a new Parish in time for the May 2015 elections, the Assistant Director advised that there would be a transition process during which some form of steering group or 'shadow' council would be needed to work on the setting of a budget and Council Tax precept for Lilleshall prior to the elections. Members accepted that, based on the advice of the Local Government Boundary Commission for England, seven councillors was the appropriate democratic representation for the new Parish Council.

RESOLVED - that the Final Recommendations, as shown in the document attached to the report, be adopted and published.

The meeting ended at 5.23 p.m.

Chairman:

Date: