



Telford & Wrekin  
COUNCIL

Addenbrooke House Ironmasters Way Telford TF3 4NT

## CABINET

Date **Thursday, 15 October 2015** Time **5.00pm**  
Venue **Meeting Room G3/G4, Addenbrooke House, Ironmasters Way, Telford, TF3 4NT**

### Enquiries Regarding this Agenda:

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### Cabinet Members:

Cllr K Sahota	Leader
Cllr R Overton	Deputy Leader & Housing, Public Health & Protection
Cllr L Carter	Council Finance & Service Delivery
Cllr E Clare	Leisure Services & Culture
Cllr S Davies	Business, Neighbourhood & Customer Services
Cllr A England	Adult Social Care
Cllr A McClements	Communities, Regeneration & Transport
Cllr G Reynolds	Employment & Skills
Cllr P Watling	Children, Young People & Families

### Invitees

Cllr A Eade	Leader – Conservative Group
Cllr W Tomlinson	Leader – Liberal Democrat/Independent Group

## AGENDA

		<u>Cabinet Member</u>	<u>Page</u>
1.	<b>Apologies for Absence</b>		
2.	<b>Declarations of Interest</b>		
3.	<b>Minutes of the meeting of the Cabinet held on 8 October 2015</b>		Appendix A (To Follow)
K C	4. <b>2015/16 Financial Management</b>	Cllr L Carter	Appendix B 3
NK	5. <b>Green Guarantee</b>	Cllr R Overton Cllr L Clare	Appendix C 23
K	6. <b>Future Delivery Arrangements for West Mercia Youth Offending Service (WMYOS)</b>	Cllr P Watling	Appendix D 31

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K	7.	<b>Skills to Employment Programme</b>	Cllr G Reynolds	Appendix E	41
K	8.	<b>Adoption of a Telford &amp; Wrekin Planning Enforcement Policy</b>	Cllr R Overton	Appendix F	53
NK	9.	<b>Scrap Metal Dealers Act 2013</b>	Cllr R Overton	Appendix G	79
NK	10.	<b>Haybridge Hall, Hadley</b>	Cllr R Overton	Appendix H	89
NK C	11.	<b>West Midlands Rail Governance</b>	Cllr K S Sahota Cllr A McClements	Appendix I	93

		<b><u>Key</u></b>		
K	Key Decision	C	Item reserved for Council	
NK	Non-Key Decision	Orange	Exempt Item	

## **CABINET**

**Decision Notices and Minutes of a meeting of the Cabinet held on Thursday, 8<sup>th</sup> October, 2015 at 5.00 p.m. at Addenbrooke House, Ironmasters Way, Telford**

**PUBLISHED ON WEDNESDAY, 14<sup>th</sup> OCTOBER, 2015**

**PRESENT:** Councillors K.S. Sahota (Leader and Chair), L.D. Carter, E.A. Clare, S. Davies, A.R.H. England, A.D. McClements, R.A. Overton, G.C.W. Reynolds and P.R. Watling

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

**CB-32        APOLOGIES FOR ABSENCE**

None

**CB-33        DECLARATIONS OF INTEREST**

None

**CB-34        MINUTES**

**RESOLVED** – that the minutes of the meeting held on 17<sup>th</sup> September 2015 be confirmed and signed by the Chair.

**CB-35        TELFORD & WREKIN'S DEVOLUTION DEAL AND NON-CONSTITUENT MEMBERSHIP OF THE WEST MIDLANDS COMBINED AUTHORITY (WMCA)**

**Key Decision** identified as **Telford & Wrekin's Devolution Deal and Non-Constituent Membership of the West Midlands Combined Authority** in the Notice of Key Decisions published on 30 September 2015.

**Not subject to Call-in due to the need for an urgent decision – as agreed by the Chair of the Customer, Community & Partnership Scrutiny Committee**

The Leader, Councillor K.S. Sahota, presented the report of the Managing Director which asked the Cabinet to consider whether to seek Non-constituent membership of the emerging West Midlands Combined Authority (WMCA).

The Council had submitted its proposals for a 'devolution deal' – a range of freedoms, flexibilities and the transfer of a number of responsibilities and functions currently held and delivered by the Government and its agencies – for negotiation. This built on the Council's 'business winning, business

supporting' priority as well as other major initiatives. Telford & Wrekin was a major economic force in the West Midlands, but to develop the local economy further and attract and retain jobs it was necessary to look at all opportunities that would benefit the Borough and its residents.

The Chancellor of the Exchequer was promoting the concept of Combined Authorities in major conurbations as a new way for local authorities to work together on key strategic functions that crossed geographic council boundaries – eg transport, regeneration and skills. It was apparent that significant Government powers and resources would be devolved to these Combined Authorities. In the West Midlands, seven Metropolitan councils had agreed in principle to form a Combined Authority which could lead to the creation of an Elected Mayor to oversee certain functions. There was an opportunity for councils outside the geographical area of the 7 Metropolitan councils to become associate or non-constituent members of the WMCA. This would be an opportunity to be part of a shared strategic approach in the development of significant policy areas, to collaborate on key priorities where there was mutual benefit, to share communication and channels for opportunities as part of any future devolution of powers and, if agreed by the Combined Authority, vote on certain matters. It was important to stress that as a Non-constituent member of the WMCA, the Council would continue to be responsible for and deliver all the services it currently provided, and would not come under the remit of an elected mayor for the Combined Authority.

Telford & Wrekin was a member of the Marches Local Enterprise Partnership, and there were no plans to change this. However, it was felt that in addition there would be a number of potential advantages to becoming a Non-constituent member of the WMCA, and these were set out in the report. The deadline for seeking Non-constituent member status was 13 October 2015, and there would be a membership fee for the current year of £10,000. Appended to the report were the Governance Review undertaken by the seven West Midlands authorities and the draft scheme for the establishment of a combined authority for the West Midlands.

During the ensuing discussion, Members referred to the strong historic links that the Telford & Wrekin area and economy had with the West Midlands, the benefits of being connected to the 'Midlands Engine for Growth', and the support from local business leaders for becoming an associate member of the WMCA. It would enable the Borough to be part of the conversations around strategic decisions about infrastructure and skills, but did not bind the Council to any formal structure and left it free to talk, or work with, any other authorities/agencies. It would also be positive in terms of promoting the Council's own 'devolution' deal. The Leader referred to the Chancellor of the Exchequer's recent announcement that 100% of business rates would be retained by Councils by 2020. As part of its devolution proposals, the Council was seeking more retention of business rates income and, while the Chancellor's headline announcement was welcome, local authorities needed to see more details of how this would be implemented.

Councillor A.J. Eade (Conservative Group Leader) stated that his Group would like to have been consulted on this at an earlier stage, and wondered

what other alternatives had been looked at in terms of a combined authority. He referred to the Council's involvement a number of years ago with a West Midlands 'City Region', which he believed had not generated many benefits for Telford and Wrekin, and the potential dangers of the Borough becoming a suburb of Birmingham. In response, the Leader emphasised that the Non-constituent status would leave the Council free to work with others if it benefitted the Borough, and to continue to be a partner within the Marches LEP. The Borough would not come under any political control/leadership of the WMCA.

**RESOLVED –**

- (a) that the Council seek to take up Non-constituent membership of the proposed West Midlands Combined Authority, and to formally apply to the Chair of the Shadow Board for the Council to be included in the submission to the Secretary of State for Communities and Local Government;**
- (b) that the Leader and/or the Managing Director, or their nominated deputies, be authorised to represent the Council on the Shadow WMCA, as a Non-constituent member, and other forums which will discuss/progress aspects of its work and the devolution deal;**
- (c) that it be noted that the above decisions will be subject to the agreement of the Shadow Board of the WMCA and the Secretary of State for Communities and Local Government;**
- (d) that authority be delegated to the Managing Director, in consultation with the Leader, to negotiate and agree the terms of the Non-constituent membership, including, if he considers it appropriate, voting rights on the WMCA;**
- (e) that the membership fee of around £10k in the current year be funded from the approved 'Destination Telford' budget, and that the ongoing membership fee be built into the service and financial planning strategy for future years.**

The meeting ended at 5.31 pm.

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

**Jonathan Eatough**

**Assistant Director: Law, Democracy & People Services**

**Date: 14 October 2015**

**Signed:** .....

**Date:** .....

**TELFORD & WREKIN COUNCIL**

**CABINET – 15 OCTOBER 2015  
COUNCIL – 26 NOVEMBER 2015**

**2015/16 FINANCIAL MANAGEMENT**

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

**LEAD CABINET MEMBER: CLLR LEE CARTER**

**PART A) – SUMMARY REPORT**

**1.0 SUMMARY OF KEY ISSUES**

**1.1 2015/16 Revenue**

The net projected outturn position for 2015/16 is estimated to be within budget and is an improvement of £0.9m on the position reported to Cabinet on 23 July. This improvement reflects the strength of financial management being exercised by Cabinet Members and senior managers.

The Senior Management Team will continue to closely manage spend and where possible will identify further saving opportunities and potential one-off benefits which will have a positive impact on the overall position for 2015/16 and, where ongoing, will also assist in meeting the significant financial challenges which lie ahead. It is anticipated that with the Government pledging to protect spending on health, education, defence and overseas aid, local government will face very significant further reductions in resources over the remainder of this Parliament. The Council will not know what its budget gap for next year is until the Government issue the local government finance settlement at some point during December. However, work is progressing on developing a range of options for further savings. It is inevitable that many of these new savings proposals are likely to have greater front line service impacts than the savings made to date which have focussed on driving down staffing levels and other costs and improving efficiency within the organisation. The council will engage in extensive consultation on its savings proposals for next year, starting in January.

The overall position is after applying £2.7m from corporate contingencies. A further £1.6m currently remains available in central contingencies which could offset any further commitments that may arise during the remainder of the year. However, the intention is to drive further improvements in the overall financial position in order to support the service and financial planning strategies of future years. Adult Social Services and Children's Safeguarding continue to be key

areas of pressure and both areas have cost improvement plans in place to reduce costs and deliver savings. These plans are monitored on a regular basis both by senior managers and Cabinet Members.

There are a number of variations from the approved budget, including some beneficial variances. The key areas to highlight are:

- A benefit of £0.7m relating to Treasury Management activities
- The projections include an assumed in-year reduction in the public health grant of £0.77m. Whilst the Government have issued a consultation document on options for making an in-year reduction to the grant they have yet to confirm how much the reduction will be.
- A benefit of £0.8m relating to the budget for the implementation of Single Status which will not be required in 2015/16
- Adult Social Services are currently projecting an overspend of £1.9m, which is an improvement since the last monitoring report, mainly relating to the cost of care packages; a cost improvement plan is in place to deliver savings which should reduce this as the year progresses.
- Children's Safeguarding also continues to be a key pressure with an overspend of £1.6m being reported, the majority relating to the cost of Children in Care placements. A cost improvement plan is in place to review costs and the placement strategy.

Since the last financial management report was considered by the Cabinet, KPMG, the Council's independent external auditors have completed their review of the Council's statement of accounts for 2014/15. The Council has once again received an unqualified audit opinion on its accounts and no changes had to be made as a result of the audit that impact on the Council's revenue budget position.

## **1.2 Capital**

The capital programme totals £102m which includes all approvals since the budget was set. At the time of compiling this report, projected spend was 98% of the budget allocation.

There are a number of new allocations, virements and slippage which are presented for approval (detailed in Appendix 3) together with some changes to the funding of the capital programme. Capital receipts included in the medium term budget strategy are under continual review and any changes will be reflected in future budget projections. Updates will be provided in future monitoring reports.

## **1.3 Corporate Income Collection**

The collection levels for Business Rates and Council Tax are ahead of target whilst Sales Ledger outstanding debt is slightly behind the target set for the year.

## 2.0 RECOMMENDATIONS

<b>2.1</b>	Cabinet Members are asked to:-
(i)	Note that 2015/16 revenue spending is currently projected to be within budget and continue to work with SMT to sustain this position;
(ii)	Note the position in relation to capital spend and that Cabinet recommend that Council approve the new allocations, slippage and virements detailed in Appendix 3
(iii)	Note the collection rates for NNDR, council tax and sales ledger.

## 3.0 SUMMARY IMPACT ASSESSMENT

<b>COMMUNITY IMPACT</b>	Do these proposals contribute to specific Co-operative Council priorities?	
	Yes	Delivery of all priorities depend on the effective use of available resources. Regular financial monitoring in the financial management reports helps to highlight variations from plan so that action can be taken to effectively manage the Council's budget.
	Will the proposals impact on specific groups of people?	
	No	
<b>TARGET COMPLETION/DELIVERY DATE</b>	To outturn within the budget set for 2015/16 at 31/3/16.	
<b>FINANCIAL/VALUE FOR MONEY IMPACT</b>	Yes	The financial impacts are detailed throughout the report.
<b>LEGAL ISSUES</b>	No	None directly arising from this report. The S151 Officer has a statutory duty to monitor income and expenditure and ensure that the Council takes action if overall net overspends /shortfalls emerge.
<b>OTHER IMPACTS, RISKS &amp; OPPORTUNITIES</b>	No	
<b>IMPACT ON SPECIFIC WARDS</b>	No	

## **PART B) – ADDITIONAL INFORMATION**

### **4.0 2015/16 REVENUE BUDGET**

4.1 Financial management is the responsibility of budget holders and is supported by Finance staff using a risk based approach: following considerable reductions in finance resources through savings exercises more focus is given to higher risk areas (high value/highly volatile); less frequent financial monitoring is undertaken on budgets deemed to be lower risk.

4.2 The main changes since the last report are:

<b>Variations - £m</b>	<b>23/7/15 Cabinet</b>	<b>Change</b>	<b>Current Projected Variation</b>
Children in Care Placements	+0.991	+0.257	+1.248
Safeguarding Staffing Costs	+0.103	+0.294	+0.397
Adult Social Services – External Purchasing/ Income	+5.166	-0.464	+4.702
Adult Social Services – use of one off funds	0.000	-0.400	-0.400
Public Health Grant - anticipated in year grant cut	0.000	+0.772	+0.772
Treasury Management	-0.200	-0.500	-0.700
Other Variations	-2.480	-0.875	-3.355
<b>Total Projected Variation</b>	<b>+3.580</b>	<b>-0.916</b>	<b>+2.664</b>
Call on Contingency	-3.580	+0.916	-2.664
<b>Final Projected Variation</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>

4.3 The overall 2015/16 budget position is summarised in the table below:

## Summary of 2015/16 Projected Variations

Service Area	Previous Variation - Cabinet 23 July 2015	Current Variation	Change
	£	£	£
Children's Safeguarding & Specialist Services	1,169,347	1,590,182	420,835
Education & Corporate Parenting	118,892	90,178	(28,714)
Family, Cohesion & Commissioning Services	306,118	296,130	(9,988)
Development, Business & Employment	200,000	200,000	0
Leisure, Culture & Facilities Management	4,670	10,000	5,330
Adult Social Services	3,057,725	1,937,143	(1,120,582)
Health, Well Being & Public Protection	(299,000)	204,000	503,000
Neighbourhood & Customer Services	107,268	0	(107,268)
Law, Democracy & People Services	(800,000)	(850,551)	(50,551)
Finance, Audit & Information Governance	(284,419)	(784,419)	(500,000)
Cooperative Council & Commercial Delivery Unit	0	(28,289)	(28,289)
Council Wide	0	0	0
<b>Total Projected Variation</b>	<b>3,580,601</b>	<b>2,664,374</b>	<b>(916,227)</b>
Use of Uncommitted Corporate Contingencies	(3,580,601)	(2,664,374)	916,227
<b>Total Projected Year End Variation</b>	<b>0</b>	<b>0</b>	<b>0</b>

4.4 Projected variances over £0.100m are highlighted below, other variances are detailed in Appendix 2.

Service Area	Variance £m
<b><u>Children's Safeguarding &amp; Specialist Services</u></b>	
<b>Children in Care Placements (CiC)</b> – currently projecting £1.248m overspend which is an improvement when compared to the overspend of £1.558m at the end of 2014/15, but an increased cost since the last report. This reflects 289 CiC at the 10 Sept 2015 (293 at 31 March 2015). Work is ongoing to further reduce costs which includes reviewing unit costs, the numbers of children in care and the placement strategy.	+1.248
<b>Internal Foster Carer Costs</b> – payments to Foster Carers including transport costs and foster carer training.	+0.149
<b>Staffing (Safeguarding)</b> – including the cost of agency social workers	+0.397
<b>Joint Adoption Service</b> – pressures arising from the cessation of the Adoption Reform Grant that part-funded this service and savings targets not yet delivered. Work is	+0.159

<p>underway to bring spend back within budget.</p> <p><b>Direct Payments</b> – relating to personal care for children with disabilities. +0.104</p> <p><b>Children not in Care/ in Need costs</b> – adoption agency fees and costs relating to keeping children at home which are both alternatives to the higher care related costs. +0.240</p> <p><b>One off Funds</b> – use of specific contingency set aside as part of the budget strategy -0.750</p> <p>The Service Area has a Cost Improvement Plan for 2015/16 which includes specific elements to reduce the reported overspends described above. Close monitoring and management by senior officers and members is in place to review progress against the Cost Improvement Plan targets set.</p>	
<p><b><u>Education &amp; Corporate Parenting</u></b></p> <p>There are currently no variances over £0.100m to report.</p>	
<p><b><u>Family, Cohesion Services &amp; Commissioning</u></b></p> <p><b>Transport Contracting &amp; Commissioning</b> – costs relating to Supporting People. The service is currently under review to deliver savings and is looking at innovative ways of providing support. +0.210</p>	
<p><b><u>Adult Social Services</u></b></p> <p><b>Purchasing budgets</b> – the pressures reported throughout 2014/15 are continuing into 2015/16. The service has a cost improvement plan which if successfully delivered in full during 2015/16 would eradicate the overspend. This is being closely monitored by senior officers and members. +4.844</p> <p><b>Income</b> – includes client contributions and contributions towards care from the CCG and funding towards Care Act costs together with use of reserves. -0.141</p> <p><b>Transport</b> – spend is consistent with 2014/15 and remains over budget. A review group has been set up to look at ways to reduce expenditure and identify a more robust transport policy. +0.181</p> <p><b>One off Contingency</b> – use of specific contingency set aside as part of the budget strategy -2.500</p>	

<b>One off Funds – use of one off reserves</b>	-0.400
<b><u>Public Health, Wellbeing &amp; Public Protection</u></b>	
<b>Smoking Cessation Contract</b> – saving arising from reduced demand and use of service.	-0.190
<b>Public Health Grant</b> – anticipated in year cut to the Public Health Grant funding announced by the Chancellor in June. This is estimated on a pro-rate basis as the methodology to allocate the cut is currently being consulted on by the Department of Health.	+0.772
<b><u>Leisure, Culture &amp; Facilities Management</u></b>	
There are currently no variances over £0.100m to report.	
<b><u>Development, Business &amp; Employment</u></b>	
<b>Regeneration &amp; Investments</b> – Property Investment Portfolio income shortfall on current projections.	+0.300
<b><u>Neighbourhood &amp; Customer Services</u></b>	
ICT – pressure mainly arising from the increased number of Microsoft licenses required across the council.	+0.189
<b><u>Finance, Audit &amp; Information Governance</u></b>	
<b>Treasury</b> –benefit arising from current low interest rates and lower borrowing than anticipated in the earlier part of the year.	-0.700
<b><u>Law, Democracy &amp; People Services</u></b>	
<b>Single Status</b> - the budget for 2015/16 allowed for implementation of the single status settlement during the year which will not happen. This is net of the Payroll/HR IT system costs approved by Cabinet in July.	-0.800
<b><u>Co-operative Council Delivery Unit</u></b>	
There are currently no variances over £0.100m to report	

## 5.0 CONTINGENCIES

- 5.1 The 2015/16 budget includes a prudent general contingency of £2.776m, which is set aside to meet any unforeseen expenditure, or delays in phasing in the significant level of savings that the Council has to deliver this year. There is also an amount held centrally for contractual inflation totalling £1.744m which forms part of the approved revenue budget but is only allocated to specific budgets when the relevant inflation indices are available. Given the exceptional cuts being made in the Council's budget it is imperative that the Council has a reasonable level of contingency in order to cover increases in demand for services (e.g. safeguarding which can be significant and occur with no warning) and to allow for any delays or shortfalls in the delivery of planned savings. The current position relating to contingencies is shown below:

	£
General Revenue Contingency	2,776,000
Inflation Contingency	1,744,000
<b>Total Contingencies</b>	<b>4,520,000</b>
<b>Commitments:</b>	
Current commitments for contractual inflation	208,000
<b>Total Committed Use of Contingency</b>	<b>208,000</b>
<b>Balance remaining in Contingencies</b>	<b>4,312,000</b>
<b>Required for Revenue Position</b>	<b>(2,664,374)</b>
<b>Residual balance in Contingencies</b>	<b>1,647,626</b>

Currently £2.7m of the contingency is required to bring spend within budget in 2015/16. This leaves £1.6m available to meet any unforeseen costs in the remainder of the year

## 6.0 CAPITAL

### 6.1 2015/16 Capital Programme

The capital programme totals £102m, which includes the approvals in proposed in this report.

The financial position is shown in the table below which shows projected spend is currently shown at £101m (reflecting likely requirements for some further slippage of spend into later years).

Service Area	Budget	Year End Projection
	£m	£m
Education & Corporate Parenting	31.66	31.52
Development, Business & Employment	36.85	37.45
Neighbourhood & Customer Services	28.78	27.52
Adult Social Services	2.39	1.93
Customer Services	2.44	2.38
Cooperative Council Delivery Unit	0.23	0.23
Council Wide	0.12	0.00
<b>Total</b>	<b>102.47</b>	<b>101.03</b>

6.2 A number of virements, slippage and new allocations are put forward for approval which are detailed in Appendix 3.

6.3 The 2015/16 capital programme relies on £25.110m of receipts as part of its funding (after adjusting for changes already approved). Current monitoring indicates some of these receipts are not now expected to be received in 2015/16 (the majority of which are now anticipated in 2016/17 and 2017/18) which, including the impact of some additional receipts, will give a total of just over £12m being received in 2015/16. It is proposed that the funding of the capital programme is updated to reflect this latest position. This has the impact of additional short-term borrowing being required until the receipts are received which is already reflected in the treasury projections shown in this report. Capital receipts included in the medium term budget strategy are under continual review and any changes will be reflected in future budget projections. Updates will be provided in future monitoring reports.

## 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 for taxation is ahead of target and sales ledger is slightly behind the target set. Cash collection remains in a very strong position in all three areas.

<b>INCOME COLLECTION – August 2015</b>				
	<b>Actual</b>	<b>Target</b>	<b>Performance</b>	<b>Change in cash collected on last year</b>
Council Tax Collection	46.94%	46.82%	0.12% ahead of target	+ £1,035,000
NNDR Collection	49.16%	48.59%	0.57% ahead of target	+£1,780,042
Sales Ledger Outstanding Debt	7.99%	7.00%	0.99% behind target	+£2,293,442

### 7.3 Council Tax (£70.3m)

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 2014/15	96.7%
Year End Target for 2015/16	96.7%

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

Month End Target	Month End Actual	Last year Actual
46.82%	46.94%	46.82%

Cash collected for council tax has increased by £1m compared to this point last year, and the debit figure that we are due to collect has increased by just over £2 million. Building growth in Telford has resulted in 1162 properties being built within the last 12 months. Percentage collection is above target by 0.12%.

### 7.4 NNDR-Business Rates (£75.9m)

The % of business rates for 2015/16 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 2014/15	97.5%
Year End Target for 2015/16	97.6%

Month End Target	Month End Actual	Last year Actual
48.59%	49.16%	48.49%

We have collected £1.7million more than this time last year, and collection is well above target for this stage in the financial year.

#### 7.5 **Sales Ledger (£39.2m)**

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 2015/16 are as follows:

Age of debt	Annual Target %	August 2015	
		£m	%
Total	7.00	3.13	7.99%

Sales ledger performance is outside target but debt outstanding has reduced by just under £1m since the last report to Cabinet. The arrears position is mainly due to a number of large invoices which are currently being actively pursued by the Revenues Service and Senior Managers across the organisation such as payments for the CCG and MAT. Discussions regarding payment for these invoices is currently taking place and significant progress has been made. The DfE have agreed a payment arrangement for MAT debt arrears and the CCG have agreed to make payment for the majority of outstanding debts which will be reflected in the figures presented in the next Financial Management report to Cabinet.

#### 8.0 **PREVIOUS MINUTES**

05/03/15 – Council, Service & Financial Planning Strategy  
 25/06/15 - Cabinet, Service & Financial Planning Report – 2014/15 Outturn and 2015/16 Update  
 23/7/2015 – Cabinet, Financial Management Report

#### 9.0 **BACKGROUND PAPERS**

2015/16 Budget Strategy / Financial Ledger reports

#### **Report Prepared by:**

Ken Clarke, Assistant Director: Finance, Audit & Information Governance (Chief Financial Officer) – 01952 383100;  
 Pauline Harris, Corporate Finance Manager – 01952 383701

### Summary of 2015/16 Projected Variations

Service Area	Previous Variation - Cabinet 23 July 2015	Current Variation	Change
	£	£	£
Children's Safeguarding & Specialist Services	1,169,347	1,590,182	420,835
Education & Corporate Parenting	118,892	90,178	(28,714)
Family, Cohesion & Commissioning Services	306,118	296,130	(9,988)
Development, Business & Employment	200,000	200,000	0
Leisure, Culture & Facilities Management	4,670	10,000	5,330
Adult Social Services	3,057,725	1,937,143	(1,120,582)
Health, Well Being & Public Protection	(299,000)	204,000	503,000
Neighbourhood & Customer Services	107,268	0	(107,268)
Law, Democracy & People Services	(800,000)	(850,551)	(50,551)
Finance, Audit & Information Governance	(284,419)	(784,419)	(500,000)
Cooperative Council & Commercial Delivery Unit	0	(28,289)	(28,289)
Council Wide	0	0	0
<b>Total Projected Variation</b>	<b>3,580,601</b>	<b>2,664,374</b>	<b>(916,227)</b>
Use of Uncommitted Corporate Contingencies	(3,580,601)	(2,664,374)	916,227
<b>Total Projected Year End Variation</b>	<b>0</b>	<b>0</b>	<b>0</b>

2015/16 Revenue Budget Variations over £50,000				
Description		Budget	Variation	Comments
		£	£	
<b>Childrens Safeguarding &amp; Specialist Services</b>				
Children in Care Placements		8,107,239	1,248,450	The 2014/15 reported outturn position was £1.558m overspent and at the end of that year there were 293 Children in Care. The budget strategy for 2015/16 included a budget reduction of £0.300m for Children in Care (CIC) placements. The Cost Improvement plan for 2015/16 includes a further target cost reduction of £0.350m across External Residential, External and Internal Fostering. This position reflects a reduction in expenditure compared to 2014/15 of around £0.7m. Work is ongoing to ensure forecasted step downs from high cost residential placements take place as planned to deliver forecasted cost reductions, however other high cost placements have recently been extended. Work also continues to assess the placement costs being incurred, including reviewing unit costs, numbers of children in care and the placement strategy. Looked after Children total was 289 as at 10/09/15.
Care leavers Accommodation costs		599,630	29,806	The 2014/15 reported outturn position was £0.135m overspent. A target has been set in the Cost Improvement plan to achieve a cost reduction of £0.100m against this area. Ongoing review of care packages in the service will continue to enable savings in this area for remainder of the year, progress of which will be regularly reviewed as part of monitoring of progress delivering the Cost Improvement Plan.
Staffing (Safeguarding)		7,364,016	396,630	The final 2014/15 Safeguarding overspend on staffing was £0.237m. This included £0.819m cost for agency staff. The current agency forecast is for outturn of £0.745m in 2015/16. There are 9.5 agency social workers currently in post, it is planned to reduce this number to 6 by the end of November. New temporary agency posts have been agreed in both Business Support and the Educational Psychology service and two additional posts to deliver business critical Social work have been agreed in Child protection and Family Services.
Income (Specialist Services)		(807,068)	72,246	A reduction in expenditure in the jointly arranged services result in a reduced amount of income being collected from Shropshire.
Internal Foster Carers costs (excluding salaries, fees and allowances)		339,065	148,714	Specific pressures include travel costs £97k and Foster Carer training of £21k forecast overspend. The 2014/15 reported outturn position for travel costs was £164k overspend and a target has been set in the Cost Improvement plan for cost reduction of £40k.
Joint Adoption Service		298,448	159,025	The 2015/16 budget for the service hosted by Shropshire includes savings of £70k which will not be deliverable. The cessation of the Adoption Reform Grant that part-funded this service has created an additional pressure of £90k. Work has commenced within the service to develop proposals to bring spend back within budget for all Adoption services.
Direct Payments		174,361	103,608	The 2014/15 overspend for direct payments of personal care for children with disabilities was £105k. Work is ongoing both to look for cost reductions in direct payments care packages and towards implementation of Education Health and Care plans from 1st April 2016.

2015/16 Revenue Budget Variations over £50,000				
Description		Budget £	Variation £	Comments
Children not in Care / in Need costs		4,780	240,465	Specific pressure of £124k for 3rd party fees for children placed with adoption agencies and £116k for payments made to carers to support keeping children at home as opposed to in care (Section 17). Both payments are an alternative to higher care related costs. There is a planned reduction in cost of £40k for Section 17 payments in 2015/16, this forms part of the service's Cost Improvement plan.
Contingency			(750,000)	Specific contingency set aside as part of the budget strategy
Variations under £50k		3,607,608	(58,762)	Childminding, Computer Software & licences overspend offset by underspend in a Short breaks spot contract and continued cost reductions in both Legal fees and Assessments for children in care.
<b>Total Children's Safeguarding &amp; Specialist Services</b>		<b>19,688,079</b>	<b>1,590,182</b>	
<b>Education &amp; Corporate Parenting</b>				
Miscellaneous School Expenditure		5,958,548	98,735	Projected expenditure above budget on remissions for schools is £120k which is currently being offset by anticipated savings on the funding of redundancies for schools.
Variations under £50,000		4,110,054	(8,557)	There is an overspend relating to the funding of Shortwood Pool, for which no budget is available due to changes in the Government's funding rules for joint use schools. Further work needs to be undertaken across a number of service areas within the Council to solve this ongoing shortfall. However, underspends in other budget areas are currently projected to fully offset this.
<b>Total Education &amp; Corporate Parenting</b>		<b>10,068,602</b>	<b>90,178</b>	
<b>Family, Cohesion &amp; Commissioning</b>				
Early Intervention & Family Connect		3,026,948	91,543	Pressure continuing from 2014/15 on staff costs in Family Connect. The Service is actively looking to find a solution in this financial year.
Cohesion including Homelessness/ Housing Needs		2,594,146	0	the forecast underspend formerly reported here is now below £50k and reported in variations under £50k
Transport Contracting & Commissioning	Supporting People Contracting	1,258,589	209,707	The majority of the variation over budget arises from the Supporting People service. The budget has been reduced in line with the Adults Cost Improvement Plan by £425k in 2015/16, and £208k of cost reductions from contract re-tendering have been achieved so far in this year (these savings equate to £417k in a full year). The service continues to be under review to deliver further savings and there may be further cost reductions achieved in 2015/16.

2015/16 Revenue Budget Variations over £50,000				
Description		Budget	Variation	Comments
		£	£	
Variations under £50k		2,757,139	(5,120)	
<b>Total Family, Cohesion &amp; Commissioning</b>		<b>9,636,822</b>	<b>296,130</b>	
<b>Adult Social Services</b>				
Purchasing		42,039,427	4,843,832	The reported position reflects a significant change from the last monitoring report but the majority of this is a realignment of the budget for purchasing care and income expected to be realised in this year. The significant pressure which was reported throughout the 2014/15 financial year and previous continues into 2015/16. Although significant pressure remains on the ASS budget, Management Team have developed a Cost Improvement Plan(CIP) and to date around £1.7m(over more than one year) of cost savings have been identified and achieved since the Cost Improvement Plan was adopted, but underlying pressures remain and are offsetting these i.e.increasing rates for residential placements. The reduction in costs of purchased care since the last report is £608k and the overall bottom line cost base has reduced by £1,120k, this is the result of anticipated savings in year of £720(£608k purchasing reductions) and additional use of one off reserves of £400k. The Cost Improvement Plan forms part of a strategic approach to managing costs through a programme of transformation. If the plans are delivered in full in 2015/16 then around £.065m of contingency would be required to eradicate the current years pressure, and further savings planned for 2016/17 would be required then to replace one off funds used in 2015/16 on an ongoing basis and these are proposed in the CIP. The monitoring position reported includes £2.5m of contingency which may be reduced as savings are delivered in year.
Income		(16,116,682)	(141,397)	Income budgets have now been realigned with the above purchased care budget. The service is expected to realise £201k of additional income over the estimated income for the year reflected in the previous report..
Transport		657,593	181,162	The 14/15 ASS transport budget was reduced by £229k as a result of the recommendations made in the Transport Review and expenditure remains at 2014/15 levels and therefore the pressure on this budget is consistent with that reported during 14/15. A Transport Review Project Group has been set up to look at ways to reduce Adult Social Services expenditure on Transport and identify a more robust transport policy in a bid to reduce the remaining overspend.
Equipment		427,416	(76,907)	Current forecasts report an underspend on equipment purchasing budgets. The expenditure is likely to increase as the year progresses as delivery of integrated prevention services is stepped up
Contingency			(2,500,000)	Specific contingency set aside as part of the budget strategy
Use of one offs		(1,244,000)	(400,000)	Use of one off reserves
Variations under £50k		9,171,358	30,453	

2015/16 Revenue Budget Variations over £50,000				
Description		Budget	Variation	Comments
		£	£	
<b>Total Adult Social Services</b>		<b>34,935,112</b>	<b>1,937,143</b>	
<b>Public Health, Wellbeing &amp; Public Protection</b>				
<b>Public Health</b>				
Staffing and operational budgets		986,565	(31,000)	Underspend relates to various operational budgets in Public Health
Smoking Cessation Contract		562,100	(190,000)	Projection based on forecasted number of quitters continuing to reduce partly due to popularity of e-cigarettes.
Working Age - Healthy Lifestyles & Health trainers		876,940	(70,000)	In year vacancies within Telford & Wrekin Health trainers teams and Healthy lifestyle hubs.
Variations under £50k		6,482,206	(277,000)	Various underspends across Early Help offer and NHS Health checks
Public Health Grant			772,000	Anticipated loss of Public Health Grant announced in the Chancellors budget.
<b>Public Protection &amp; Civil Resilience</b>				
Variations under £50k		1,835,680	0	Detailed Monitoring has not yet been undertaken for this Service Area in accordance with the risk based monitoring approach being adopted
<b>Total Public Health, Wellbeing &amp; Public Protection</b>		<b>10,743,491</b>	<b>204,000</b>	
<b>Leisure, Culture &amp; Facilities Management</b>				
Leisure Services	Service Wide	2,837,590	70,000	The income targets for the Leisure centres are challenging. The BSF building works at Oakengates have impacted on this facility along with new income targets set for the proposed Synthetic Turf pitch, this is net of one off funding from reserves.
FM & Cleaning & Catering	Variations Under £50k	539,370	(60,000)	Underspends mainly as a result of additional caretaking and helpdesk income and vacant posts for part of the year.
<b>Total Leisure, Culture &amp; Facilities Management</b>		<b>3,376,960</b>	<b>10,000</b>	

2015/16 Revenue Budget Variations over £50,000				
Description		Budget	Variation	Comments
		£	£	
<b>Development, Business &amp; Employment</b>				
Regeneration & Investment	Property Investment Portfolio Income	(4,862,330)	300,000	This reflects the current projections for income, service charges, MSCP and operational costs, net of one off use of reserves.
Variations Under £50k			(100,000)	One off vacancy management savings across whole Service Area.
<b>Total Development, Business &amp; Employment</b>		<b>(4,862,330)</b>	<b>200,000</b>	
<b>Neighbourhood &amp; Customer Services</b>				
ICT	Various	59,286	189,289	Unavoidable budget pressure from an increase in the number of Microsoft Licenses required across the Council £179.6k. This over spend has been met from ICT budgets over the last 3 years however due to the reduction in ICT budgets during the last 12 months in order to deliver savings there is no longer the capacity to fund these costs going forward.
Waste & Neighbourhood Services	Supplies & Services - Waste Disposal	497,790	61,663	One off pressure from Wood disposal arising from higher unit costs as a result of Moody's site being closed until September 2015.
Variations Under £50k		30,329,181	(250,952)	
<b>Total Neighbourhood &amp; Customer Services</b>			<b>0</b>	
<b>Finance, Audit &amp; Information Governance</b>				
Treasury Management		10,454,180	(700,000)	Savings from Treasury Management activities
Variations Under £50k		(143,029)	(84,419)	Variations mainly arising from vacant posts
<b>Total Finance, Audit &amp; Information Governance</b>			<b>(784,419)</b>	
<b>Law, Democracy &amp; People Services</b>				
Single Status		1,045,000	(800,000)	Underspend as single status will not be implemented in 2015/16
Variations Under £50k		351,750	(50,551)	Saving on pension contributions for Members as they are no longer eligible to make pension contributions.

2015/16 Revenue Budget Variations over £50,000				
Description		Budget	Variation	Comments
		£	£	
<b>Total Law, Democracy &amp; People Services</b>			<b>(850,551)</b>	
<b>Co-Operative Council &amp; Commercial Delivery Unit</b>				
Delivery & Planning	Employees	761,450	(56,891)	Underspends from vacant posts, maternity leave and staff not at top of grade
Variations Under £50k		108,630	28,602	
<b>Total Co-Operative Council &amp; Commercial Delivery Unit</b>			<b>(28,289)</b>	
<b>Total Variations</b>			<b>2,664,374</b>	

**Capital Approvals - by Service Area**

Appendix 3

<b>Virements</b>						Funding / Comment
Scheme	Service Area	15/16 £	16/17 £	17/18 £	Later Years £	
Housing	Development Business & Employment	20,000				Prudential
Asset Management Plan-General Works & Surveys	Development Business & Employment	(20,000)				Prudential
ICT/ eGov	Customer Services	30,000				Grant
Building Schools For The Future	Education & Corporate Parenting	(30,000)				Grant
<b>Total</b>		-	-	-	-	
<b>Slippage</b>						Funding / Comment
Scheme	Service Area	15/16 £	16/17 £	17/18 £	Later Years £	
ICT Social Care Review	Adult Social Services	(150,000)	150,000			Prudential
ICT/ eGov	Customer Services	(1,060,000)	280,000	780,000		Prudential
Commercial investment project	Development Business & Employment	(1,763,000)	1,763,000			Prudential
Ironbridge Gorge Stability	Neighbourhood & Leisure Services	(1,236,144)	1,236,144			Prudential
Housing	Development Business & Employment	(2,425,000)	2,425,000			Prudential
<b>Total</b>		<b>(6,634,144)</b>	<b>5,854,144</b>	<b>780,000</b>	-	
<b>New Allocations</b>						Funding / Comment
Scheme	Service Area	15/16 £	16/17 £	17/18 £	Later Years £	
All Other School Schemes	Development Business & Employment	200,001				External Funding
All Other School Schemes	Development Business & Employment	(450)	1,764,513	1,764,513		Grant
All Other School Schemes	Development Business & Employment	12,000				Revenue
ICT/ eGov	Customer Services	70,000				Revenue
Property investment programme	Development Business & Employment	1,751,000	270,000			Prudential
<b>Total</b>		<b>2,032,551</b>	<b>2,034,513</b>	<b>1,764,513</b>	-	

## TELFORD & WREKIN COUNCIL

CABINET - 15 OCTOBER 2015

### GREEN GUARANTEE

REPORT OF ASSISTANT DIRECTOR: DEVELOPMENT, BUSINESS & EMPLOYMENT & ASSISTANT DIRECTOR: LEISURE, CULTURE & FACILITIES MANAGEMENT

LEAD CABINET MEMBERS: COUNCILLOR RICHARD OVERTON & COUNCILLOR ELIZABETH CLARE

### PART A) – SUMMARY REPORT

#### 1.0 SUMMARY OF MAIN PROPOSALS

- 1.1 The purpose of this report is to seek Cabinet approval for the protection of at least 100 green spaces owned by Telford & Wrekin Council as part of the Council's Green Guarantee referred to in the Telford & Wrekin Local Plan: Consultation document.
- 1.2 The Green Guarantee is to identify a range of locally important green spaces which are in the ownership of the Council and to help safeguard these sites from development which are not currently protected by other means such as Local Nature Reserves, Sites of Special Scientific Interest, Fields in Trust sites and Village Greens.
- 1.3 A further 50 Community Green Spaces to be included in the Green Guarantee will be identified through public consultation from December 2016.
- 1.4 The Green Guarantee will recognise the value of these areas for purposes including the provision of open space for leisure, recreation and biodiversity.

#### 2.0 RECOMMENDATIONS

It is recommended that Cabinet:

- 2.1 **Approve the proposal to identify and protect at least 100 green spaces and to remove the current officer delegation relating to these spaces to ensure that all decisions relating to disposals or changes of use of these are determined by Cabinet;**
- 2.2 **Approve the initial list of 116 green spaces as identified in Appendix 1 and to endorse the proposal that the Assistant Director for Development, Business & Employment and Assistant Director for Leisure, Culture & Facilities Management in conjunction with lead Cabinet Members to consult and progress the site boundaries and to present to a future Cabinet meeting to confirm the protection of the sites and to progress the Council's Green Guarantee Land Management Commitment;**
- 2.3 **Endorse the intention to bring an additional 50 (approx) areas forward for similar protection via a further public consultation at the conclusion of the Telford & Wrekin Local Plan**

#### 3.0 SUMMARY IMPACT ASSESSMENT

<b>COMMUNITY IMPACT</b>	Do these proposals contribute to specific Priority Plan objective(s)?	
	Yes	Maintaining a clean, quality environment and improved green infrastructure and public realm: - Protect and enhance the green infrastructure and biodiversity of the borough
	Will the proposals impact on specific groups of people?	
	Yes	Telford & Wrekin Council, Local Green Space Infrastructure Needs Survey (2013) states that qualitative improvements of natural green spaces would help address health and wellbeing needs.
<b>TARGET COMPLETION/ DELIVERY DATE</b>	Subject to Cabinet approval, it is proposed to bring an update report to Cabinet in March 2016 and a further report on the proposed 50 (approx.) additional public green spaces from December 2016	

<b>FINANCIAL/VALUE FOR MONEY IMPACT</b>	Yes	The inclusion of a site under the Green Guarantee will not commit the Council to undertaking additional maintenance on the sites. The maintenance costs of some of the green sites are held within Service areas and currently have no budget pressures. The Service Areas will continue working in partnership with Town Councils and Parishes along with developing current and future Friends groups and local communities to ensure maintenance costs are within budget. Some sites could place restrictions on our future ability to raise capital from perimeter land sales. Any cost implications of the additional 50 sites will be quantified and included within the update report due to Cabinet in March 2016. (AEM 15/09/15).
<b>LEGAL ISSUES</b>	Yes	Cabinet is the decision making body in respect of disposals and management of Council owned land. However, some of these Cabinet disposal/management powers have been delegated to officers. This means that they can be exercised without the same publicity and member involvement as takes place when matters are reported to Cabinet. Ensuring that all significant decisions regarding the future use and ownership of the areas included in the Council's Green Guarantee list are reported to Cabinet provides a layer of transparent process-protection.
<b>OTHER IMPACTS, RISKS &amp; OPPORTUNITIES</b>		Enhances the natural environment of the borough and contributes to the overall attractiveness of the borough that will support the local business and visitor economy.
<b>IMPACT ON SPECIFIC WARDS</b>		Borough wide impact.

## **PART B) – ADDITIONAL INFORMATION**

### **4.0 BACKGROUND**

- 4.1 The Green Guarantee is a commitment to identify at least 100 Council owned green spaces which will formally recognise areas of open space for leisure, recreation and biodiversity purposes to complement the areas of land which are currently protected by other means such as Local Nature Reserves, Sites of Special Scientific Interest, Fields in Trust sites and Village Greens.
- 4.2 The Green Guarantee reflects the Council's commitment to the retention of locally important green spaces which have value to local communities. It has been shown that living close to accessible green spaces can promote public health and reduce levels of obesity, heart disease, reduce stress and levels of depression<sup>1</sup>. These green spaces also help to meet local and strategic green infrastructure needs.
- 4.3 The Green Guarantee will be delivered in two parts; 1) immediately identifying at least 100 green spaces in council ownership which have been considered by the Council as having significance and meeting a specific criteria (see 6.3); and 2) identifying a further 50 (approx.) such sites through public consultation which will begin from December 2016

### **5 Protection**

- 5.1 The Green Guarantee proposes to identify a range of locally important green spaces which are in the ownership of the Council and to help safeguard these sites from development. The Green Guarantee work will contribute to the existing provision of green spaces which are protected from development including Local Nature Reserves, SSSI's and Village Greens. The Council will continue to seek opportunities to further protect sites such as the Fields in Trust programmes where appropriate.
- 5.2 The process of protection will see the current officer delegated authority, which covers disposal of council owned sites under £50k in value, being removed for those sites identified as part of the Green Guarantee.
- 5.3 Any future proposals for the disposal of the identified sites or indeed the potential change of use (even if they were to remain in Council ownership) will require a Cabinet approval.

<sup>1</sup> Our Natural Health Service: The Role of the Natural Environment in Maintaining Healthy Lives. Natural England. (2009).

5.4 Although there will be no additional resources or funding provided to manage these identified green spaces, Telford and Wrekin Council will continue to work with partners such as Town and Parish Councils, existing and new ‘friends of’ groups and local communities to provide the maintenance and upkeep of these important community assets.

## 6 Selection of sites

6.1 The initial list of at least 100 green spaces have been selected using the experience and knowledge of officers across the Local Authority including Neighbourhood & Customer Services, Housing & Policy, Parks & Open Space, Regeneration & Investment, Arts & Culture, Leisure, Culture & Facilities Management, Highways & Neighbourhood Management and Development Management. Officers have applied a set of criteria based on the value of the site to local communities, biodiversity value and leisure and recreational value evidence work undertaken as part of preparing the Local Plan

6.2 Table 1: Green Guarantee Site Selection Criteria

	<b>Criteria</b>	<b>Explanation</b>	<b>Evidence Base</b>
1	Ownership	Is the site owned by Telford and Wrekin Council	Telford and Wrekin land ownership datasets
2	Green Network	Is the site within the Green Network (as defined in the emerging Local Plan)	Green Network mapping 2015 as shown on the policies map within the Telford & Wrekin Local Plan: Consultation Document
3	Local Support	Has the community been involved in the site in the past? E.g. community events, litter picking, tree planting etc... .	Officer knowledge
4	Ecological Value	Does the site have ecological value evidenced by: a) Historical species records from the Shropshire Ecological Data Network  b) Natural or Semi-natural habitats present on site c) Potential for wildlife to be present	a) All species records from the Shropshire Ecological Data Network April 2015  b) and c) officer knowledge and interpretation provided by Telford & Wrekin Council Planning Ecologist.
5	Ecological Corridor/Stepping Stone	Does the site form part of the Ecological Corridor or Stepping Stone as defined by the Lawton Report <sup>2</sup>	Telford & Wrekin Council Ecological Network Mapping Technical Paper & mapping 2014
6	Friends Group	Is there an active ‘Friends of’ group involved on the site	Officer knowledge
7	Passive Recreation	Is the site used for passive recreation? E.g. dog walking, informal play etc... .	Officer knowledge
8	Active Recreation	Is the site used for active recreation? E.g. formal sport and more formal play including use of formal play areas, pitches and games areas etc... .	Officer knowledge
9	Cultural/Events Potential	Does the site have potential to be used for small scale community events?	Officer knowledge

6.3 Sites have been assessed against the criteria detailed in Table 1.

<sup>2</sup> Sir John Lawton. Making Space for Nature: A review of England’s Wildlife Sites and Ecological Network (2010).

6.4 The initial list of at least 100 green spaces under the Green Guarantee can be found in Appendix 1.

## **7 NEXT STEPS**

7.1 Following Cabinet approval of the initial list of at least 100 green spaces set out in this report, consultation and engagement with local interest groups and organisations via Town & Parish Councils will commence to garner support for the identified spaces, gather any local knowledge and to clarify site information including site boundaries. The consultation will be undertaken via the Telford & Wrekin Council website and will run from Monday 2 November 2015 to 30 January 2016

7.2 The process for engaging with local communities to identify a further 50 or more community green spaces will take place following the publication of the Telford & Wrekin Local Plan in December 2016. In response the Council will consider additional sites in their ownership for the Green Guarantee.

7.3 The public consultation period to identify the further 50 Community Green Spaces will commence in January 2017 and will involve engagement with stakeholders including members of the public.

7.4 Timetable for Green Guarantee work;

<b>Milestone</b>	<b>Date</b>
Cabinet approval of Green Guarantee approach and initial list of 100 Green Spaces	October 2015
Engagement with Town & Parish Councils; clarification of an initial list of at least 100 green spaces site boundaries	November 2015 – January 2016
Cabinet approval of final list of 100 green spaces	March 2016
Public Consultation on 50 additional community green spaces	January 2017
Cabinet approval of 50 community green spaces	June 2017

## **8 IMPACT ASSESSMENT**

8.1 All members of the community should have the opportunity to benefit from the diverse range of species and habitat present in the Borough. Research has shown that improving the provision of and access to natural green space can be valuable to a wide range of groups within the community. A statement of land management for green spaces provides clarity that the Council recognises the importance of green space.

8.2 Research has shown that the public health benefits derived from living close to accessible green spaces are considerable and include decreased levels of obesity, heart disease and diabetes as well as lower levels of stress. Access to green spaces is also seen as an effective treatment for clinical depression and regular walking has been shown to increase life expectancy. Provision of accessible green spaces can help to reduce costs on some local NHS services.

## **9 PREVIOUS MINUTES**

Full Council Report 9 July 2015 entitled Draft Telford & Wrekin Local Plan 2011-2031

## **10 BACKGROUND PAPERS**

None

**Report prepared by Clare Francis Project Officer; Environment & Planning Policy. Telephone: 01952 384224 and Fran Lancaster Planning Ecologist; Environment & Planning Policy. Telephone: 01952 384221**

## **Appendix 1: List of sites for approval**

1	Albion Bank, Station Hill, Oakengates
2	Albion Street (Walkway to New Street) Oakengates
3	Arleston Community Open Space (Highway View and Wrekin Retail Park)
4	Athol Drive, St Georges
5	Beeches Road Public Open Space Woodside
6	Bowring Park, Wellington
7	Brandlee Public Open Space Dawley
8	Brandon Avenue Public Open Space
9	Broad Oaks, New Trench Road, Donnington

10	Brookside Centre Pay Area
11	Capewell Road, Maple Close, Trench
12	Church Aston Playing Field
13	Churchill Drive, Ketley Bank, Ketley
14	Crescent Road Playing Field, Wellington
15	Dale End Park, Ironbridge
16	Dawley Park, Doseley Road, Dawley
17	Donnington Recreation Ground (including allotments), School Road, Donnington
18	Donnington Wood Bowling Club
19	Doseley Road Playing Pitch
20	Dothill Playing Field, Dothill
21	Edgmond Bowling Club, Edgmond
22	Edgmond Playing Field, Edgmond
23	Elms Playing Field, Stirchley
24	First Ave, Third Avenue open space and play area, Ketley Bank
25	Ford Road Open Space, Newport
26	Forest Close Public Open Space, Bratton/Dothill
27	Gatcombe Way Public Open Space
28	Gibbons Close Play Area (old Sutherland school site), Trench
29	Glovers Way Public Open Space, Bratton/Dothill
30	Grainger Drive Public Open Space, Leegomery
31	Grooms Alley Public Open Space, Wellington
32	Grove Estate, St. Georges
33	Hadley Castle Public Open Space, Pitch and Canal
34	Hadley Park Road Open Space
35	Halesfield Public Open Space, Halesfield 21
36	Hartshill Park, Oakengates
37	Harvey Crescent Play Area, Arleston
38	Hills Lane Play Area and Linear Public Open Space
39	Hollinswood Playing Field
40	Hollyhurst Road and Ashdale Road open space, Wrockwardine Wood
41	Holmer Lake Public Open Space
42	Horsehay pool
43	Hurley Brook
44	Jockey Bank Gardens
45	John Broad Avenue/Churchill Rd, Arleston
46	Ketley Bank Public Open Space, Fifth Avenue, Ketley
47	Ketley Pit Mound, Main Road, Ketley Bank
48	Ketley Recreation Ground, Station Road, Ketley
49	Lawley Village Green
50	Leegomery BMX Track, Play & Fairground, Leegate Avenue, Leegomery
51	Leegomery Pools, Leegate Avenue, Leegomery
52	Leegomery Public Open Space and Playing Field, Grainger Drive, Leegomery
53	Lilleshall Playing Field
54	Little Apley Park, Apley Avenue, Wellington
55	Longford Road Open Space, Newport
56	Madeley Ski Centre Playing Field, Madeley Court, Madeley
57	Mannerley Wood, Ridings Close, Ketley
58	Matlock Avenue, Dawley
59	Middle Pool, Trench
60	Millfieds Park, Millfields Rd, Wellington
61	Milward Mere, Newport

62	Mount Gilbert School Playing Field, Dawley
63	Nedge Hill
64	New Road, Fields between Trench and rail freight line, A518, Trench
65	Newport Cricket Club
66	Newport Showground Play Area, Newport
67	Norbroom Park
68	Oakengates Leisure Centre
69	OD Murphy Public Open Space, Orleton Lane, Orleton
70	Old Park Pool, Telford
71	Overdale Playing Field, Overdale
72	Pageant Drive Public Open Space, Aqueduct
73	Parrots Beak, Wombridge Road, Trench
74	Playing fields south of old Phoenix School site
75	Portley Road Public Open Space
76	Princes End, Lawley Bank
77	Priorslee Flash
78	Priorslee Pitmound, adjacent to Priorslee Flash, Priorslee
79	Priorslee Playing Field, Teece Drive, Priorslee
80	Randlay Avenue Public Open Space, Randlay
81	Redhill Ecology Park, St Georges
82	Regatta Playing Field, Ironbridge
83	Ringers Lane (Admaston)
84	Russell Square, Madeley
85	Saltwells Drive, Muxton
86	Shawbirch Pools, Mere Grove, Shawbirch
87	Shawbirch Spine Public Open Space, Shawbirch
88	Shuker Field, Newport
89	Snedshill (The Viewpoint), Snedshill
90	Southside Gardens, Ironbridge
91	Southwater Way, North of Isaiah's Stone, Telford
92	Station Road, Donnington
93	Stile Rise Public Open Space, Shawbirch
94	Stirchley Spine Public Open Space
95	Strine Brook, Newport
96	Sunniside, Coalbrookdale
97	Sunny Croft Public Open Space, Wellington
98	Sutton Hill Playing Field
99	Telford Town Park (None LNR)
100	The Dip, Brookside
101	The Muddy, Daddlebrook
102	The Rock Public Open Space
103	Tibberton Playing Field, Tibberton
104	Trench Community Field, Gibbons Road, Trench
105	Upper Road Play Area, Madeley
106	Victoria Park, Newport
107	Wantage Open Space, Woodside
108	Watling Community Centre, St Giles Close, Arleston
109	Wealdstone, Woodside open space
110	Wellington Road, Trench
111	Whiteway Drive Public Open Space, Shawbirch
112	Wickes Stadium Wellington Amateurs FC, Oakengates
113	Wombridge Road Green

114	Wombridge Skate Park
115	Woodhenge Public Open Space, Leegomery
116	Woodside Centre Public Open Space

**TELFORD & WREKIN COUNCIL**

**CABINET – 15 OCTOBER 2015**

**FUTURE DELIVERY ARRANGEMENTS FOR WEST MERCIA YOUTH  
OFFENDING SERVICE (WMYOS)**

**REPORT OF DIRECTOR OF CHILDREN & FAMILY SERVICES**

**LEAD CABINET MEMBER – CLLR PAUL WATLING**

**PART A) – SUMMARY REPORT**

**1. SUMMARY OF MAIN PROPOSALS**

- 1.1 West Mercia Youth Offending Service (WMYOS) is a partnership between four Local Authorities (Worcestershire, Herefordshire, Shropshire and Telford & Wrekin), West Mercia Police, National Probation Service, Health partners (represented by NHS England), and the West Mercia Police & Crime Commissioner. The service delivers the full range of Youth Justice provision for children, young people, their families and the victims of youth crime.
- 1.2 WMYOS has undergone a phased programme of transition commencing in 2012 with the establishment of a single West Mercia-wide service. This was the first step in a move towards a more integrated single organisation for WMYOS delivery. Hosting was initially provided by the Probation Trust. Following subsequent national changes to Probation services, Worcestershire County Council took on the role of host agency for WMYOS on an interim basis pending a formal decision on the most suitable longer-term delivery arrangements.
- 1.3 The proposed arrangement is for the Office of the Police and Crime Commissioner to act as the host organisation on a formal basis from April 2016. This is the outcome of a comprehensive options appraisal undertaken by the WMYOS Management Board during 2014/15.

**2. RECOMMENDATIONS**

- 2.1 It is recommended that Cabinet approves the Office of West Mercia Police and Crime Commissioner to act as the host organisation for the four local authorities and their statutory partners as of 1<sup>st</sup> April 2016 subject to all parties entering into appropriate contract documentation to give effect to the hosting arrangement
- 2.2 Authorises the Director of Children and Family Services and the Lead

Cabinet Member to take all steps to implement the above hosting arrangement including consulting with affected council staff on the details of the transfer to the PCC

### 3. SUMMARY IMPACT ASSESSMENT

<b>COMMUNITY IMPACT</b>	Do these proposals contribute to specific Co-operative Council priorities?	
	Yes	<ul style="list-style-type: none"> <li>• Put our children and young people first</li> <li>• Protect and support our vulnerable children and adults</li> </ul> <p>Ensure neighbourhoods are safe, clean and well maintained</p>
	Will the proposals impact on specific groups of people?	
	Yes	Children, young people and their families. Victims of youth crime.
<b>TARGET COMPLETION/DELIVERY DATE</b>	<p>Target completion date 1st April 2016.</p> <p>Key milestones include:</p> <ul style="list-style-type: none"> <li>- Phased implementation from October 2015</li> <li>- Joint Agreement and Service Specification agreed December 2015</li> <li>- Formal consultation with staff and Trade Unions from January 2016</li> </ul>	
<b>FINANCIAL/VALUE FOR MONEY IMPACT</b>	Yes	<p>A detailed financial comment is included in this report at Section 6. In summary the business case prepared for the revised operating arrangement includes a financial forecast which is indicative only, and lacks sufficient detail to give any conclusive view on the operating budgets for the new organisation. However, commenting on the forecasts prepared, there is no change included to the current level of contributions from the partner LA's and if this was so there would be no impact to the Council's contribution to YOS from this proposal. The model proposed does not reflect the recent proposal under current consultation to reduce the 2015/16 allocations of Youth justice Board Grant which would reduce the WMYOS allocation by £150k in 2015/16 and onwards. There are also costs missing(i.e. redundancy costs) from the model, cost increases arising and cost savings which are not detailed which are required to make</p>

		<p>the model work. The model does not indicate any budgetary implications for the Council however, due to incomplete information, further information would be required to fully establish the implications of the proposals and if the recommendations are approved the Council will have to work with the WMYOS to ensure an affordable solution is agreed.</p>
<p><b>LEGAL ISSUES</b></p>	<p>Yes</p>	<p>The legal implications of the proposed hosting arrangement by the Office of the West Mercia Police and Crime Commissioners have been considered within the relevant legislative framework. Under The Crime &amp; Disorder Act 1998 (sections 37-42 relating to the provision of Youth Justice Services) the four WMYOS Local Authority partners will retain the lead responsibility for securing youth justice services for the West Mercia area, actively supported by all statutory partners..</p> <p>The WMYOS Management Board, including representation from the Youth Justice Board will still be retained as the lead strategic body with responsibility for governance, preparation of the Annual Youth Justice Plan, brokering of funding and resources, securing delivery and performance oversight.</p> <p>It is proposed that the four councils and their statutory partners will enter into a joint agreement with the Office of the Police and Crime Commissioner to secure delivery of the full range of Youth Justice services as set out in the above Act.</p> <p>The procurement implications are that the proposed Agreement falls within scope of the Procurement Contract Regulations 2015 (sec 12). This is derived from EU case law (the Hamburg case) and enables public authorities who are working together to be exempt from open procurement where the joint working arrangements comply. In addition the service specification will form the basis of the joint agreement between the Parties.</p> <p>There will also be employment implications with regard to staff on seconded and /or</p>

		funded specialist posts from Police, Probation and Health deployed and Local Authority funded staff that will transfer into the employment of the Office of the Police and Crime Commissioner under TUPE arrangements. These will include qualified social workers registered with the Health and Care Professions Council.
<b>OTHER IMPACTS, RISKS &amp; OPPORTUNITIES</b>	Yes	Maximising the impact of the combined resources of the WMYOS partner organisations to improve economies of scale and resilience, reflecting the increasing pressures on national and local resources to reduce offending and reoffending by young people.
<b>IMPACT ON SPECIFIC WARDS</b>	No	Borough-wide impact

## **PART B) – ADDITIONAL INFORMATION**

### **4. BACKGROUND INFORMATION**

- 4.1 The comprehensive options appraisal undertaken by the WMYOS Management Board during 2014/15 included detailed consideration of a broad range of alternative delivery models:
- Outsourcing delivery to a third sector organisation. This was discounted following a comprehensive market engagement exercise which identified a limited range of suitably experienced potential providers.
  - Establishing a Local Authority Trading Company (LATC) for WMYOS delivery. A full business case was undertaken for a LATC. Concerns around financial viability and the lack of engagement of all WMYOS partners led to this option being discounted.
  - Hosting by a Local Authority. After careful consideration this option was not considered viable for reasons specific to the four individual Local Authorities. It was also felt that this was the option least likely to achieve the desired outcomes for longer-term WMYOS delivery.
- 4.2 Each of these alternative options were assessed using clear and transparent criteria agreed by the WMYOS Management Board. This included consideration of financial viability, performance impact, quality and sustainability. The options appraisal forms a strong evidence base for the

proposed hosting arrangement by the Office of the Police and Crime Commissioner which is supported in-principle by all WMYOS partners

4.3 The main reasons for considering a change to WMYOS delivery arrangements include:

- Recognition of the need for a more sustainable service model that is best positioned to respond with flexibility and innovation to the rapidly changing policy context for both criminal justice and children's services.
- The opportunity to create a more business-oriented delivery model which drives up performance and quality. Whilst WMYOS performance is mostly good, the WMYOS Management Board are focused on how this can be progressively improved across all areas.
- Maximising the impact of the combined resources of the WMYOS partner organisations to improve economies of scale and resilience, reflecting the increasing pressures on national and local resources.
- Increasing flexibility for deployment of staff and resources across the West Mercia area.
- Strengthening alignment and integration with the full range of children and young people's and adult services at a local level.
- Strengthening links with the Police and other regional and national criminal justice partners

4.4 Throughout the options appraisal process, the overriding consideration of WMYOS partners has been on which model will offer the best impact on reducing offending and re-offending, whilst securing the best possible outcomes for children, young people, the victims of crime and the wider community

4.5 The potential benefits of the proposed hosting arrangement with the Office of the Police and Crime Commissioner include:

- The arrangement will enable the WMYOS partnership to be maintained on a co-terminus basis with related criminal justice and public services. This maximises the impact of combined resources and presents opportunities for shared systems and processes.
- There is a strong strategic fit, with the Office of the Police and Crime Commissioner sharing responsibility with the WMYOS for reducing re-offending, preventing crime and disorder and supporting victims. This is reflected in the Police and Crime Plan and Local Youth Justice Plan.

- The Office of the Police and Crime Commissioner shares wider linkage with local safeguarding and community safety arrangements
- The Office of the Police and Crime Commissioner and West Mercia Police can offer business support capacity with the economies of scale presented by a large organisation. This will include HR and finance input and will build on recent implementation of a single ICT systems framework for WMYOS, hosted by the Police.

4.6 The following main elements of the proposed hosting arrangement will form the basis of a formal joint agreement between the WMYOS Management Board and the Office of the Police and Crime Commissioner:

- The four Local Authority partners will retain full statutory responsibility for the provision of Youth Justice services, with the associated duty to cooperate placed on all partners as set out in the Crime & Disorder Act 1998 and related legislation. Within this context there will be no delegation or diluting of statutory responsibilities.
- The WMYOS Management Board, incorporating the Local Authority partners, and with representation from the Youth Justice Board, will maintain robust governance and oversight of WMYOS delivery.
- The WMYOS Management Board will retain responsibility for producing the Local Annual Youth Justice Plan and for securing the resources required for delivery.
- The main body of WMYOS staff who are currently employed by the Local Authority partners will transfer under TUPE into the employment of the Office of the Police and Crime Commissioner. This includes the 25 (full-time equivalent) WMYOS staff currently employed by Telford & Wrekin Council.
- Police, Probation and other specialist staff will continue to be deployed in WMYOS on a secondment basis, ensuring strong operational links are maintained with these critical partner organisations.
- An integrated WMYOS ICT and email framework hosted by West Mercia Police is already in place and will minimise disruption to service delivery at point of transition. Other business support functions will transfer to the Office of the Police and Crime Commissioner and West Mercia Police.

4.7 It is proposed that on 1<sup>st</sup> April 2016 the service will transfer to the Office of the Police and Crime Commissioner on the basis of the existing WMYOS organisational structure and operating model. A detailed analysis of demand and workflow with a focus on improving efficiency, quality and impact will be undertaken during the implementation phase (Oct 15 to March 16). This will form the basis of proposals for consultation with staff following implementation of the hosting arrangement in April 2016. It is anticipated that

proposals for reshaping WMYOS will ensure that the service is able to deliver the best possible performance and quality within a climate of reducing resources for all partners

## **5. LEGAL IMPLICATIONS**

- 5.1 A PCC hosting arrangement for WMYOS will be an innovative development and the first time that an Office of the Police and Crime Commissioner has taken this lead role within a YOT environment. Local arrangements will be required to clearly demonstrate compliance with the key legal and statutory requirements relating to the Office of the Police and Crime Commissioner and to the provision of Youth Justice services
- 5.2 Legal representatives of the Local Authorities, Police and Office of the Police and Crime Commissioner, in discussion with the Youth Justice Board for England and Wales have reviewed compliance of the proposed hosting arrangement with the relevant legislative framework and are of the view that all statutory requirements can be fully met. Furthermore, it is believed that the synergies created by this approach will strengthen the capacity of the WMYOS partnership and the Office of the Police and Crime Commissioner to achieve their respective strategic priorities and to secure better value and improved outcomes for local communities

## **6. FINANCIAL IMPLICATIONS**

- 6.1 The service is currently funded through a multi-agency budget of c. 3.9m (2015/16). This is sourced through a mix of funding and 'in-kind' contributions from the WMYOS partner agencies(i.e. Support Services), augmented by direct grant funding (around 38% of total WMYOS budget) from the Youth Justice Board for England and Wales. The level of this grant is currently subject to review(see below).
- 6.2 Around 80 (FTE) staff work within the service. These include 14.5 staff deployed from WMYOS partner agencies and 68(63FTE) staff directly employed by three of the Local Authority partners
- 6.3 The 2015/16 financial contribution to WMYOS by Telford Council is £283,480. Telford & Wrekin Council directly employ 25 operational staff within the WMYOS.
- 6.4 The business case which has been prepared for a revised YOS operating structure includes a 3 year "indicative" financial model, but the information lacks detail. The report says that further information will follow as the preparation of the joint agreement is progressed, and this information is not yet available. The information that is available includes no change to partner contributions over a three year planning period, and if this remains the contribution of £283k would remain and this is already within Council base budget for YOS. The report makes reference to the Governments review of the Youth Justice Board(YJB) budget and the YJB is currently consulting(until 19/9/15) on "In Year" savings

proposals affecting the 2015/16 allocation including a proposed reduction to grants for YOT's of around 11%, the reduction to the West Mercia YOS would be around £150k (£1.41m to £1.26m). The report includes reference to cost increases arising from aligning staff terms and conditions and the recognition of the cost of support services and depreciation of ICT equipment, these are included in the model.

There are also costs that have not been built in such as potential redundancy costs which are not estimated and the cost of a pension bond of £21k.

However, the model also includes for a cost review designed to deliver cost reductions required to make the financial model work, these are calculated at 7.5% of staff and staff related costs and 5% of non staff costs, but only being achieved for a part year in the first year so equating to 3.1%. (£123k). There is insufficient detail about the proposals to set out more information in this report, but this should follow in due course. There are also potential costs associated with staff currently in the Shropshire Pension Scheme moving to the Worcester Scheme which operates pensions for the PCC but these are not yet known or included.

- 6.5 Transition costs associated with moving into the new arrangements will be met from existing WMYOS limited reserves. There will be no additional costs to Telford & Wrekin Council associated with the move to the new arrangements. Further work would be required to determine whether the savings expected and hoped for can be delivered from this model.

## **7. HR IMPLICATIONS**

- 7.1 Communication has been maintained with WMYOS staff and Trade Union representatives throughout the review and options appraisal. This will continue through the implementation phase. The transfer of Telford & Wrekin Council employees into the new arrangements will be undertaken in strict accordance with statutory and locally agreed procedures. Telford & Wrekin Council HR Officers have maintained an active role throughout the options appraisal and implementation planning phases.

## **8. MANAGING RISK**

- 8.1 A risk register is included with the supporting information
- 8.2 The Council will maintain responsibilities for oversight of performance, impact and risk through the Overview and Scrutiny Committee arrangements and as part of the local Community Safety Partnership
- 8.3 Whilst it is the statutory responsibility of the Council to secure the delivery of a Youth Offending Service, the risks are shared with the three other local authorities within West Mercia, the police, the National Probation Service, the Office of the Police and Crime Commissioner and NHS England.

**9. IMPACT ASSESSMENT – ADDITIONAL INFORMATION**

The Principal aim of the Youth justice System is the prevention of offending and re offending by children and young people. Under section 40 of the Crime and Disorder Act 1998 each Local Authority has a duty to produce a Youth Justice Plan setting out how Youth Justice Services in their area are provided and funded and composed. The plan is submitted to the Youth Justice Board for England and Wales. The Youth justice plan sets out an action plan to address the significant risks identified to future service delivery and improvement.

**10. PREVIOUS MINUTES**

Cabinet Report - 28<sup>th</sup> June 2012 Youth Offending Service (YOS) Review

**11. BACKGROUND PAPERS**

Executive Summary of Business Case (edit of WMYOS Management Board paper) Appendix 1.

**Report prepared by:**

**Laura Johnston  
Director of Children & Family Services  
Telephone: 01952 385100**

## TELFORD & WREKIN COUNCIL

CABINET - 15 October 2015

### SKILLS TO EMPLOYMENT PROGRAMME

#### REPORT OF ASSISTANT DIRECTOR: DEVELOPMENT, BUSINESS & EMPLOYMENT

LEAD CABINET MEMBER – CLLR GILLIAN REYNOLDS

### PART A) – SUMMARY REPORT

#### 1. SUMMARY OF MAIN PROPOSALS

- 1.1 In January 2014, Cabinet approved a 2 year programme of pledges focused on tackling youth unemployment. The pledges aimed to ensure that every 16-24 year old seeking employment or training was fully supported and to decrease our youth unemployment levels in line with national levels by the end of 2015/16. As of July 2015, youth unemployment in Telford and Wrekin now stands at 13.6%, below the national position (16.2%) and the West Midlands rate (16.9%).
- 1.2 We have made significant progress against all of the original pledges supporting c.600 young people into employment, education or voluntary work through our Job Junctions and 206 into employment or education with the support of our Job Box Mentors (plus an additional 15 into a second job). Our Job Box 'one stop shop' continues to grow in recognition amongst business and young people and we've engaged over 9,500 people through our Job Fairs.
- 1.3 Through our work with the Telford Business Board and individual businesses and investors we are seeing a tightening in the labour market creating skills gaps at all levels and technological changes within industry and across sectors and supply chain, creating workforce development challenges. We also continue to receive the message from business that those seeking to enter their workforce often lack key employability skills.
- 1.4 Given this context whilst maintaining our success reducing youth unemployment remains a priority, with the additional £500k committed by the Council in addition to the original £1.3m YU Programme, there is an opportunity to refocus activity to address these emerging priorities, reflecting more closely the skills needs of our local businesses and targeting the needs of the cohort that are still seeking employment. This includes young people not in education, employment or training (NEETS), a group which continues to grow.
- 1.5 The Report sets out proposals to take the strategy forward through a **Skills to Employment Programme** that links closely to the Council's Strengthening Families strategy and Enterprise Telford approach and will generate growth through business expansion and inward investment, supported by an economically independent and resilient workforce. The programme will be delivered through 3 strands underpinned by the related themes - 'inspire', 'grow' and 'engage':

**Life Ready Work Ready** – to *inspire* and *grow* young people for the world of work

**Job Box** – to *engage* and *inspire* jobseekers of all ages and backgrounds

**Growth Hub** – to *inspire*, *engage* and *grow* businesses of all sizes, across all sectors, growing entrepreneurship and technological advancement

- 1.6 The delivery of the whole programme will require closer partnership with a range of stakeholders, particularly schools and education providers, to sustain our momentum in reducing unemployment and promoting economic growth. It is proposed that the Telford Business Board and Local Strategic Partnership will act as sponsors for the different strands of the programme
- 1.7 This report provides an update on progress to date against the youth unemployment pledges, highlights our key challenges going forward and presents an emerging skills to employment programme of activity.

## **2. RECOMMENDATIONS**

- 2.1 That cabinet note the progress made to date against the pledges approved at Cabinet in January 2014 to tackle high levels of youth unemployment**
- 2.2 That Cabinet approve the Skills to Employment Programme to the end of financial year 17/18 as set out in Appendix 2.**

## **3. SUMMARY IMPACT ASSESSMENT**

<b>COMMUNITY IMPACT</b>	Do these proposals contribute to specific Co-Operative Council priority objective(s)?	
	Yes	<ul style="list-style-type: none"> <li>• Improve the health and well being of our communities and address health inequalities</li> <li>• Protect and create jobs as part of a “business supporting, business winning council”</li> <li>• Improve local people’s prospects through education and skills training</li> <li>• Protect and support our vulnerable children and adults</li> <li>• Put our children and young people first</li> </ul>
	Will the proposals impact on specific groups of people?	
	Yes	<ul style="list-style-type: none"> <li>• There will be a borough wide impact and whilst there will still be a specific focus on 16-24 year olds, education providers and businesses we will be widening the support we offer to other unemployed groups including those on employment support allowance, over 50,s, ex offenders, graduates, ex forces and those under 6 months unemployed.</li> </ul>
<b>TARGET COMPLETION/DELIVERY DATE</b>	This was originally a two year programme of pledges up to April 2016. We have revised our plans to take our work forward to the end of 17/18 financial year. During this time we will work with partners to adjust support in line with local and Government changes to develop a sustainable longer term delivery model for the most effective elements of the programme.	
<b>FINANCIAL/VALUE FOR MONEY IMPACT</b>	Yes	Funding of £1,304,730 over two years was identified to deliver the original programme. An additional £500,000 was approved from the 14/15 outturn position to support unemployment initiatives. This additional funding enables key elements of the scheme to be developed further and will be funded up to 2017/18. During this period Service areas will work with partners to seek to develop a sustainable model. (AEM 17/09/15)

<b>LEGAL ISSUES</b>	Yes	The previous report of January 2014 highlighted the then extension of the Council's statutory duty to provide education and/or training to 16-19 year olds and the statutory provisions available under section 111 of the Local Government Act 1972 to permit the extension of services to 20 to 24 year olds. The Act allows the authority to do anything which is calculated to facilitate, or is conducive or incidental to its statutory functions The Council can therefore continue to rely upon these provisions to further develop the services as proposed, and in particular to schemes covering individuals over 19 years of age. The exercise of the power in respect of the proposed will continue to be subject to express statutory restraints such as the public sector equality duty, procurement and state aid rules.
<b>OTHER IMPACTS, RISKS &amp; OPPORTUNITIES</b>	Yes	The financial viability and effectiveness of activities will continue to be evaluated and adjustments made to the longer term programme. Funding from the Local Enterprise Partnership (LEP), Skills Funding Agency and Government departments will be pursued. We will also explore opportunities for devolution of responsibility for delivery and funding for aspects of adult skill provision and performance reward grant.
<b>IMPACT ON SPECIFIC WARDS</b>	Yes	The proposals will have a borough wide impact with a targeted approach to those wards where there are the highest concentrations of unemployment including Cuckoo Oak, Woodside, Malinslee, Haygate, Brookside and Donnington

## **PART B) – ADDITIONAL INFORMATION**

### **4. BACKGROUND**

4.1 In January 2014 Cabinet approved a 2 year programme to tackle youth unemployment pledging to reduce this in line with national levels by 31st March 2016. By July 2015 this had been achieved with youth unemployment standing at 13.6% compared to a national figure of 16.2%. Contributing to this is the success achieved against the Youth Unemployment Pledges. In summary:

- Over the first 18 months of the programme we have engaged with 13,945 people including 9000 who have attended our Jobs and Skills Fairs.
- 206 (including an additional 15 into a second job) unemployed young people have entered education or employment, with support from our Job Box mentors.
- 600 people have been supported into employment, education or voluntary work through our 16 Job Junctions
- 25 new young businesses have started as part of Young Telford programme.
- There has been a positive shift in the profile of our unemployed, with the numbers claiming Job Seekers Allowance decreasing (800) and the largest group now those on Employment Support Allowance (2200).
- The council now offers 100 work experience placements, and employs over 165 Apprentices, exceeding our original target of 150, with many applying for positions through extended redeployment opportunities
- In September 15 we launched our Apprentice incentive scheme that will enhance skills and employability for council apprentices who have been unsuccessful in securing a job following their apprenticeship.

- We have engaged with 4945 people (excluding the 9000 people attending the Jobs/Skills Fairs) at an average of £119.13 per engagement. The cost of supporting the c.600 people into a positive destination of education, training, employment/voluntary work averages £1092.96 per person. This compares to ESF – £2390 per young person; the Youth Contract which provides £1275 per young person moved into a positive destination and the work programme which pays out £3800 per young person moved into and sustained into employment.
- We have successfully delivered 4 major jobs fair events in the borough attracting over 9500 delegates.
- By adopting a single client record management system for identifying young people who are aged 16-20 (aged to 24 with a Learner with learning difficulties or disabilities, LLDD) we can track their progress into employment providing a greater opportunity to identify early on and support those at risk of becoming NEET, tailoring an appropriate programme of activity.
- Our Job Box “one-stop shop” for employers and young people already averages 500 hits per week and growing. The brand and website is growing in recognition with c.2500 likes to our Facebook page and rising. Live employer vacancies will be available from Autumn 2015.
- A Parent Strategy is in place to help parents support young people make informed career choices. A Special Educational Needs (SEN)/NEETS Careers Advisor has been appointed to focus more support on your young people with learning difficulties and disabilities, too many of whom become NEET.

4.2 It is important that this success is maintained but also that we look to target resources to those areas and groups where progress is still required. This includes addressing the continuing challenge of NEETs and the changes in National Policy for employment and skills. As engagement with employers grows and we are seeing increasing levels of inward investment we also need to ensure that the pathway for young people into local employment is clear and well signposted and that we are supporting business to address their skills needs.

## 5. **INFORMATION**

### **CONTEXT**

5.1 The Skills to Employment Programme is set in the context of the Council’s wider programmes of social and economic development activity:-

#### **Strengthening Families**

5.2 We recognise the need to create a sustainable economy for Telford with resilience in our job market and within our communities and to strengthen families by creating economic independence and self reliance.

#### **Enterprise Telford**

5.3 Telford’s economy is growing and we are seeing healthy levels of business expansion and a strong pipeline of inward investment attracted by the Borough’s business winning, business supporting approach.

5.4 Across all sectors, businesses report an increasing demand for higher skilled labour and requirement for recruitment, particularly created by an ageing workforce. It is key that this is tackled to maintain the Borough’s competitive investment position.

#### **Devolution & Partnership: Driving Growth & Prosperity**

5.5 The Job Box programme was designed around local intelligence about the challenges facing young people. The average cost of success/individual engaged is less than half of many national programmes. The Devolution Deal proposals submitted to Government on 4

September seek to build on this success seeking local responsibility for delivery of national skills programmes alongside greater commissioning of skills investment to meet local needs and retention of business rate growth to reinvest into infrastructure including skills.

## **SKILLS TO EMPLOYMENT PROGRAMME**

- 5.10 Through our Skills to Employment Programme, we will deliver three key strands of activity - **Life Ready, Work Ready, Job Box** and the **Growth Hub**, see Appendix 1.
- 5.11 The emerging work programme delivered through these three strands are summarised in Appendix 2. Wide ranging stakeholders will have a role to play in delivery with the LSP providing sponsorship for the Life Ready, Work Ready programme and the Telford Business Board for the Growth Hub. The following is a brief summary of each strand:-
- 5.12 ***Life Ready, Work Ready***  
An ongoing theme from business is that young people leaving education are often not yet work ready, some lacking basic employability and life skills. Linked to this we know from our strengthening families' work how economic independence is key to building confidence, resilience and sustainable lifestyles and families. Earlier this year an event facilitated by Cap Gemini, attended by business leaders, education providers and public sector partners sought to identify what was needed to support young people in order to give them the best chance for success when they leave education.
- A Steering Group with representatives from primary and secondary school, HE, parents, governors, business and TWC has been established to drive forward the programme of work. Recognising the cross cutting issues and role of many strategic partners the LSP will act as sponsor.
- A number of project areas are being developed including:
- 5.13 **Business 2 Schools Brokerage** - opportunities to improve the work readiness of young people are available if we can facilitate the relationship between our local employers and education providers, at all ages and all stages. The provision of an effective brokerage facility will be key to developing these relationships. The brokerage aims to increase, coordinate and enable employer level input into schools including work readiness training, greater awareness of career opportunities and pathways to the specific businesses/sectors in the Borough, a greater awareness of the local employment market and quality work experience.
- 5.14 **Enterprise** – We are offering sponsorship to our local secondary schools to take part in the Young Enterprise programme giving students the opportunity to start up and run their own business.
- 5.15 **Work Readiness Programme** – launching in October this on line system will enable students to develop core workplace skills aligning the new Ofsted common inspection framework
- 5.16 **Work Experience** – In response to comments from business we will be developing a set of standards to support our employers when hosting a work experience placement. This will ensure that it is a worthwhile experience for students and for the employer and that there is a consistent standard across the borough.
- 5.17 **Careers** – In addition to a programme of circa bi-monthly sector job fairs we will be launching a major career event in the Borough in 2016 building on the 2015 event with even greater focus on hands on experiences from local and national employers and connecting local employers with schools.

5.18 **Commissioning** - With the changes in post-16 funding from 2017, we will work closely with the Telford Business Board to inform and influence our local training provision directly commission where opportunities arise. .

5.19 Challenges remain to support schools and businesses to work together successfully and sustainably. OFSTED are starting to recognise these changes to pre and post 16 assessments but current activity is adhoc, of varying quality and where schools are faced with an improvement agenda this activity may still be viewed as peripheral. We will work with a pilot group of primary and secondary schools to develop the programme and look to build pledges of support from as many schools as possible through peer to peer communication.

### ***Growth Hub***

5.20 The Telford Business Growth Hub is a collaborative programme being delivered by the Council in partnership with the University of Wolverhampton, Telford Business Board and the Marches LEP. To support the Hub, Telford Business Board is leading the way in the identification of the issues, barriers to growth and opportunities within sectors and in supporting sector growth through its Sector Champions.

5.21 An early focus for the Champions has been skills and recruitment, and the Growth Hub will support collaboration between businesses that will create local career pathways from school to employment or entrepreneurship and help those entering the labour market. The Hub will provide the focus for the delivery of EU funded business and skills support programmes by local and national partners.

5.22 Activities supported through the Growth Hub will include business engagement with Apprenticeships, school and business brokerage, up skilling in the work place, leadership and management support, knowledge transfer, and entrepreneurship. The Hub is due to be launched on 21 October

### ***Job Box***

5.23 Despite our success supporting young people into employment, we continue with a legacy of high NEETS aged 16-18 and hard to reach and engage young people. We are also aware that there is a continuing theme of under-employment and groups e.g. ex service personnel and over 50s where unemployment is growing.

5.24 We have evaluated the impact and value for money of our current pledges relating to youth unemployment and the current Job Box programme. As such we are recommending a number of changes to the existing programme (Appendix 2) - including:

5.25 **Job Junctions** – In line with the reduction in unemployment a number of the new Job Junctions have suffered from low attendance and as a consequence the extra, non council funded, support we received locally to deliver the additional Job Junctions had to be withdrawn. Given the levels of attendance we are proposing to reduce the level of provision in 6 of Junctions. In these locations we will continue to maintain a monthly presence with a themed approach looking at elements such as CV writing, Interview Techniques etc. This will provide more targeted and effective support that is more cost effective leaving us to target our resource at the higher attended sessions.

5.26 **Apprentice Support for Small & Medium Sized Businesses** – The apprentice training agency model intended to deliver this element of the original programme has not seen significant business take up. On the basis of business feedback we are recommending that we adapt the support offered to SMEs to encourage recruitment of an apprentice by offering a grant. This will also open up the opportunity for access to the Government Age grant to match our local incentive. This model will enable us to set criteria to support under represented groups into apprenticeships such as children in care or young people with learning difficulties or disabilities.

- 5.27 Moving forward the development of the Job Box programme is proposed to include:
- a **renewed focus on NEETS** - too few of our young people 16 – 18 meet the duty of the raising of the participation age so we need to work closely with our providers to have provision that is attractive to these young people and that they have the support to succeed in further learning.
  - **Continuing our Job Junction and Job Box Mentor support for our hard to reach communities** with a focus in Telford’s identified areas of Intervention, and adding to our case work for young people up to 24 with those who are under-employed, ex service personnel, over 50s, graduates, those facing redundancy and unemployed over 6 months
  - **Closer working with our Colleagues from DWP** will help us understand changes for those seeking employment and the requirements being expected of them. As universal credit rolls out we will adapt to ensure those able and seeking work have the best support they need to move out of the benefits system. The Government drive for “digital by default” means many more people will need to have access to and competency in IT to complete their benefit returns and evidence job seeking activity. We will use our job Junctions in our most deprived geographical areas to ensure the right support is available to those who need it most
  - The challenge of knowing where to get the right support remains and so investment will continue into **developing the Job Box brand** and reputation as the “**one-stop shop**” for individuals looking for support or information on careers and employment encompassing ALL support on offer not just that offered by Telford & Wrekin Council.
  - **Increasing work with key investors** e.g. MOD Fulfilment Centre and the Shopping Centre to ensure that we have an available and trained work force to meet the needs of the inward investors and existing businesses.

5.28 The creation of the over-arching skills to employment programme will strengthen links between LRWR and Job Box activity and the business agenda captured through the Growth Hub. This will ensure that the direct delivery of course provision for the unemployed and promotion of employment/placement opportunities is informed by the Business Board Sector Champions and Growth Hub intelligence. We will prepare people for the local jobs available and increase resilience in the current and future workforce.

#### ***Stakeholders & Delivery***

5.29 This programme cannot be delivered by the Council alone. As with the existing YU Programme the Council has a role to play as employer and broker but key to delivery will be collaboration with stakeholders and the commitment to engagement from schools.

5.30 Each strand has a cross sector steering group linking with either the LSP or TBB as sponsor.

5.31 Delivery of programme of activity set out in Appendix 2 will be monitored and overall impact measures will include DfE NEET reporting, unemployment statistics, and local economic measures including number of jobs created.

## **5 IMPACT ASSESSMENT – ADDITIONAL INFORMATION**

None

## **6 PREVIOUS MINUTES**

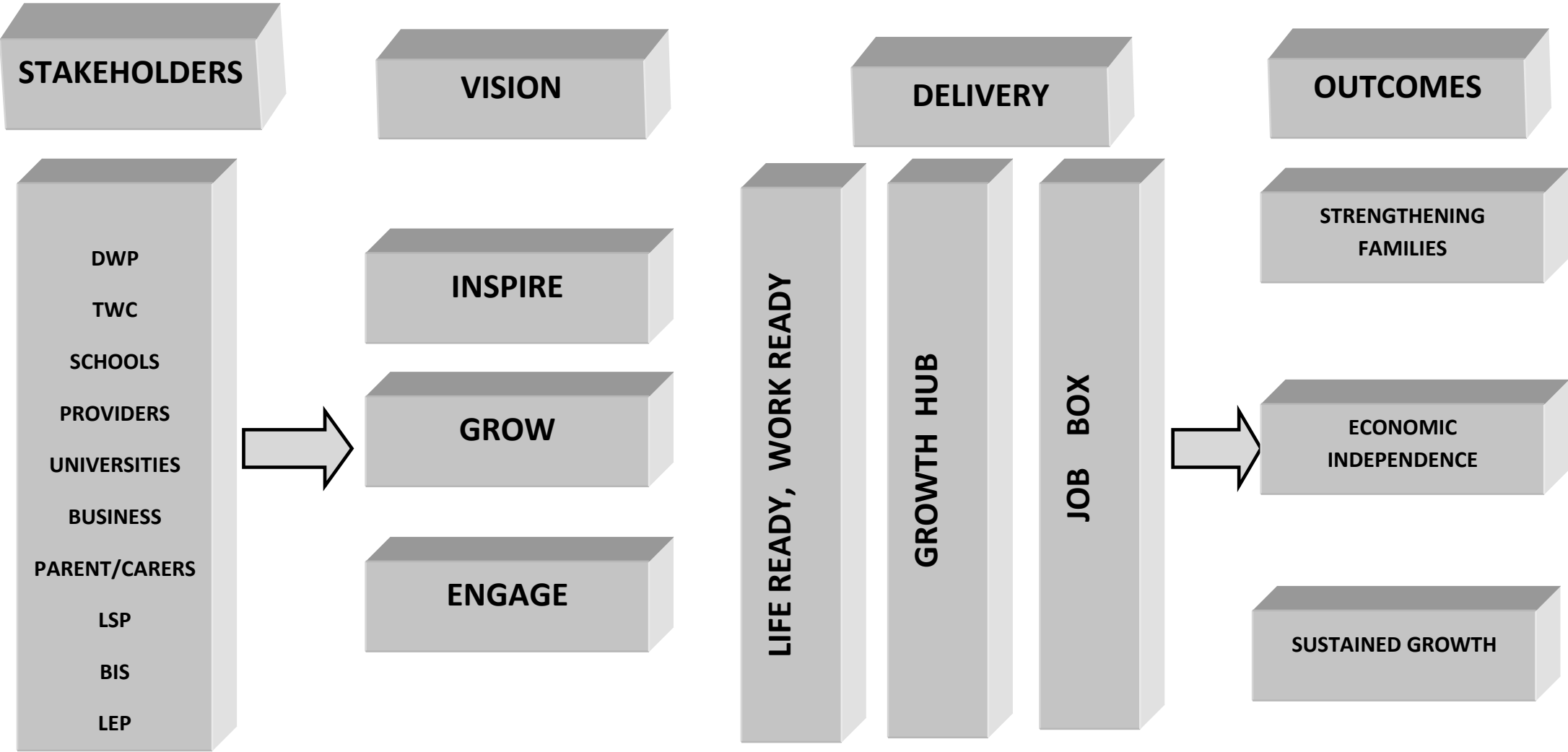
None

## **7 BACKGROUND PAPERS**

None

**Report prepared by Kim Hodgetts, Youth Unemployment Programme Manager and Sue Marston, Skills Service Delivery Manager**

**APPENDIX 1 - SKILLS TO EMPLOYMENT PROGRAMME**



## APPENDIX 2 – SKILLS TO EMPLOYMENT PROGRAMME OF ACTIVITY

To be delivered by the end of 17/18

### Skills to Employment Programme

Through our **Job Box Programme** we will:

**Inspire** our future generations by:

- Building on our current website we will enhance it to provide targeted information, advice and guidance all in one place. We will monitor the hits to the relevant sections of the website and develop services and promotion on this basis
- Increasing the numbers of schools actively engaging in UCAS progress to **10** schools
- Provide information and guidance to parents and carers via the web portal
- Influence curriculum delivery in line with local employer needs by sharing sector information from champions
- Provide information on sector work force needs in the local area to enable young people to make an informed decision about career paths locally through business case studies of **10** Telford key sector businesses.

**Grow** Business by:

- Offering a facility for businesses to upload job vacancies onto the website
- Develop an approach to generate an income by offering paid job adverts on the website
- Supporting **100** businesses to recruit as a direct result of our jobs fairs
- Working with investors to provide training to the local labour market for new job opportunities
- Providing support and a grant facility to small businesses who are new to apprenticeships delivering **75** new apprentices

**Engage** Unemployed people by:

- Maintaining our youth unemployment levels ensuring they do not rise above **13%** and remain below National levels
- Reduce our NEET Group to below **6%**
- Extend the support offered by our Job Box mentors to a wider group of job seekers including over 50's, ex armed forces, graduates and those facing unemployment.
- Support **200** more people to move into a positive destination by providing one 2 one support.
- Continue to provide our **10** weekly Job Junctions and ensure that residents have access to IT to apply for jobs
- Develop a traineeship programme in the Council to support **12** trainees.
- We will run **6** sector specific jobs fairs
- Provide a training grant to **20** council apprentices who have not secured employment at the end of their placement, to access training to enhance their future employment prospects.

Through our **Life Ready, Work Ready programme** we will:

**Inspire** young people by:

- Providing **1000** students with work readiness training through our EBL programme.
- Provide a work experience placement opportunities database with **1500** businesses listed.
- Provide **4** schools in the local area with the opportunity to take part in the Young Enterprise programme.
- Provide a brokerage facility for schools to be able to engage with businesses with at least **5** schools actively engaging in the pilot programme.
- Ensure that businesses are providing a consistent work experience programme. We will test this out with **10** businesses
- Provide an opportunity for students to explore a variety of career paths through events and guidance.

**Grow** Business by:

- Providing the opportunity for at least **20** businesses to engage with school activity through a brokerage facility.
- Developing a set of standards for employers to work to when delivering work experience.
- Engaging with businesses to support on shaping the work readiness programme

Engage unemployed people by:

- Linking in programmes such as Future Focus
- Offering **100** extended work experience placements based on our set of standards for work experience.

Through our **Growth Hub** we will:

**Inspire** our future generations by

- Providing a stimulating environment for schools and training providers to engage with businesses.

**Grow** Business by:

- Providing a physical one stop shop for national and local business support and employment and skills programmes to be delivered to businesses joining up and tailoring support
- Providing details of local skills training opportunities for the work force
- Providing a venue for training delivery
- Work with the Telford Business Board Sector Champions to establish skills needs to look to access funding and delivery partners to meet needs delivered through the Hub

**Engage** unemployed people by

- Providing business start up training support
- Providing an appropriate training facility
- Providing an opportunity to engage with local employers.

**TELFORD & WREKIN COUNCIL**

**CABINET - 15 OCTOBER 2015**

**ADOPTION OF A TELFORD & WREKIN PLANNING ENFORCEMENT POLICY**

**REPORT OF ASSISTANT DIRECTOR DEVELOPMENT, BUSINESS & EMPLOYMENT**

**LEAD CABINET MEMBER – CLLR RICHARD OVERTON**

**PART A) – SUMMARY REPORT**

**1. SUMMARY OF MAIN PROPOSALS**

- 1.1 The Report proposes the adoption and publication of a Local Planning Enforcement Policy (Appendix 1) which will provide transparency and certainty to all members of the public concerning the council's handling of potential planning breaches. The standard of service and timescales will be monitored through our month end business review.
- 1.2 The adoption and publication of the policy will enable the council to access the new Planning Enforcement Fund which has been implemented to support councils with legal proceedings against unlawful breaches of planning control. The fund will run until 31st March 2016 and will give access to grants of up to £10,000 or 50% towards the costs of a legal injunction (whichever is the lesser).

**2. RECOMMENDATIONS**

- 2.1 The recommendation is to adopt and publish the Local Planning Enforcement Policy set out in Appendix 1

**3. SUMMARY IMPACT ASSESSMENT**

<b>COMMUNITY IMPACT</b>	Do these proposals contribute to specific Co-Operative Council priority objective(s)?	
	Yes	Co-Operative Council Values: <ul style="list-style-type: none"><li>• Openness &amp; Honesty through transparency.</li><li>• Fairness &amp; Respect - By putting power back in the hands of local communities and empowering councils to take action against those who do not play by the rules.</li></ul> Co-Operative Priorities: We will ensure that our neighbourhoods are safe, clean and well maintained through policing unauthorised development.
	Will the proposals impact on specific groups of people?	
	No	Borough-wide impact.

<b>TARGET COMPLETION/DELIVERY DATE</b>	To publish the policy immediately following approval by Cabinet.	
<b>FINANCIAL/VALUE FOR MONEY IMPACT</b>	Yes	The work associated with the implementation of the Local Planning Enforcement Policy, if adopted, will be carried out within existing staff resources. The Planning Enforcement Fund is only available until the 31 <sup>st</sup> March 2016 and as we have no pending cases it is unlikely that we will have a valid claim against this Fund. Therefore, 100% of the costs of securing any future court injunctions as a result of implementing the Local Planning Enforcement Policy (if any) will have to be met by the Authority. As set out in the Policy court action will always be a last resort and no cases are currently pending. JAC 16/09/15
<b>LEGAL ISSUES</b>	Yes	The National Planning Policy Framework (NPPF) at paragraph 207 states” local planning authorities should consider publishing a local enforcement plan to manage enforcement proactively, in a way that is appropriate to their area.”  Adopting a local enforcement policy therefore complies with a specific NPPF objective .It also fulfils a fundamental qualifying criterion in the event of the Council wishing to apply for funds under the Planning Enforcement Fund in order to deal with individual enforcement cases where an injunction is considered to be an appropriate course of action
<b>OTHER IMPACTS, RISKS &amp; OPPORTUNITIES</b>	Yes	There is opportunity to apply for funding to support the council with potential legal proceedings against unlawful breaches of planning control
<b>IMPACT ON SPECIFIC WARDS</b>	No	Borough-wide impact

## **PART B) – ADDITIONAL INFORMATION**

### **4. INFORMATION**

- 4.1 The purpose of the Planning Enforcement policy is to set out the Council's approach to dealing with suspected breaches of planning control providing both clarification and assurance to our customers.
- 4.2 Enforcement action is at the discretion of the LPA and not all breaches of planning control will result in formal enforcement action being taken, as outlined in the National Planning Policy Framework (NPPF).
- 4.3 The integrity of the planning system and the public's confidence in it relies on effective enforcement action being taken by Local Planning Authorities (LPA) where necessary. This policy explains the Council's approach when dealing with planning enforcement matters providing clarification and managing the expectations of our customers.
- 4.4 It seeks to clarify the following areas:
- What is classified as a breach; what we will and will not be investigated
  - What types of enforcement options are available to the authority to remedy the breach
  - How reports of suspected breaches are prioritised and how long investigations will take
  - Confidentiality for complainants and
  - The investigation process
- 4.5 The pledges included in the policy will be monitored and reported upon monthly to ensure service standards are maintained.
- 4.6 In addition, the Government has launched a £1 million Planning Enforcement Fund which gives councils funding towards the legal costs in seeking a court injunction against those who flout planning laws and cause misery to local residents. This funding can only be accessed by councils who have adopted and published a local enforcement policy which sets out how they will monitor the implementation of planning permissions, investigate alleged cases of unauthorised development and take action where it is appropriate to do so.
- 4.7 We undertook an external consultation on this document over a six week period which closed Friday 3 July 2015 and received a number of comments. These were received from Horsehay & Lightmoor Ward, Wrockwardine Wood & Trench Parish Council and one member of the public. All comments were carefully considered and the Policy has been amended to reflect those comments where appropriate as detailed in (Appendix 2).

### **5. IMPACT ASSESSMENT – ADDITIONAL INFORMATION**

### **6. BACKGROUND PAPERS**

**Report prepared by Tina Kelly, Customer Services Business Manager,  
Development Management. Telephone: 01952 389041**



**PLANNING ENFORCEMENT POLICY**

**AUGUST 2015**

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## 1. INTRODUCTION

The purpose of this policy is to set out the Council's approach to dealing with suspected breaches of planning control. Whilst being specific to how alleged breaches of planning control will be dealt with, this policy also follows the Council's corporate enforcement policy which seeks to promote compliance with relevant legislation. Where formal action is required in order to ensure compliance each case will be considered on its own merit and any action taken should be proportionate to the offence.

The integrity of the planning system and the public's confidence in it relies on effective enforcement action being taken by Local Planning Authorities (LPA) where necessary. Enforcement action is at the discretion of the LPA and not all breaches of planning control will result in formal enforcement action being taken, as outlined in the National Planning Policy Framework (NPPF).

Alleged breaches of planning control can be brought to the Local Planning Authorities (LPA's) attention in a variety of ways including from members of the public, locally elected members, Town and Parish Councils and other Council Officers from both the planning and other internal departments.

The LPA will also carry out its own monitoring of the implementation of planning permissions within its Borough. The enforcement team, and in particular the two designated Conditions Monitoring Officers, will check the implementation of planning permissions and the compliance with any associated conditions by checking the monthly building commencements list provided by the Councils Building Control department.

## 2. BREACHES OF PLANNING CONTROL

### 2.1 What is a breach?

A breach of planning control is the carrying out of development without the grant of planning permission from the Council, or deemed permission by a government order.

Development is defined by Section 55(1) of the Town and Country Planning Act 1990 as **'the carrying out of building, engineering, mining or other operations in, on, over or under land, or the making of any material change in the use of any buildings or other land'**.

If there has been no 'development' then there can be no breach of planning control and the planning enforcement team cannot take further action. Section 55(2) of the Town and Country Planning Act 1990 defines operations that do not constitute development. (More on what cannot be investigated in 3.0)

Also, some development is permitted by government orders such as the Town and Country Planning (General Permitted Development) Order 2015 and the Town and Country Planning (Use Classes) Order 1987 (as amended). Where development is permitted in these circumstances there will not be a breach of planning control and the Local Planning Authority (LPA) is unable to take any action.

## **2.2 What type of breaches can be investigated?**

The planning enforcement team will investigate all alleged breaches of planning control which are:

- Unauthorised building works
- Unauthorised change of use of property or land
- Non-compliance with condition(s) attached to a planning permission

In addition to the above the planning enforcement team will also investigate breaches of other planning legislation including the Planning (Listed Building and Conservation Areas) Act 1990, the Town and Country Planning (Control of Advertisements) (England) Regulations 2007, The Hedgerow Regulations 1997, Part 8 of the Anti-Social Behaviour Act 2003 and Section 215 of the Town and Country Planning Act 1990.

The team will also investigate the following:

- Unauthorised works to a Listed Building
- Unauthorised display of advertisements
- Untidy land
- Unauthorised works to protected trees or trees within a Conservation Area
- Unauthorised demolition within a Conservation Area
- Unauthorised removal of a hedgerow
- High Hedges

### 3. WHAT WE DO NOT INVESTIGATE

The planning enforcement team cannot investigate the following complaints:

- **Boundary disputes and other land ownership disputes**  
We do not keep records of land ownership details and do not become involved in land ownership disputes. Land ownership is a civil matter between neighbours and should be pursued by other means, and any queries relating to land ownership directed to the Land Registry. With any planning application the onus is on the applicant to ensure that all persons with an interest in the land have been notified.
- **Breaches of property deeds or covenants**  
The planning department does not investigate issues arising out of property deeds issues or covenants relating to a property and have no power in ensuring that they are upheld. Any complaints regarding deeds or covenants being breached are civil matters and complainants should seek legal advice.
- **Dangerous structures or damage to property**  
Concerns over dangerous structures are not a planning matter, but can be investigated by the Councils Building Control section who can be contacted on 01952 384555 or [building.control@telford.gov.uk](mailto:building.control@telford.gov.uk) . Alleged damage to property is a civil matter between the parties concerned.
- **Highway obstructions or breaches occurring within the public highway**  
Any vehicles causing an obstruction on the highway, commercial vehicles parking on grass verges or in residential areas and any other matters on the public highway are matters for the Councils Highways Authority or the police. The Councils highways department can be contacted on 01952 384000 or [highways@telford.gov.uk](mailto:highways@telford.gov.uk)
- **Noise disturbances and general pollution**  
Smell, noise disturbances and any other pollution complaints are dealt with by the Council's Environmental Health team who can be contacted on 01952 381818 or [environmental.health@telford.gov.uk](mailto:environmental.health@telford.gov.uk)
- **Fly tipping on Council land**  
Any complaints in relation to fly tipping or any other breaches on land that is known to be under the ownership of Telford & Wrekin Council should be directed to the Council's Environmental Maintenance team who can be contacted on 01952 384384

- **Business competition**  
Concerns over competition or potential competition between businesses are not something that we can investigate.
- **Health and safety and site security**  
Concerns over site security and general health and safety issues are civil matters or could possibly be looked into by the Health and Safety Executive.
- **Blocking of a designated right of way**  
The blocking of a right of way (where no development has occurred) or any other issues concerning a right of way should be directed to the Councils Rights of Way team who can be contacted on 01952 384614
- **Party Wall Act**  
The LPA cannot get involved in matters relating to the Party Wall Act. Any issues in relation to this are a civil matter and you should seek legal advice. Further information can be found at [www.planningportal.gov.uk](http://www.planningportal.gov.uk)
- **Trespass**  
The LPA cannot investigate complaints concerning alleged trespass. You should contact the police or seek legal advice in this instance.
- **Loss of property value and/or loss of view**  
As planning enforcement operates to protect the public interest and not the interest of specific individuals these matters are not planning issues and will not be taken into account

#### **4. MAKING A COMPLAINT AGAINST AN ALLEGED BREACH**

When making a complaint about a breach as much detail as possible should be given including the exact location of the site or property, and the nature of the alleged breach of planning control and any harm that it is causing.

##### **4.1 How to complain**

- online at <https://secure.telford.gov.uk/planning/planning-allegedbreach.aspx>
- by emailing [planning.control@telford.gov.uk](mailto:planning.control@telford.gov.uk)
- by telephone 01952 380380

##### **4.2 Confidentiality**

Complainants should provide their name, address and telephone number so that we can contact them to discuss the matter further and to assist us with our investigation. Anonymous complaints are accepted but will not be a priority, and in some cases it may not be possible to investigate the matter without contact details being provided.

The Council will seek to maintain the confidentiality of complainants at all times and we will not reveal the identity of the complainant, or information which is likely to reveal the identity of a complainant, to an alleged offender. We may be asked to reveal the identity of a complainant under the Freedom of Information Act however any decision to reveal this information would need to show that there is a public interest in doing so.

### 4.3 Timescales

All complaints received will be registered and acknowledged within **2 working days**, with the exception of 'CATEGORY A' complaints which are prioritised on **the day of receipt**.

Confirmation of the enforcement case number and the enforcement officer dealing with your complaint is provided.

Each site will be visited between 1 and 15 working days depending on the type of complaint received, explained in Section 5:

CATEGORY A – within 1 working day

CATEGORY B – within 10 working days

CATEGORY C – within 15 working days

Following the visit, complainants will be notified which course of action that the LPA intends to take next, (see 6).

This will depend on the type and severity of the breach and will differ on a case by case basis. Complainants should be aware that unfortunately due to the often complex nature of planning enforcement which can involve legal challenges and appeals against statutory enforcement notices, some cases can take several months to resolve and it is impossible to give a specified time period that cases will be resolved within.

All complainants will also be contacted at the conclusion of the investigation to inform them that the file is being closed and the reasons for that.

## 5. PLANNING ENFORCEMENT PRIORITIES

Telford & Wrekin Council currently receives on average between 600 and 700 planning enforcement complaints per year. Unfortunately it is not possible to investigate all complaints immediately, and each case will be prioritised depending on the severity of the alleged breach.

Site visits will be carried out as soon as possible depending on workload; however complaints will be prioritised as follows:

### CATEGORY A – We aim to carry out our initial site visit within 1 working day

- Any development or breach of condition taking place that is causing or likely to cause serious and potentially irreversible harm to the surrounding environment
- Unauthorised works to a Listed Building
- Unauthorised demolition within a Conservation Area
- Unauthorised works to trees covered by a Tree Preservation Order or trees within a Conservation Area

### CATEGORY B – We aim to carry out our initial site visit within 10 working days

- Any other operational development or unauthorised change of use potentially causing harm to residents and/or the amenity of the surrounding area
- Non-compliance with approved plans or conditions attached to a planning permission
- Alleged non-compliance with an existing enforcement notice
- Development where the time limit during which formal enforcement action can be taken expires imminently

### CATEGORY C – We aim to carry out our initial site visit within 15 working days

- Untidy land
- Unauthorised display of advertisements
- Minor householder development (e.g. sheds, fences, aerials etc)
- High hedge complaint

It is possible that following the initial site visit by the enforcement officer a complaint may be upgraded or downgraded in terms of its priority dependent upon what has been found and established in the visit.

## 6. PLANNING ENFORCEMENT OPTIONS

Following receipt of the complaint and subsequent site visit(s) a number of options are available to the enforcement team.

Please note that formal enforcement action **is not** taken against all breaches of planning control, and will only be taken where the LPA considers it necessary to remove or remedy a breach of planning control or the harm being caused thereby. The taking of formal enforcement action is entirely at the discretion of the LPA.

In all but the most serious of breaches the planning enforcement team will try to resolve breaches of planning control through negotiation, instead of taking formal enforcement action. We will not however unnecessarily delay commencing formal enforcement action where it is necessary and required in order to facilitate negotiations.

Following the initial site visit one of the following options will be taken:

### **Option 1 – No breach of planning control or not expedient to pursue**

It has been established that there is no breach of planning control, or that the breach was so minor that it is not expedient to pursue formal enforcement action or request a retrospective planning application. The enforcement file will be closed and complainant(s) notified in writing or by telephone.

### **Option 2 – Further site visits/monitoring required**

In some cases, most commonly with complaints concerning an alleged unauthorised change of use and running of businesses from home, it is not always possible to establish whether a breach of planning control has occurred in one visit to site. In these cases numerous visits may be required to establish whether a breach has occurred, in addition other supporting information and evidence may need to be gathered. In these instances the complainant(s) will be kept updated and may be asked to provide further information. Once sufficient evidence has been gathered a decision will be made which follows (Options 1, 3, 4, 5 or 6).

**Option 3 – Request retrospective planning application to regularise works**

The unauthorised development is considered acceptable when judged against local and national planning policies, or would be acceptable subject to minor changes or alterations being made to the scheme. A planning application is requested in order to regularise the works. The complainant(s) will be notified that an application has been requested and when the application is registered. However should an application not be forthcoming formal enforcement action will not always be taken.

**Option 4 – Request that unauthorised development is removed or ceases**

The unauthorised development is not considered acceptable, either in full or in part, therefore the offender is given a reasonable period to remove the unauthorised works or cease the unauthorised use. If this request is not adhered to it is likely that formal enforcement action will be pursued as soon as possible. If during this period the offender submits a retrospective planning application as opposed to removing/ceasing as requested then formal enforcement action may still be taken either before, during or after the determination of any retrospective planning application.

**Option 5 – Take formal enforcement action immediately**

The unauthorised development is not appropriate and is causing immediate and severe harm to the amenity of surrounding properties and area. In this instance formal enforcement action will be taken immediately in order to rectify the breach and remove any harm being caused.

**Option 6 – Prosecution proceedings/direct action**

The following are criminal offences if unauthorised:

- works to a listed building
- works to trees in a Conservation Area or trees subject of a Tree Preservation Order
- the unauthorised display of advertisements
- the non-compliance with an enforcement notice

If the nature of the breach is serious and it is in the public interest then prosecution proceedings will be brought against the offender(s).

If the breach is minor and/or is rectified quickly and efficiently (e.g. removing an unauthorised advert) it is unlikely to be in the public interest to commence prosecution proceedings therefore no further action will be taken.

With regards to formal notices served by the LPA (Enforcement, Breach of Condition, Section 215 etc) the non-compliance with these notices will result in prosecution proceedings being brought and/or direct action being taken at the earliest opportunity in order to ensure compliance.

## 7. PLANNING ENFORCEMENT POWERS

If the planning enforcement team considers that it is expedient to pursue formal enforcement action there are a number of options available depending on the type of offence that has occurred.

- Enforcement Notice/Listed Building Enforcement Notice – Is served when a breach of planning control is causing harm to amenity or conflicts with planning policy. Copies of the notice are served on all persons with an interest in the land and the notice takes 28 days before it comes into effect. During this 28 day period recipients of the notice can appeal to the Planning Inspectorate which suspends the notice until the determination of the appeal. Non-compliance with the notice is a criminal offence.
- Breach of Condition Notice – Can be served on the developer or occupier when they do not comply with conditions attached to a planning permission. There is no right of appeal against this notice and failure to comply with the requirements of the notice is a criminal offence. Minimum compliance date of 28 days.
- Stop Notice – Is only served where there is very serious and irreparable harm being caused by a breach of planning control, where urgent action is required to cease works prior to the period of compliance stipulated in an enforcement notice. The stop notice comes into effect even if an appeal is lodged against an enforcement notice and the non-compliance is an offence.
- Temporary Stop Notice – Allows action to be taken very quickly in order to address some breaches of planning control, and can require activities to cease immediately. A Temporary Stop Notice is different from a Stop Notice in that it does not have to wait for an enforcement notice to also be served. It is an offence not to comply with this notice which lasts for 28 days.
- Section 215 Notice – Can be served when the condition of land or property is adversely affecting the amenity of the area. The notice will require the owner/occupier to take necessary steps in order to remedy the condition of the land or property. Recipients of the notice do have a right of appeal to a

Magistrates Court if they consider that the notice is not warranted. Non-compliance with the notice is an offence.

- Tree Replacement Notice – Can be served where a tree has been unlawfully felled or removed. The notice takes 28 days before it comes into effect. During this 28 day period recipients of the notice can appeal to the Planning Inspectorate which suspends the notice until the determination of the appeal. Non-compliance with the notice is an offence.
- Planning Contravention Notice – Is used to gather information about an alleged breach of planning control. This will usually involve a list of questions about the site/development. It is an offence not to reply within the specified period or to provide false or misleading information.
- Planning Enforcement Order – Where a person deliberately conceals unauthorised development and the breach is not noticed until after the time limits for taking enforcement action have passed, the LPA may make an application to the Magistrates Court for an enforcement order to be granted. If granted enforcement action can still be taken against the breach previously concealed.
- Injunction – In the most serious and persistent of planning breaches the LPA can apply for an injunction at the High Court or County Court. Whilst an injunction can be sought regardless of whether or not other powers to enforce planning control have been exercised or not, this course of action will only be taken if it is expedient, reasonable and necessary to do so and if all other enforcement actions have been or will be ineffective.

## **8. WHAT IF A COMPLAINT IS MADE ABOUT YOUR PROPERTY OR DEVELOPMENT?**

If a complaint is received about your property or development then the LPA has a duty to investigate the complaint in order to establish whether or not there has been a breach of planning control. It is often the case that breaches of planning control are not intentional and may arise from a misunderstanding or the person involved being unaware of planning regulations, and in many cases it is established that there has been no breach of planning control.

### **8.1 Your responsibilities**

If you receive a letter or a visit from an enforcement officer then we would encourage you to respond quickly, positively and to provide any required information so that the matter can be resolved quickly to the benefit of all parties.

The LPA will not reveal the details or identity of the complainant(s) to you. The investigating enforcement officer will confirm to you as soon as practicable whether or not it is considered that there has been a breach of planning control, and in cases where there has been no breach the matter will usually be resolved quickly.

In cases where a resolution may be negotiated, the enforcement officer will be happy to enter into discussions; however we will not accept undue delays to required actions or responses during these negotiations and will expect you to respond within stated timeframes.

In some cases however the unauthorised development or activities will not be considered acceptable and you will be requested to cease/remove the works in order to avoid a formal notice being served upon you.

### **8.2 Consequences of unauthorised development**

Property owners should be aware that development that does not benefit from the necessary planning permission is unauthorised. Any unauthorised development could delay or potentially prevent a future sale of the property if the relevant permissions do not show up on searches. Additionally any formal enforcement notices served will be registered with the Councils land charges section and will appear during any searches on the property. Consequently it is in the owner's interest to have all necessary planning permissions in place and any enforcement issues resolved.

### **8.3 The Investigation**

The planning enforcement officers have a right of entry onto any land without warrant in order to investigate an alleged breach of planning control. If it is necessary to enter your house (and not just the garden) then you are entitled to 24 hours' notice. It is an offence to wilfully obstruct an enforcement officer exercising their right of entry and further action will be taken should this be the case, including if necessary a warrant being secured from court.

Upon receipt of a complaint the enforcement officer will usually visit the site concerned without advanced warning being given. The site visit may be unaccompanied and the land owner or developer does not have to be present. At the site visit the enforcement officer will make themselves known to any person(s) present and show the appropriate identification when they enter the site. Should the land owner or occupier not have been present at the time of the initial site visit and it was not possible to gain access, or should it be necessary to contact the land owner or occupier after establishing that there is a breach of planning control on the site then a letter will be sent to the owner and/or occupier. The letter will request contact to be made with the enforcement officer and in some cases requiring specific actions taken within a specified timeframe. It is recommended that you respond to this correspondence as soon as possible.

## **9. COMPLAINTS AND COMPLIMENTS**

In accordance with the Councils complaints and compliments procedure any person wishing to make a complaint about the service they received or how their case was dealt with, or should any person wish to compliment the planning enforcement team they should contact the Councils Customer Quality Team via one of the following channels:

- Telephone: 01952 382006
- Email: [customer.quality@telford.gov.uk](mailto:customer.quality@telford.gov.uk)
- Post: Customer Quality Team, Telford & Wrekin Council, Addenbrooke House, Ironmasters Way, Telford, TF3 4NT

If after making a complaint the complainant is not happy with the response received then they may complain to the Local Government Ombudsman. Further information on the type of complaints that the Ombudsman can investigate and how to make a formal complaint can be found at [www.lgo.org.uk](http://www.lgo.org.uk)

## **10. PHYSICAL AND VERBAL ABUSE TOWARDS OFFICERS**

The Council will not tolerate any physical or verbal abuse towards its enforcement officers. Where necessary the Council will use legal action to prevent abuse, harassment or assaults on its Officers.

**APPENDIX 2 - ADOPTION OF A TELFORD & WREKIN PLANNING ENFORCEMENT POLICY - SUMMARY OF RESPONSE TO CONSULTATION**

Consultee	Comment	Response/Action
<p>Wrockwardine Wood &amp; Trench Parish Council</p>	<p>The Parish Council are of the opinion that the proposed enforcement policy is not strong enough and think that works being investigated under Category B – within 10 working days and Category C – within 15 working days is not a quick enough response.</p>	<p>The policy is designed to provide basic guidance and to set a standard that we feel we can achieve with the limited resource that we have to deal with complaints. Within each category each complaint is prioritised appropriately depending upon its severity and potential impact, therefore whilst we may have 10-15 working days to respond a site visit may be undertaken much sooner.</p>
	<p>The Council feel that complaints should be followed up and the law enforced in a much shorter time to ensure it does not drag on. Councillors are concerned that some development would not be investigated for up to three weeks giving builders time to carry out further unauthorised works.</p>	<p>With regard to the speed of our follow up and law enforcement action, unfortunately this is a lengthy statutory process which we are unable to change.</p>
<p>Cllr Jayne Greenaway, Ward Member for Horsehay &amp; Lightmoor</p>	<p>With regards to the following section of this proposal:</p> <p>CATEGORY B – We aim to carry out our initial site visit within 10 working days</p> <p><input type="checkbox"/> Any other operational development or unauthorised change of use potentially causing harm to residents and/or the amenity of the surrounding area</p>	<p>In response to your feedback, we propose to change the paragraph on page 9 which will hopefully address your concerns as follows:</p> <p>From: <u>CATEGORY A – We aim to carry out our initial site visit within 1 working day</u></p> <ul style="list-style-type: none"> <li>Any development taking place that is causing or likely to cause serious harm to the amenity of the Ironbridge Gorge World Heritage site, or any</li> </ul>

	<p><input type="checkbox"/> Non-compliance with approved plans or conditions attached to a planning permission</p> <p><i>I believe that this section would not work, in the 10 working days category particularly when dealing with conditions attached to an application in relation to issues such as, working hours as this needs to be immediate, 1 working day. To ensure breaches do not disturb residents unduly, or allowed to continue for 10 days before its dealt with.</i></p> <p>Alleged non-compliance with an existing enforcement notice</p> <p><input type="checkbox"/> Development where the time limit during which formal enforcement action can be taken expires imminently</p> <p><input type="checkbox"/> High hedge complaint <i>I think this type of complaint could be dealt with adequately in 15 working days.</i></p>	<p>other Conservation Area.</p> <p>To: <u>CATEGORY A – We aim to carry out our initial site visit within 1 working day</u></p> <ul style="list-style-type: none"> <li>Any development or breach of condition taking place that is causing or likely to cause serious and potentially irreversible harm to the surrounding environment.</li> </ul> <p>We also agree to remove complaints about High Hedges from Category B to C – 15 days as you suggest.</p>
Mr Doyle (resident)	<p>Mr Doyle commented at length suggesting that more reference and detail was required in line with the relevant legislation.</p> <p>For example :</p> <p><i>2.2 A more detailed description of a breach planning Control would be helpful perhaps as follows :-</i></p> <p><input checked="" type="checkbox"/> <i>Carrying out work either without planning permission, or in a way that is different to that which has been granted planning permission</i></p>	<p>We thanked Mr Doyle for his comprehensive comments and responded to each.</p> <p>We clarified that the consultation was an exercise in seeking information and advised that the approval process would provide enough time, if necessary, to review and re-issue the policy prior to adoption.</p> <p>We have made reference to the legislation pertaining to 'what is not development' as he suggested.</p>

	<p><i>☒ Carrying out work without compliance with planning conditions attached to a planning permission or not in accordance with the limitations and conditions set out in the Town and Country Planning (General Permitted Development Order) 1995 (as amended)</i></p> <p><i>☒ Changing the use of land or property without planning permission or without compliance with the limitations and conditions set out in the Town and Country Planning (General Permitted Development Order) 1995 (as amended) or Use Classes Order 2005</i></p>	<p>It is clear that Mr Doyle's comments would serve to enrich the document however to ensure the accessibility and application of the document we have sought to keep it brief.</p>
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**TELFORD & WREKIN COUNCIL**

**CABINET - 15 OCTOBER 2015**

**SCRAP METAL DEALERS ACT 2013**

**REPORT OF THE ASSISTANT DIRECTOR: HEALTH, WELL-BEING & PUBLIC PROTECTION**

**CLLR RICHARD OVERTON, LEAD CABINET MEMBER**

**Part (A) Summary Report**

**1. Summary of Main Proposals**

- 1.1 For the Cabinet to consider the proposed level of Licence Fees for Scrap Metal Site and Collector's Licences.
- 1.2 For the Cabinet to consider delegating the Local Authority's powers in respect of the administration and enforcement under the Scrap Metal Dealers Act 2013 to the Council's Licensing Committee.

**2. Reccommendations**

- 2.1 It is recommended that Members approve the level of proposed fees to come into force on 1<sup>st</sup> November 2015
- 2.2 It is recommended that Members delegate the Local Authority's powers in respect of the administration and enforcement of the Scrap Metal Dealers Act 2013 to the Council's Licensing Committee.

**3. Summary Impact Assesment**

<b>Community Impact</b>	Do these proposals contribute to specific Co-Operative Council priority objective(s)?	
	Yes	Protect and create jobs as a "Business Supporting, Business Winning Council". Protect and support our vulnerable children and adults Ensure that neighbourhoods are safe, clean and well maintained
	Will the proposals impact on specific groups of people?	
	No	
<b>Target Completion/Delivery Date</b>	The proposed licence fees will be implemented on 1 November 2015.	
<b>Financial/Value for Money Impact</b>	Yes	The income budget for all licencing activity in 2015/16 is £0.187m which includes Scrap metal licences. The service is currently forecasting this level of income to be achieved in 2015/16. Income covers the cost of administering applications from dealers to operate and subsequent monitoring of compliance in

		<p>the borough. Any costs arising from enforcement cannot be recovered through licence fees and may result in cost pressures.</p> <p><i>GS 14/08/15</i></p>
<b>Legal Issues</b>	Yes	<p>The Scrap Metal Dealers Act 2013 Schedule 1(6) provides that an application must be accompanied by a fee set by the authority. In setting the fee the authority must have regard to any guidance issued by the Secretary of State. The costs of a licence should reflect the time spent assessing and administering applications, processing them, having experienced licensing officers review them, storing them, consulting on the suitability of the applicant, reviewing relevant offences, the decision on whether to issue a licence and the cost of issuing licences in a format that can be displayed. Consulting the local authority's enforcement records in order to determine the suitability of the applicant is chargeable within the licensing fee costs as are the costs associated with contested licensing applications.</p> <p>The licence fee cannot be used for enforcement against unlicensed scrap metal dealers.</p> <p>The administration of the licensing and enforcement of the Scrap Metal Dealers Act 2013 is a licensing function and as such should fall within the remit of the Licensing Committee.</p> <p><i>TS 31 July 2015</i></p>
<b>Other Impacts, Risks &amp; Opportunities</b>	Yes	The level of fees set being unreasonable arising to a challenge by judicial review
<b>Impact on Specific Wards</b>	Yes	This report has Borough wide Implications.

## **Part B) – Additional Information**

### **4. Information**

a. The Scrap Metal Dealers Act 2013 came into effect on 1 October 2013.

b. The power to set licence fees has been passed to Local Authorities. The licence fee should cover the cost of the time spent administering and seeking compliance of the Act but it cannot cover the cost of enforcement activity against unlicensed operators. Any activity taken against unlicensed operators must be funded through existing funds.

- 4.1** On 19 September 2013 Cabinet Members determined an appropriate fee level for Telford & Wrekin Council. Officers proposed to review the licence fee in a year's time.
- 4.2** Officers have carried out a full review of all licence fees with support from Finance (including for Scrap Metal dealers) and now ask Cabinet Members to determine a proposed level of fees for the forthcoming year.
- 4.3** Draft fees are attached at Appendix A, together with benchmarking data on other local authorities' draft fees.
- 4.4** The Scrap Metal Dealers Act 2013 contains licensing and enforcement powers and duties. The Council has traditionally delegated authority for such functions to the Licensing Committee. Powers of licensing and enforcement have already been delegated by Cabinet to Licensing Officers. It would therefore be appropriate to delegate the oversight of these functions to the Licensing Committee.

### **5. Previous Minutes**

CB 37 – 19 September 2013

CB10 – 26 June 2014

### **6. Background Papers**

**6.1** Scrap Metal Act 2013

**6.2** LGA Guide to the Scrap Metal Dealers Act 2013

**6.3** Scrap Metal Dealers Act 2013: Guidance on Licence Fee Charges –  
Home Office

**Report prepared by** Suzanne Fisher, Principal Licensing Officer, Public Protection, Darby House 01952 383261

## Appendix A – Proposed Licence Fees

<b>Type of Licence</b>	<b>Current Licence Fee</b>	<b>Fee to Recover costs</b>	<b>Proposed Fee</b>
Site Licence (New)	£360	£344	£344
Site Licence (Renewal)	£195	£231	£231
Site Licence (Variation)	£95	£189	£189
Collector's Licence (new)	£205	£212	£212
Collector's Licence (Renewal)	£65	£118	£118
Collector's Licence (Variation)	£90	£105	£105

Licence Fees	Telford & Wrekin Council - Proposed Fee	Birmingham City Council	Derby Council
Scrap Metal Collector's Licence - New	£212	£298	£728
Scrap Metal Collector's Licence - Renewal	£118	£298	£728
Scrap Metal Collector's Licence - Variation	£105		
Scrap Metal Site Licence - New	£344	£1,236	£803
Scrap Metal Site Licence - Renewal	£231	£1,236	£803
Scrap Metal Site Licence - Variation	£189		£30

North Lincolnshire Council	South Gloucestershire Council	Peterborough Council
<i>£290 (3 years)</i>	<i>£315.00</i>	<i>£210</i>
	<i>£280.00</i>	
	£230	£40
<i>£885 (3 years)</i>	£540	£300
	£475	
	£270	£40

East Staffordshire  
Borough Council

£200

£345

Staffordshire Moorlands District Council

£245

£32

£365

£32

Cannock Chase District Council

£160.00

£160.00

£160

£480

£480

£160

Walsall Council

£185

£30

£540

£30

Coventry City Council	Worcester Regulatory Services	Dudley Council	Stratford-on-Avon District Council
£200	£145	£143	£150
£200			£150
£200		£77	£20
£300	£295	£332	£800
£300			£800
£300		£77	£220

Bath & North East Somerset Council

Swindon Council

Nuneaton & Bedworth  
Borough Council

Stafford Borough Council

£542

£475

£102

£639

£592

£102

£154

£412.50

£150 for 3 years

£150

£150

£300 for 3 years

£300

£300

Malvern District Council

£145

£65

£250

£65

Shropshire Council

*new and renewal same price*

£202

£202

£494

£494

## **TELFORD & WREKIN COUNCIL**

**CABINET - 15 OCTOBER 2015**

**HAYBRIDGE HALL, HADLEY**

**REPORT OF ASSISTANT DIRECTOR: DEVELOPMENT, BUSINESS & EMPLOYMENT**

**LEAD CABINET MEMBER – COUNCILLOR RICHARD OVERTON**

### **PART A) – SUMMARY REPORT**

#### **1. SUMMARY OF MAIN PROPOSALS**

- 1.1 The Haybridge Hall building is owned by the Wrekin Housing Trust (WHT) but has been unoccupied for some years now and has gradually deteriorated with repairs deemed uneconomic.
- 1.2 The building is not listed or located in a conservation area but is now included on the Council's Buildings of Local Interest list.
- 1.3 WHT submitted a planning application for the demolition of the existing building and construction of 4 new build bungalows on 14 March 2014. This application was determined at the Planning Committee on 14 January 2015 where Members of Telford & Wrekin Council refused the application following Officer recommendations.
- 1.4 Subsequently, WHT submitted papers with a view to applying for prior approval to demolish the flats. This led the Council to seek Cabinet Approval for officers to determine whether to issue an Article 4(1) Direction which would remove permitted development rights for demolition and require a full planning application. On 25 June Cabinet approved the delegation to the Director of Neighbourhood, Customer and Cultural Services to permit the Article 4 to be served. This has not been done pending the outcome of discussions with WHT regarding an agreed solution that would bring the building back into viable use for affordable housing.
- 1.5 Following discussions with the WHT this report seeks Cabinet approval to provide WHT, with funding in the form of a grant from agreed S106 contributions for off-site affordable housing, to assist in the redevelopment of Haybridge Hall for ten affordable apartments. WHT are also seeking a contribution to the scheme from the Homes & Communities Agency. Subject to the appropriate planning approvals this funding mix would enable WHT incorporating their own funds to deliver a financially viable scheme which provides additional affordable accommodation to that offered under their previous proposals and brings a building of local historic importance back into use.

#### **2. RECOMMENDATIONS**

- 2.1 That Cabinet approves a supplementary capital approval, capital estimate and temporary borrowing (pending the receipt of Section 106 contributions of £0.475m to fund the grant to support the provision of affordable housing described in paragraph 1.5 above)
- 2.2 That Cabinet authorise the Assistant Director Development, Business & Employment to enter into the proposed grant agreement referred to in this report.

### 3. SUMMARY IMPACT ASSESSMENT

<b>COMMUNITY IMPACT</b>	Do these proposals contribute to specific Co-Operative Council priority objective(s)?	
	Yes	The scheme will ensure the partial retention of the Haybridge Hall building bringing a building of local interest that has been vacant for a considerable period back into use for the provision of 10 affordable homes
	Will the proposals impact on specific groups of people?	
	No	
<b>TARGET COMPLETION/DELIVERY DATE</b>	Cabinet approval 15 October 2015. Subject to HCA confirming funding and planning approval, WHT will lead delivery of the scheme	
<b>FINANCIAL/VALUE FOR MONEY IMPACT</b>	Yes/No	The proposed £475,000 grant should ultimately be funded by agreed Section 106 contributions for offsite affordable housing. The Council will need to fund the cash-flow cost of the grant pending receipt of the Section 106 contributions which is an unbudgeted revenue cost although it should be possible to fund this from the treasury management budget. Should the Section 106 contributions not be forthcoming, for example if the developments that they relate to not proceed and no alternative sites with appropriate Section 106 agreements come forward, an ongoing revenue cost of £30,000 pa would arise. (KC16/09/15)
<b>LEGAL ISSUES</b>	Yes	The grant of monies to Wrekin Housing Trust is permitted within the scope of the Council's general power of competence as provided by the Localism Act 2011 Section 1. The intended grant recipient is the Wrekin Housing Trust who have charitable status and whose primary objects and functions are the development and management of affordable social housing within the administrative area of Telford. State Aid rules do not apply to undertakings who fulfil a social function, and the sustainable view is that Wrekin Housing Trust is not an undertaking for state aid purposes; hence a grant of £475,000 is not deemed an illegal subsidy. The grant will be regularised by a formal grant agreement between the Council and the Wrekin Housing Trust attaching the condition that monies must only be applied to the Haybridge Hall site and for specific purposes. The Haybridge Hall site is a site known to be earmarked for social housing development and in the ownership of the Wrekin Housing Trust. (MG 20/08/15)
<b>OTHER IMPACTS, RISKS &amp; OPPORTUNITIES</b>	Yes	If an adequate funding solution is not offered, the building is at risk of full demolition following a planning appeal hearing.
<b>IMPACT ON SPECIFIC WARDS</b>	Yes	The proposed action will secure an important heritage asset in Hadley.

## **PART B) – ADDITIONAL INFORMATION**

### **4. INFORMATION**

- 4.1 The Haybridge Hall building closed some years ago and since that time has remained vacant. It is owned by the WHT. Its restoration and reuse for residential units has been the subject of on-going discussions with the owners since the refusal of planning permission for its demolition and replacement with 4 new build bungalows in January 2015.
- 4.2 WHT had presented financial information during the planning application process to evidence that the refurbishment of the existing building into seven apartments was unviable. This was supported by independent reports. Following Cabinet in June discussions with the Wrekin Housing Trust have resulted in proposals to deliver a new scheme redeveloping the existing building which would provide ten affordable apartments. Based on the additionality of six units from the Trust's original scheme that was refused by the Local Planning Authority, the Council is proposing to offer a grant of £79,167 per additional unit, amounting to a total of £475,000. The grant unlocks an additional 6 affordable homes from the original planned scheme of 4 units and therefore supports precisely the purpose of the off-site S106 funding negotiated from other developments.
- 4.3 The grant funding whilst delivering affordable homes will also contribute to the Trust's Retirement Living on this site which has communal facilities and gardens for elderly residents. The need for such accommodation is demonstrated in the Telford & Wrekin Strategic Housing Market Assessment published in February 2014. This shows that the main population growth in the Borough between 2011 and 2031 will be in the older age categories as shown below;
- Age 65 to 74 – 39%
  - Age 75 to 84 – 85%
  - Age 85 and over – 250%
- The site also lies within the Hadley and Leegomery Ward where the need for affordable homes is acute particularly family housing which could be assisted through this project by releasing under occupied existing homes.
- 4.4 The grant funding would contribute alongside a bid that WHT are submitting to HCA for funding under their Continuous Market Engagement Scheme and use of WHT's own reserves and loan contribution, to make the whole redevelopment viable. Therefore the project would be funded by a combination of HCA, WHT and the Council. The scheme delivery remains subject to planning approval.
- 4.5 Telford & Wrekin Council's financial assistance would be provided in the form of a grant which should ultimately be funded from agreed and signed Section 106 contributions for the provision of off-site affordable housing. This funding can only be used for the provision of affordable homes. The terms of this grant contribution would need to be agreed with Wrekin Housing Trust but primarily the funding will enable the delivery of affordable homes in perpetuity with the Council requiring nomination rights over the new properties to ensure they benefit local people. The Council has taken advice on the legal issues involved in the proposed intervention and has been assured that the proposed approach complies with the relevant legal and financial regulations with the monies spent on the purpose intended.

4.6 This report seeks Cabinet approval to a supplementary capital estimate and temporary borrowing (pending receipt of Section 106 contributions) to fund the grant to support the provision of affordable housing units at the Haybridge Hall site as described above, and to confirm through the exchange of documents with the site owner.

**5. IMPACT ASSESSMENT – ADDITIONAL INFORMATION**

5.1 The proposed financial support would have a positive and lasting impact on the quality of this particular site in Hadley by providing additional affordable housing meeting proven local need and helping to conserve and reuse a building of local interest deemed important by the community.

**6. PREVIOUS MINUTES**

6.1 Cabinet 25 June 2015 (CB-10)

**7. BACKGROUND PAPERS**

7.1 None

**Report prepared by Phil Edwards, Development Delivery Group Specialist, 01952 384022**

**TELFORD & WREKIN COUNCIL**

**CABINET – 15 OCTOBER 2015  
FULL COUNCIL – 26 NOVEMBER 2015**

**WEST MIDLANDS RAIL GOVERNANCE**

**REPORT OF ASSISTANT DIRECTOR, NEIGHBOURHOOD & CUSTOMER SERVICES**

**LEAD CABINET MEMBERS – CLLR KULDIP SAHOTA & CLLR ANGELA McCLEMENTS**

**PART A) – SUMMARY REPORT**

**1. SUMMARY OF MAIN PROPOSALS**

The purpose of this report is to approve the proposed governance arrangements for the development and oversight of the West Midlands Rail Franchise through West Midlands Rail Limited (WMR Ltd) and to approve the Council's membership of WMR Ltd and the appointment of directors to the board of WMR Ltd.

**2. RECOMMENDATIONS**

**That Cabinet recommends to Council to;**

- 2.1 Approve the proposed governance arrangements set out in this report for the development and oversight of WMR Ltd**
- 2.2 Approve the Council joining WMR Ltd as a member.**
- 2.3 Approve the appointment by the Council of Cllr Kuldip Sahota as a Director of WMR Ltd and note that Cllr Angela McClements will attend as his substitute if he is unable to attend any Board meetings and note that in this role they will be authorised to make decisions in this capacity relating to the strategic direction for the new West Midlands Rail Franchise.**
- 2.4 That Cabinet notes that it is intended that WMR Ltd will in due course enter into a formal partnership agreement with the DfT that will set out the rights and obligations of WMR Ltd in relation to the award of the new West Midlands Rail Franchise and related matters. A further report will be brought back to Cabinet in due course in this respect**

### 3. SUMMARY IMPACT ASSESSMENT

<b>COMMUNITY IMPACT</b>	Do these proposals contribute to specific Co-Operative Council priority objective(s)?	
	Yes	Contributes to all by improving access within the Borough and to external destinations but specifically:  Protect and create jobs as a 'Business Supporting, Business Winning Council'
	Will the proposals impact on specific groups of people?	
	No	-
<b>TARGET COMPLETION/DELIVERY DATE</b>	Issue OJEU/PQQ - December 2015 Public Consultation - Winter 2015/Spring 2016 Publish ITT - July 2016 Contract Award - June 2017 Commence Service - October 2017	
<b>FINANCIAL/VALUE FOR MONEY IMPACT</b>	Yes	The operating costs of West Midlands Rail (WMR) Ltd for the period 2015/16 to 2017/18, and the Authority's contribution to these costs are set out in Table 2. These costs, plus any costs associated with providing Director's Liability Insurance for Cllr's Sahota and McClements, will be met from existing transport revenue budgets. The full financial implications to TWC of the West Midlands Rail Franchise will emerge during the procurement phase (phase 1) and will be the subject of future reports. Full financial advice and support will be provided to the process and to our appointed Directors of WMR Ltd as required. JAC 160915
<b>LEGAL ISSUES</b>	Yes	The Council has the powers to join WMR Ltd and to appoint directors to its Board of Directors under section 1 of the Localism Act 2011. The Council's maximum liability as a member of WMR Ltd is limited to £1. However, Directors of the Company do have potential to be personally liable for actions taken in respect of their role as a Director and it is expected an indemnity will be provided by the Council and/or an insurance policy will be put into effect.
<b>OTHER IMPACTS, RISKS &amp; OPPORTUNITIES</b>	No	-
<b>IMPACT ON SPECIFIC WARDS</b>	No	-

## **PART B) – ADDITIONAL INFORMATION**

### **4. INFORMATION**

- 4.1 West Midlands Rail (WMR) Partner Authorities have been developing a proposal for increasing local involvement and influence over local rail services for approximately two and a half years, in line with government policy on devolution and evidenced by the benefits experienced elsewhere from local control of rail services.
- 4.2 In order for Partner Authorities to be active partners in the future management of the West Midlands Rail Franchise, the DfT requires that an appropriate governance framework is in place. This is expected to involve all Shire, Unitary and Metropolitan authorities, including the West Midlands Integrated Transport Authority (ITA) in the West Midlands Travel to Work Area. Partner Authorities expected to participate in WMR are shown in Table 1, below:

<b>Metropolitan Authorities</b>	<b>Shire and Unitary Authorities</b>
Birmingham City Council	Herefordshire Council
Coventry City Council	Northamptonshire County Council
Dudley Metropolitan Borough Council	Shropshire Council
Sandwell Metropolitan Borough Council	Staffordshire County Council
Solihull Metropolitan Borough Council	Borough of Telford & Wrekin
Walsall Metropolitan Borough Council	Warwickshire County Council
Wolverhampton City Council	Worcestershire County Council
West Midlands Integrated Transport Authority	

Table 1 WMR Partner Authorities

- 4.3 Partner Authorities are seeking greater influence and management over the West Midlands local rail network, and the Secretary of State for Transport has made a commitment to work with Partner Authorities to achieve these ends. The process for the letting of the new West Midlands Rail Franchise is now underway, and is already being developed with Partner Authorities.
- 4.5 The franchise will be let by the DfT and as such, financial and contractual risk will initially remain with central government. However, it is a longer term aspiration of the Partner Authorities that future rail franchises might be entirely devolved to local control, as is the case on Merseyside, and it is expected that during the next franchise term (2024 onwards), the options for increased devolution with transfer of funding and powers will be explored. However, any such increased devolution direct to Partner Authorities would be expected to require the approval of the Partner Authorities and, in the case of changes to WMR Ltd's expected partnership agreement with the DfT would require the approval of a 75% majority of WMR Ltd members.
- 4.6 The proposition that Partner Authorities have agreed with DfT for rail devolution in the West Midlands includes the following features:
- a) The existing London Midland franchise will split into two business units after the West Midlands Rail Franchise is let in 2017; a West Midlands Rail Local Business Unit and a West Coast Business Unit (see map in appendix A).

- b) The specification of the West Midlands Rail Franchise will be led by the DfT, with Partner Authorities having a strong involvement, including staff from West Midlands Passenger Transport Executive (Centro) on behalf of the ITA and some Partner Authority and/or Centro staff being seconded to work alongside the DfT's team on behalf of the Partner Authorities and WMR Ltd. Following franchise award, it is expected that WMR Ltd will jointly manage the franchise in partnership with the DfT. This will allow WMR Ltd to develop experience and capability in readiness for future full devolution.
- c) Partner Authorities, via WMR Ltd, will also have influence over franchises that provide core services through the region when they are retendered.

**4.7** The Partnership will have two distinct phases of development:

- d) Phase 1: The period between now and the commencement of the new West Midlands Rail Franchise in 2017, during which WMR Ltd and DfT will work collaboratively on the franchise design and procurement processes although the Secretary of State for Transport will retain responsibility for letting the franchise; and
- e) Phase 2: The period following the commencement of the new West Midlands Rail Franchise, during which it is expected that the relationship between WMR and DfT will develop into a clearly governed partnership for managing the franchise.

**5.0 Proposed West Midlands Rail Devolution Governance Structure**

**5.1** The principles that the governance is designed to achieve are:

- Effective, inclusive and transparent decision making between partner authorities
- Democratic accountability
- Robust financial management

**5.2** To achieve delivery of these principles the governance structure is set out in Appendix B in the Articles of Association.

**6.0 WMR Ltd Board of Directors**

**6.1** Each Partner Authority other than the ITA will be represented on the Board by a principal director or (in the absence of the principal director) a substitute director appointed by that Partner Authority. The ITA will in effect be represented on the Board by the appointees of the ITA's constituent councils. Each Director will have one vote at Board meetings.

**6.2** The Board of WMR Ltd are to be responsible, initially, for determining the desired strategic direction, on behalf of Partner Authorities, for the specification of the new West Midlands Rail Franchise. Going forward, and subject to the agreement of each Partner Authority, the Board will oversee strategic policy matters in respect of the envisaged partnership agreement between WMR Ltd and the DfT.

## 7.0 West Midlands Rail Limited

- 7.1 WMR Ltd will be a separate body, acting on behalf of the ITA and Metropolitan and Shire/Unitary Partner Authorities and will be a company limited by guarantee.
- 7.2 WMR Ltd has already been formally incorporated, set-up by Centro as a dormant company in 2014 in order to preserve the availability of the company name. At the point that Partner Authorities become members of WMR Ltd, Centro will cease to be a member and upon the new directors being appointed the existing sole director will resign.
- 7.3 The rights of Partner Authorities to be consulted by the Secretary of State about the specification for rail franchises is unaffected by the existence of WMR Ltd and will remain. Similarly, powers to procure increments from the train operator will also remain, as at present. WMR Ltd is intended to provide Partner Authorities with a powerful further influence by providing a united, collegiate voice at the heart of franchise specification and management.
- 7.4 It is proposed that Partner Authorities join WMR Ltd and appoint directors to WMR Ltd's Board in advance of the LRG meeting scheduled for 4 December 2015 so that that meeting will become the first meeting of the new WMR Ltd Board of Directors.

## 8.0 Financial Implications

- 8.1 As previously agreed by LRG and as applied for 2015/16, funding for WMR is divided between Metropolitan districts (75%) and Shire/Unitary authorities (25%). For Metropolitan districts this funding is provided through the Centro levy. For Shire/Unitary authorities, the 25% balance is divided equally amongst the seven Partners.
- 8.2 Future funding requirements will be agreed by the WMR Ltd Board of Directors, and will be divided as described above. For the remainder of the franchise competition period, the agreed budget for 2015/16 and anticipated costs for the following two years are shown in Table 2, below:

Description	2015/16	2016/17	2017/18 (7 Months)
1. Franchise Specification	£220,000	£100,000	£0
2. DfT/WMR Agreements	£25,000	£15,000	£15,000
3. WMR Governance and Admin	£5,000	£85,000	£80,000
4. Project/Programme Support	£135,500	£136,000	£95,000
5. Contingency (10%)	£38,550	£33,600	£19,000
<b>Total</b>	<b>£424,050</b>	<b>£369,600</b>	<b>£209,000</b>

Table 2 WMR Indicative Budgets - April 2015 - October 2017

- 8.3 On the basis of the financial information in Table 2 above and the proposed split of financing between authorities, Telford & Wrekin's contribution for 15/16 was £15,144. This has been met through existing budgets. For 16/17 the contribution from Telford & Wrekin will be £13,200. The Council's contribution for 17/18 will be £7,464.
- 8.4 After the commencement of the West Midlands franchise in October 2017, the current assumption is that most WMR operating costs will be met by the DfT, and that the requirement for direct Partner Authority financial contributions should be very modest.
- 8.5 In the event that any Partner Authority were to resign from WMR Ltd. the resigning member would be required to honour its funding commitments for the duration of the applicable financial year.

#### **9.0 PREVIOUS MINUTES**

None

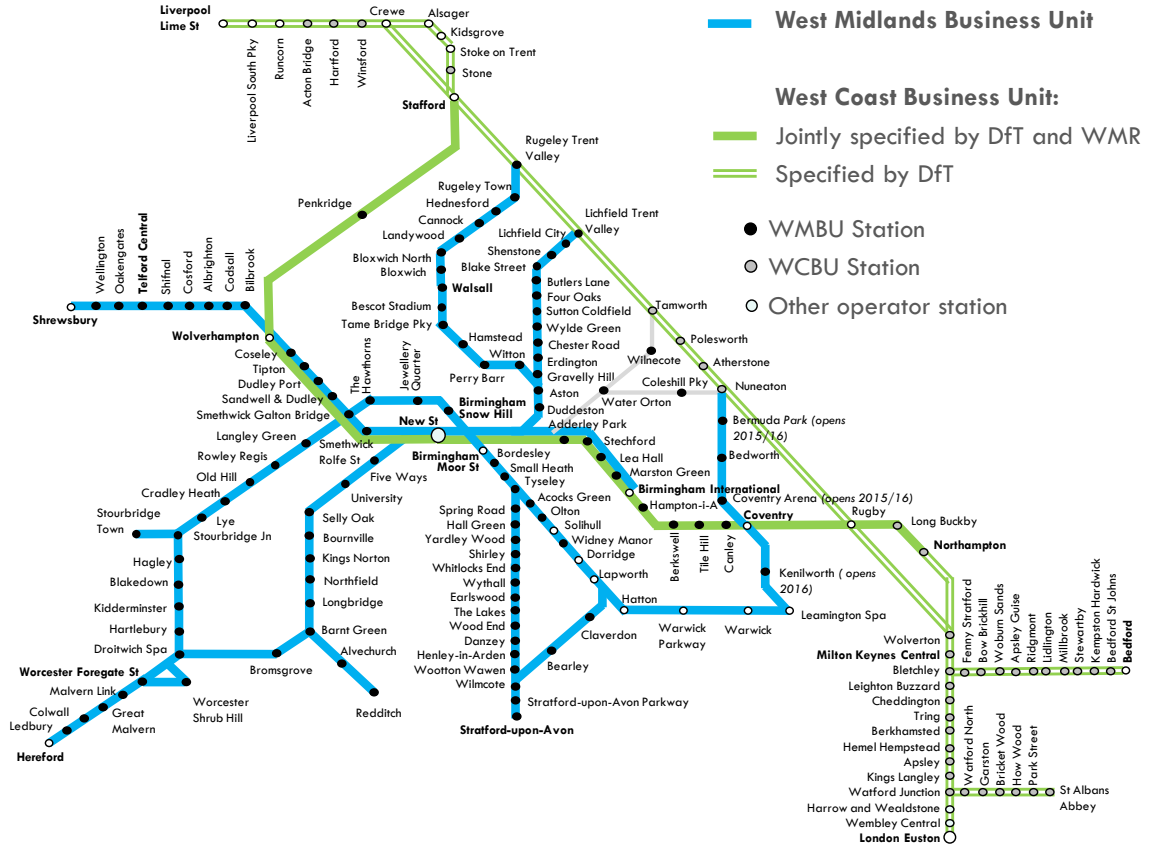
#### **10.0 BACKGROUND PAPERS**

Appendix A – WMR Schematic Map  
Appendix B - Articles of Association

**Report prepared by Dominic Proud, Group Manager – Transport, Strategy and Road Safety, Telephone: 01952 384697**

# Appendix A – WMR Schematic Map

## West Midlands Franchise – Business Units



**THE COMPANIES ACT 2006**

**PRIVATE COMPANY LIMITED BY GUARANTEE**

**ARTICLES OF ASSOCIATION**

**OF**

**WEST MIDLANDS RAIL LIMITED (the "Company")**

**(Adopted by special resolution passed on [INSERT DATE])**

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## PART 1 – OBJECTS, POWERS AND INTRODUCTORY PROVISIONS

### 1 Interpretation

1.1 In these Articles, unless the context otherwise requires:

**Act:** means the Companies Act 2006;

**Articles:** means the Company’s articles of association for the time being in force;

**Associate Member:** has the meaning given in article 28.1(b);

**bankruptcy:** includes individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy;

**Business Day:** means any day (other than a Saturday, Sunday or public holiday in the United Kingdom) on which clearing banks in the City of London are generally open for business;

**Companies Acts:** means the Companies Acts (as defined in section 2 of the Act), in so far as they apply to the Company;

**Conflict:** means a situation in which a Director has or can have, a direct or indirect interest that conflicts or possibly may conflict, with the interests of the Company;

**Director:** means a director of the Company, and includes any Principal Director and Substitute Director and any other person occupying the position of director of the Company, by whatever name called;

**document:** includes, unless otherwise specified, any document sent or supplied in electronic form;

**electronic form:** has the meaning given in section 1168 of the Act;

**Eligible Director:** means a Director who would be entitled to vote on the matter at a Directors’ meeting (but excluding in relation to the authorisation of a Conflict pursuant to article 18, any Director whose vote is not to be counted in respect of the particular matter);

**ITA:** means the West Midlands Integrated Transport Authority;

**local transport authority:** has the meaning given in section 108 of the Transport Act 2000;

**LTA Member:** has the meaning given in article 28.1(a);

**Member:** means a member of the Company being either an LTA Member or an Associate Member;

**Model Articles:** means the model articles for private companies limited by guarantee contained in Schedule 2 of the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the date of adoption of these Articles;

**Northamptonshire:** means the shire county known as Northamptonshire;

**Objects:** means the objects set out in article 2;

**ordinary resolution:** has the meaning given in section 282 of the Act;

**participate:** (in relation to a Directors' meeting) has the meaning given in article 15;

**Principal Director:** has the meaning given in article 22.1;

**proxy notice:** has the meaning given in article 41;

**special resolution:** has the meaning given in section 283 of the Act;

**subsidiary:** has the meaning given in section 1159 of the Act;

**Substitute Director:** has the meaning given in article 22.1;

**West Midlands:** means the West Midlands metropolitan county and the shire counties of Herefordshire, Shropshire, Staffordshire (excluding the area for which Stoke-on-Trent City Council is the local transport authority), Warwickshire and Worcestershire; and

**writing:** means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise.

- 1.2 Unless the context otherwise requires and save as otherwise specifically provided in these Articles, words and expressions which have particular meanings in the Act shall have the same meanings in these Articles.
- 1.3 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles.
- 1.4 A reference in these Articles to an "article" is a reference to the relevant article of these Articles unless expressly provided otherwise.
- 1.5 Unless expressly provided otherwise, a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time, taking account of:
  - (a) any subordinate legislation from time to time made under it; and
  - (b) any amendment or re-enactment (and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts).
- 1.6 Any phrase introduced by the terms "including", "include", "in particular" or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.
- 1.7 The Model Articles shall not apply to the Company.

## **2 Objects**

2.1 The Company's objects are restricted to the following:

- (a) to promote the devolution of responsibility for rail passenger services and (where appropriate) associated facilities in the West Midlands and Northamptonshire to local transport authorities or other appropriate local authorities or other bodies within that area (acting through the Company);
- (b) to manage or to assist in managing the performance of rail passenger services operating within the West Midlands and Northamptonshire pursuant to rail franchise agreements or other similar agreements;
- (c) to improve rail passenger services and associated facilities within the West Midlands and Northamptonshire; and
- (d) to develop and oversee the implementation of a long-term strategy for rail passenger services in the West Midlands and Northamptonshire as approved by the Members.

## **3 Powers**

3.1 In pursuance of the Objects, the Company has the power to:

- (a) enter into arrangements and/or agreements with the Secretary of State for Transport in relation to the provision of rail passenger services in the West Midlands and Northamptonshire and adjacent areas pursuant to rail franchises awarded by him or her;
- (b) enter into contracts for the provision of rail passenger services and associated facilities in the West Midlands and Northamptonshire (and outside of that area where associated with the provision of those services and facilities within that area);
- (c) enter into any other contracts to procure or to provide services of any kind (including on behalf of other bodies);
- (d) buy, lease or otherwise acquire and deal with any property real or personal and any rights or privileges of any kind over or in respect of any property real or personal and to improve, manage, develop, construct, repair, sell, lease, mortgage, charge, surrender or dispose of or otherwise deal with all or any part of such property and any and all rights of the Company;
- (e) borrow and raise money in such manner as the Directors shall think fit and secure the repayment of any money borrowed, raised or owing by mortgage, charge, lien or other security on the Company's property and assets;
- (f) invest and deal with the funds of the Company not immediately required for its operations in or upon such investments, securities or property as may be thought fit;
- (g) subscribe for, take, buy or otherwise acquire, hold, sell, deal with and dispose of, place and underwrite shares, stocks, debentures, debenture stocks, bonds, obligations or securities issued or guaranteed by any government or authority in any part of the world;
- (h) lend and advance money or give credit on such terms as may seem expedient and with or without security to customers and others, to enter into guarantees, contracts of indemnity and suretyships of all kinds to receive

money on deposit or loan upon such terms as the Company may approve and to secure or guarantee the payment of any sums of money or the performance of any obligation by any company, firm or person including any holding company or subsidiary;

- (i) lobby, advertise, publish, educate, examine, research and survey in respect of all matters of law, regulation, economics, accounting, governance, politics and/or other issues and to hold meetings, events and other procedures and co-operate with or assist any other body or organisation in each case in such way or by such means as may, in the opinion of the Directors, affect or advance the Objects;
- (j) pay all or any expenses incurred in connection with the promotion, formation and incorporation of the Company and to contract with any person, firm or company to pay the same;
- (k) provide and assist in the provision of money, materials or other help;.
- (l) open and operate bank accounts and other facilities for banking and draw, accept, endorse, issue or execute promissory notes, bills of exchange, cheques and other instruments;
- (m) incorporate subsidiary companies to carry on any trade; and
- (n) do all such other lawful things as are, in the opinion of the Directors, incidental or conducive to the pursuit or to the attainment of any of the Objects.

#### **4 Income**

4.1 Subject to article 5, the income and property of the Company shall be applied solely in promoting the Objects.

4.2 Subject to article 5, no dividends or bonus may be paid or capital otherwise returned to the Members, provided that this article 4 shall not prevent any payment by the Company of:

- (a) remuneration or expenses to Directors in accordance with articles 25 and 26;
- (b) reasonable and proper remuneration and/or expenses to any other officer or servant of the Company for any services rendered to the Company or in connection with the exercise of their powers and the discharge of their responsibilities in relation to the Company;
- (c) any interest on money lent by any Member at a reasonable and proper rate;  
or
- (d) reasonable and proper rent for premises demised or let by any Member.

#### **5 Winding Up**

5.1 On the winding-up or dissolution of the Company, any assets or property that remains available to be distributed or paid, shall be distributed or paid to the Members for the time being in proportion to their voting rights on a poll at general meetings of the Company (disregarding voting rights resulting from the application of article 38.3).

## **6 Guarantee**

- 6.1 The liability of each Member is limited to £1, being the amount that each Member undertakes to contribute to the assets of the Company in the event of its being wound up while he is a Member or within one year after he ceases to be a Member, for:
- (a) payment of the Company's debts and liabilities contracted before he ceases to be a Member;
  - (b) payment of the costs, charges and expenses of the winding up; and
  - (c) adjustment of the rights of the contributories among themselves.

## **PART 2 – DIRECTORS' MEETINGS AND DECISION MAKING**

### **7 Directors' General Authority**

- 7.1 Subject to the Articles (including in particular article 8) and to the provisions of the Act, the Directors are responsible for the management of the Company's business, for which purpose they may exercise all the powers of the Company.

### **8 Members' Reserve Power And Approval Rights**

- 8.1 The Members may, by special resolution, direct the Directors to take, or refrain from taking, specified action.
- 8.2 No such special resolution invalidates anything which the Directors have done before the passing of the resolution.
- 8.3 The Directors shall ensure that the Company will not do and will not enter into any agreement to do any of the following acts or things without the prior approval of the Members by special resolution:
- (a) enter into a partnership agreement or other formal agreement with the Secretary of State for Transport providing for the involvement of the Company in the specification, letting process or management of any rail franchise agreement; and
  - (b) make any substantial amendment to any such agreement.

### **9 Directors May Delegate**

- 9.1 Subject to the Articles, the Directors may delegate any of the powers which are conferred on them under the Articles:
- (a) to such person or committee;
  - (b) by such means (including by power of attorney);
  - (c) to such an extent;
  - (d) in relation to such matters; and
  - (e) on such terms and conditions;
- as they think fit.

9.2 If the Directors so specify, any such delegation may authorise further delegation of the Directors' powers by any person to whom they are delegated.

9.3 The Directors may revoke any delegation in whole or part, or alter its terms and conditions.

## **10 Committees**

10.1 Committees to which the Directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of the Articles which govern the taking of decisions by Directors.

10.2 The Directors may make rules of procedure for all or any committees, which prevail over rules derived from the Articles if they are not consistent with them.

## **11 Attendance Of Non-Directors At Directors' Meetings**

11.1 The Directors may from time to time invite any persons they think fit to attend Directors' meetings and to speak (but not vote) at those meetings, either in relation to individual meetings or to Directors' meetings generally.

## **12 Directors To Take Decisions Collectively**

12.1 Subject to article 12.3 any decision of the Directors must be either a majority decision at a Directors' meeting or a decision taken in accordance with article 13.

12.2 Subject to article 18 and article 24.3 each Director participating in a Directors' meeting has one vote in respect of decisions proposed to be taken at that meeting.

12.3 If:

(a) there is only one Director for the time being, and

(b) no provision of the Articles requires it to have more than one Director,

then the Director may (for so long as he remains the sole Director) take decisions without regard to any of the provisions of the Articles relating to Directors' decision-making except for the provisions of article 18 and article 8 and any other provision of the Articles requiring Directors' decisions to be approved by the Members.

## **13 Directors' Written Resolutions And Unanimous Decisions**

13.1 Any Director may propose a Directors' written resolution by giving notice in writing, setting out the wording of the proposed resolution and the time limit for adopting it, to each of the other Directors, provided that where the Company has a company secretary a Director may instead require the company secretary to circulate that notice to each of the Directors.

13.2 A Directors' written resolution circulated in accordance with article 13.1 is adopted when a majority of Eligible Directors have signed one or more copies of it and circulated these to all Directors or otherwise indicated their agreement in writing to the resolution to all Directors before the relevant time limit expires.

13.3 For the purposes of article 13.2 a Substitute Director shall not be an Eligible Director and shall not be counted in calculating whether a majority of Eligible Directors have agreed a resolution unless either (1) the Principal Director for whom he or she is a substitute has ceased to be a Director and no replacement has yet been appointed pursuant to article 22.4 or (2):

- (a) the Principal Director for whom he or she is a substitute would be entitled to vote on the relevant matter at a Directors' meeting;
- (b) there would have been no requirement pursuant to article 18.3(c) not to count that vote; and
- (c) that Principal Director does not, within the applicable time limit, sign a copy of the written resolution or indicate in writing either agreement or disagreement to the resolution;

provided in each case that there would have been no requirement pursuant to article 18.3(c) not to count the Substitute Director's vote had the resolution been adopted at a Directors' meeting.

13.4 Where article 13.3 applies the relevant Substitute Director shall be an Eligible Director for the purposes of article 13.2 in place of the Principal Director for whom he or she is a substitute.

13.5 A unanimous decision of the Directors is taken when all Eligible Directors indicate to each other by any means that they share a common view on a matter and may take the form of a resolution in writing, where each Eligible Director has signed one or more copies of it, or to which each Eligible Director has otherwise indicated agreement in writing. For the purposes of this article 13.5 a Substitute Director is not an Eligible Director except in the circumstances set out in article 24.3(e) (in which case the agreement in writing of the Principal Director for whom he or she is a substitute shall not be required for the relevant unanimous decision).

13.6 A decision may not be taken in accordance with this article 13 if the Eligible Directors taking that decision would not have formed a quorum at a Directors' meeting.

#### **14 Calling A Directors' Meeting**

14.1 Unless otherwise agreed by the Directors, Directors' meetings shall be held in March, June, September and December of each year or otherwise at least four times per year with a period of not less than 10 weeks between any two meetings.

14.2 Any Director may call a Directors' meeting by giving not less than 5 Business Days' notice (or such lesser notice as all the Directors, excluding Substitute Directors, may agree) to the Directors or by authorising the company secretary (if any) to give such notice.

14.3 Notice of a Directors' meeting shall be given to each Director in writing.

14.4 A Director who is absent from the UK and who has no registered address in the UK shall not be entitled to notice of the Directors' meeting.

14.5 Notice of any Directors' meeting must indicate:

- (a) its proposed date and time;
- (b) where it is to take place; and
- (c) if it is anticipated that Directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.

14.6 Notice of any Directors' meeting must be accompanied by an agenda specifying reasonably clearly the matters to be raised at the meeting.

14.7 Notice of a Directors' meeting need not be given to Directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the Company before or up to 7 days after the date of the meeting. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.

## **15 Participation In Directors' Meetings**

15.1 Subject to the Articles, Directors participate in a Directors' meeting, or part of a Directors' meeting, when:

- (a) the meeting has been called and takes place in accordance with the Articles, and
- (b) they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.

15.2 In determining whether Directors are participating in a Directors' meeting, it is irrelevant where any Director is or how they communicate with each other.

15.3 If all the Directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.

## **16 Quorum For Directors' Meetings**

16.1 Subject to article 16.3, the quorum for the transaction of business at a meeting of Directors shall be such number of Eligible Directors as is equal to the number of Directors that constitutes a majority in number of the Directors for the time being appointed (excluding any Substitute Director except where the Principal Director for whom the relevant Substitute Member acts as substitute has ceased to be a Director and has not been replaced pursuant to article 22.4).

16.2 At a Directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.

16.3 For the purposes of any meeting (or part of a meeting) held pursuant to article 18 to authorise a Conflict, if there are less Eligible Directors than the quorum required by article 16.1 due to the number of Interested Directors (as defined in article 18.2) in relation to that Conflict, then the quorum for such meeting (or part of a meeting) shall be the number of such Eligible Directors.

## **17 Chairing Of Directors' Meetings**

17.1 The Directors shall appoint one of the Directors as the Chair of the Company and one of the Directors as the Vice-Chair of the Company, such appointments to take effect (subject to early termination in accordance with article 17.2) either until the next annual general meeting of the Company (if the Company holds annual general meetings) or until the start of the first Directors' meeting to take place after the first anniversary of his or her appointment (if the Company does not hold annual general meetings), provided that:

- (a) where the Chair is a Director appointed by an Associate Member then the Vice-Chair must be a Director appointed by an LTA Member (and vice versa); and
- (b) the position of Chair and the position of Vice-Chair shall alternate between a Director appointed by an Associate Member and a Director appointed by an LTA Member.

- 17.2 The Directors may terminate the appointment of the Chair or Vice-Chair of the Company at any time provided they appoint a replacement.
- 17.3 The Chair (or the Vice-Chair if the Chair is not participating in the relevant meeting) shall chair Director's meetings provided that if neither the Chair nor the Vice-Chair is participating in a Directors' meeting within ten minutes of the time at which it was due to start, the participating Directors shall appoint one of themselves to chair it.
- 17.4 The chair of a Directors' meeting shall not have a casting vote in the event of an equality of votes cast for and against a proposal at the meeting.

## **18 Directors' Conflicts Of Interest**

- 18.1 A Director, notwithstanding his office, may be an elected member of, a director or other officer of, employed by, or otherwise interested in, the Member who appointed him or her as a Director of the Company and no authorisation under this article 18 shall be necessary in respect of any such interest. Any Director shall be entitled from time to time to disclose to the Member who appointed him or her such information concerning the business and affairs of the Company as he or she shall at his or her discretion see fit.
- 18.2 The Directors may, in accordance with the requirements set out in this article, authorise any Conflict proposed to them by any Director which would, if not authorised, involve a Director (an Interested Director) breaching his duty under section 175 of the Act to avoid conflicts of interest.
- 18.3 Any authorisation under this article 18 shall be effective only if:
- (a) to the extent permitted by the Act, the matter in question shall have been proposed by any Director for consideration in the same way that any other matter may be proposed to the Directors under the provisions of these Articles;
  - (b) any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director;
  - (c) the matter was agreed to without the Interested Director (or the Substitute Director for that Interested Director) voting or would have been agreed to if their vote had not been counted; and
  - (d) in the case of a Conflict arising as a result of a personal financial interest of the relevant Director or a connected person, the Company by ordinary resolution also authorises that Conflict.
- 18.4 In article 18.3(d) "connected person" means:
- (a) a child, parent, grandchild, grandparent, brother or sister of the relevant Director;
  - (b) the spouse or civil partner of the relevant Director or of any person falling within paragraph (a) above;
  - (c) a person carrying on business in partnership with the relevant Director or with any person falling within paragraph (a) or (b) above;
  - (d) an institution which is controlled:
    - (i) by the relevant Director or any connected person falling within paragraph (a), (b) or (c) above; or

- (ii) by two or more persons falling within subparagraph (i), when taken together; or
  - (e) a body corporate in which:
    - (i) the relevant Director or any connected person falling within paragraphs (a), (b) or (c) above has a substantial interest; or
    - (i) two or more persons falling within subparagraph (i) who, when taken together, have a substantial interest.
- 18.5 Any authorisation of a Conflict under this article 18 may (whether at the time of giving the authorisation or subsequently):
- (a) extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised;
  - (b) provide that the Interested Director be excluded from the receipt of documents and information and the participation in discussions (whether at meetings of the Directors or otherwise) related to the Conflict;
  - (c) provide that the Interested Director shall or shall not be an Eligible Director in respect of any future decision of the Directors in relation to any resolution related to the Conflict;
  - (d) impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the Directors think fit; and
  - (e) permit the Interested Director to absent himself from the discussion of matters relating to the Conflict at any meeting of the Directors and be excused from reviewing papers prepared by, or for, the Directors to the extent they relate to such matters.
- 18.6 Where the Directors authorise a Conflict, the Interested Director shall be obliged to conduct himself in accordance with any terms and conditions imposed by the Directors in relation to the Conflict.
- 18.7 The Directors may revoke or vary such authorisation at any time, but this shall not affect anything done by the Interested Director prior to such revocation or variation in accordance with the terms of such authorisation.
- 18.8 A Director is not required, by reason of being a Director (or because of the fiduciary relationship established by reason of being a Director), to account to the Company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the Directors in accordance with these Articles or by the Company in general meeting (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.
- 18.9 Subject to sections 177(5), 177(6), 182(5) and 182(6) of the Act and to any voting restrictions or other terms imposed by the Directors pursuant to article 18.5 when authorising the relevant Conflict under article 18.2, and provided he or she has declared the nature and extent of his or her interest in accordance with the requirements of the Act, a Director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the Company:
- (a) may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise (directly or indirectly) interested;

- (b) shall be an Eligible Director for the purposes of any proposed decision of the Directors (or committee of Directors) in respect of such existing or proposed transaction or arrangement in which he or she is interested;
- (c) shall be entitled to vote at a meeting of Directors (or of a committee of the Directors) or participate in any unanimous decision, in respect of such existing or proposed transaction or arrangement in which he or she is interested;
- (d) may be a Director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is otherwise (directly or indirectly) interested; and
- (e) shall not, save as he may otherwise agree, be accountable to the Company for any benefit which he (or a person connected with him (as defined in section 252 of the Act)) derives from any such transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act.

18.10 Subject to article 18.11, if a question arises at a meeting of Directors or of a committee of Directors as to the right of a Director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the chair of the meeting whose ruling in relation to any Director other than the chair of the meeting is to be final and conclusive.

18.11 If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the chair of the meeting, the question is to be decided by a decision of the Directors at that meeting, for which purpose the chair of the meeting is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.

18.12 Where a Conflict has been authorised by the Directors in accordance with article 18.2 or is permitted by article 18.1 then where the Director concerned obtains or has obtained (through his involvement in the Conflict and otherwise than through his or her position as a Director) information that is confidential to a third party (including any Member) the Director shall not be obliged to disclose that information to the Company or to use it in relation to the Company's affairs where to do so would amount to a breach of a duty or obligation of confidence owed by the Director to the relevant third party.

## **19 Records Of Decisions To Be Kept**

19.1 In addition to ensuring that the Company retains a copy of the minutes of each Directors' meeting for ten years from the date of the meeting in accordance with section 248 of the Act, the Directors shall ensure that the Company keeps a record, in writing, for at least ten years from the date of the decision recorded, of every unanimous or majority decision taken by the Directors.

19.2 Where decisions of the Directors are taken by electronic means, such decisions shall be recorded by the Directors in permanent form, so that they may be read with the naked eye.

## **20 Directors' Discretion To Make Further Rules**

- 20.1 Subject to the Articles, the Directors may make any rule which they think fit about how they take decisions, and about how such rules are to be recorded or communicated to Directors.

## **PART 3 - APPOINTMENT OF DIRECTORS AND COMPANY SECRETARY**

### **21 Number Of Directors**

- 21.1 Unless otherwise determined by special resolution, the number of Directors (other than Substitute Directors) shall be subject to a maximum equal to one less than the number of Members of the Company for the time being and shall not be less than three.

### **22 Appointment And Removal Of Directors And Substitute Directors**

- 22.1 Each Member (other than the ITA) and each Associate Member shall be entitled to appoint one person to be a Director of the Company (Principal Director) and a further person as a substitute for that Director (Substitute Director), subject to them being willing to act as Directors and permitted by law to do so.
- 22.2 Any Director appointed pursuant to article 22.1 may at any time be removed from office by the Member who appointed him or her.
- 22.3 Any appointment or removal of a Director pursuant to this article 22 shall be in writing and signed by or on behalf of the relevant Member and served on the Company at its registered office, marked for the attention of the company secretary or the Directors or delivered to a duly constituted Directors' meeting as well as (in the case of removal of a Director) on the relevant Director. Any such appointment or removal shall take effect when received by the Company or at such later time as shall be specified in such notice.
- 22.4 If any Director shall die or be removed from or vacate office for any cause, the Member who appointed him or her shall be entitled to appoint another person in his place pursuant to article 22.1.
- 22.5 No Director shall be appointed or removed otherwise than pursuant to these Articles, save as provided by law.

### **23 Termination Of Directors' Appointments**

- 23.1 A person ceases to be a Director with immediate effect where:
- (a) the Member who appointed that person pursuant to article 22.1 has ceased to be a Member of the Company;
  - (b) the Director was an elected member of the Member who appointed him or her (including by being an elected mayor) and has ceased to be such an elected member;
  - (c) (in the case of a Director appointed by an Associate Member) article 30.4 applies;
  - (d) that person dies or is removed from office pursuant to article 22.2;
  - (e) that person ceases to be a Director by virtue of any provision of the Act or is prohibited from being a Director by law;

- (f) a bankruptcy order is made against that person;
- (g) a composition is made with that person's creditors generally in satisfaction of that person's debts; or
- (h) notification is received by the Company from the Director that the Director is resigning from office, and such resignation has taken effect in accordance with its terms.

## **24 Rights And Responsibilities Of Substitute Directors**

24.1 The role of a Substitute Director shall generally be, in relation to the taking of decisions by the Directors, to exercise the powers of the Principal Director for whom they have been appointed as a substitute and to carry out his or her responsibilities in the event of his or her absence or non-participation.

24.2 Except as the Articles otherwise provide, Substitute Directors:

- (a) are deemed for all purposes to be Directors;
- (b) are liable for their own acts and omissions;
- (c) are subject to the same restrictions as the Principal Directors for whom they act as substitutes; and
- (d) are not deemed to be agents of or for the Principal Directors for whom they act as substitutes;

and, in particular (without limitation), each Substitute Director shall be entitled to receive notice of all Directors' meetings and of all meetings of committees of Directors of which the Principal Director for whom he or she acts as substitute is a member.

24.3 A Substitute Director:

- (a) unless otherwise agreed by the relevant Directors' meeting, may only participate in a Directors' meeting or a committee of Directors if the Principal Director for whom he or she acts as substitute is not participating in the meeting;
- (b) may only vote on a resolution taken by a Directors' meeting or a committee of Directors if the Principal Director for whom he or she acts as substitute is not participating in the meeting;
- (c) may only be counted as participating for the purposes of determining whether a quorum is present if the Principal Director for whom he or she acts as substitute is not participating in the relevant Directors' or committee of Directors' meeting;]
- (d) may only participate in adopting a Directors' written resolution pursuant to article 13.2 where permitted by article 13.3; and
- (e) may only participate in a unanimous decision of the Directors pursuant to article 13.5 if:
  - (i) the Principal Director for whom he or she acts as substitute is an Eligible Director in relation to that decision and does not indicate in writing either agreement or disagreement to the decision; or

- (ii) that Principal Director has ceased to be a Director and no replacement has yet been appointed pursuant to article 22.4.

24.4 A Substitute Director may be paid expenses and may be indemnified by the Company to the same extent as any Principal Director but shall not be entitled to receive any remuneration from the Company for serving as a Substitute Director except such part (if any) of the remuneration otherwise payable to the Principal Director for whom he or she acts as substitute as that Principal Director may by notice in writing to the Company from time to time direct.

## **25 Directors' Remuneration**

25.1 Directors may undertake any services for the Company that the Directors decide.

25.2 Subject to article 25.3, Directors are entitled to such reasonable and proper remuneration as the Directors determine:

- (a) for their services to the Company as Directors, and
- (b) for any other service which they undertake for the Company.

25.3 A Director who is for the time being an employee or an elected member of a Member (including by being an elected mayor) may not receive any remuneration pursuant to article 25.2 for his or her services to the Company as a Director.

25.4 Subject to the Articles, a Director's remuneration may:

- (a) take any form, and
- (b) include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that Director.

25.5 Unless the Directors decide otherwise, Directors' remuneration accrues from day to day.

25.6 Unless the Directors decide otherwise, Directors are not accountable to the Company for any remuneration which they receive as Directors or other officers or employees of the Company's subsidiaries or of any other body corporate in which the Company is interested.

## **26 Directors' Expenses**

26.1 Subject to article 26.2 the Company may pay any reasonable expenses which the Directors and the company secretary (where applicable) properly incur in connection with their attendance at:

- (a) meetings of Directors or committees of Directors,
- (b) general meetings, or
- (c) separate meetings of the holders of debentures of the Company,

or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the Company.

26.2 In the case of a Director who is for the time being an elected member of a Member (including by being an elected mayor) any expenses paid pursuant to article 26.1 in respect of travelling or subsistence shall not exceed the maximum amount of

travelling or subsistence allowances which would for the time being be payable to that Director by the relevant Member if the duties in respect of which such expenses are paid were approved duties for the purposes of section 174 of the Local Government Act 1972.

## **27 Secretary**

- 27.1 The Directors may appoint any person who is willing to act as the company secretary for such term, at such remuneration and upon such conditions as they may think fit and from time to time remove such person and, if the Directors so decide, appoint a replacement, in each case by a decision of the Directors.

## **PART 4 – MEMBERSHIP**

### **28 Membership Categories And Admission Of Members**

- 28.1 There are two categories of membership having the differing rights set out in these Articles as follows:
- (a) LTA Members, being members of the Company who are local transport authorities; and
  - (b) Associate Members, being members of the Company who are not local transport authorities.

### **29 Admission of Members**

- 29.1 Except with the prior approval of the Members by special resolution only the following shall be entitled to be admitted as members of the Company:
- (a) the ITA (as an LTA Member);
  - (b) Herefordshire Council (as an LTA Member);
  - (c) Northamptonshire County Council (as an LTA Member);
  - (d) Shropshire Council (as an LTA Member);
  - (e) Staffordshire County Council (as an LTA Member);
  - (f) Borough of Telford & Wrekin (as an LTA Member);
  - (g) Warwickshire County Council (as an LTA Member);
  - (h) Worcestershire County Council (as an LTA Member);
  - (i) Birmingham City Council (as an Associate Member);
  - (j) Coventry City Council (as an Associate Member);
  - (k) Dudley Metropolitan Borough Council (as an Associate Member);
  - (l) Sandwell Metropolitan Borough Council (as an Associate Member);
  - (m) Solihull Metropolitan Borough Council (as an Associate Member);

- (n) Walsall Metropolitan Borough Council (as an Associate Member); and
- (o) Wolverhampton City Council (as an Associate Member).

29.2 No person shall become a Member unless that person has completed an application for membership in a form approved by the Directors and that application has been approved by the Directors (provided that the applications for membership of the prospective LTA Members and Associate Members listed in article 29.1 shall not require any such approval).

### **30 Termination Of Membership And Change Of Membership Status**

30.1 Members may terminate their membership of the Company by giving 7 days' notice to the Company in writing.

30.2 Members may not transfer their membership and their membership shall terminate automatically on:

- (a) the Member's death or bankruptcy (in the case of a natural person);
- (b) the Member going into receivership, administrative receivership, administration, liquidation or other arrangement for the winding up of a company (in the case of a company); or
- (c) the Member ceasing to exist (in the case of a public authority) save where another authority inherits substantially the whole of their statutory functions and the Member's membership is transferred to that other authority by means of a statutory transfer scheme or otherwise by operation of law (including, for the avoidance of doubt where the statutory functions and membership of the ITA is transferred to a combined authority).

30.3 Where an LTA Member ceases to be a local transport authority (other than where this occurs as a result of legislative change that does not remove from the LTA Member the functions it had by reason of being named as a local transport authority in section 108 of the Transport Act 2000) the relevant LTA Member shall become an Associate Member.

30.4 Where an Associate Member is a constituent council of the ITA (or of such other authority to whom the ITA's membership is transferred as permitted by article 30.2(c)) and ceases to be such a constituent council then the Associate Member shall cease to have the right to appoint and remove Directors pursuant to article 22.1 and any persons appointed as Directors by that Associate Member under article 22.1 shall cease to be Directors.

### **31 Expulsion Of Members**

31.1 Where the Members have by special resolution under article 29.1 authorised the admittance as a Member of a person or body that is not a local authority, the Directors may terminate the membership of that Member without the Member's consent by giving written notice to the Member where, in the reasonable opinion of the Directors:

- (a) the Member is guilty of conduct which has or is likely to have a serious adverse effect on the Company or bring the Company or any or all of the Members and Directors into disrepute; or
- (b) the Member has acted or has threatened to act in a manner which is contrary to the interests of the Company as a whole; or

- (c) the Member has failed to observe the terms of these Articles.
- 31.2 Any notice to a Member given under article 31.1 must give the Member the opportunity to be heard in writing or in person as to why the Member's membership should not be terminated. The Directors must consider any representations made by the Member and inform the Member of their decision following such consideration. There shall be no right to appeal from a decision of the Directors to terminate the membership of a Member.
- 31.3 A Member whose membership is terminated under this Article 31 shall not be entitled to a refund of any subscription or membership fee and shall remain liable to pay to the Company any subscription or other sum owed by the Member.

## **PART 5 – MEMBER'S MEETINGS**

### **32 Calling Of General Meetings**

- 32.1 The Directors may, whenever they think fit, and shall on requisition in accordance with the Act, proceed to convene a general meeting. If there are not sufficient Directors to call a general meeting then any Director or Member may call a general meeting.
- 32.2 A general meeting shall be called by at least fourteen days notice (excluding the day on which the notice is served or deemed to be served and the day on which the meeting is to be held) unless Members who together hold at least 90% of the voting rights at general meetings (disregarding voting rights resulting from the application of article 38.3) agree to the holding of the general meeting on shorter notice provided that where a resolution proposed to be considered at a general meeting requires special notice in accordance with the Act the meeting shall be called by at least twenty eight days notice (excluding the day on which the notice is served or deemed to be served and the day on which the meeting is to be held).
- 32.3 Every notice calling a general meeting shall:
  - (a) specify the place, date and time of the meeting;
  - (b) specify the general nature of the business to be transacted at the meeting;
  - (c) set out the text of all resolutions to be considered by the meeting and indicate in each case whether it is proposed as an ordinary resolution or as a special resolution;
  - (d) include with reasonable prominence a statement that a Member entitled to attend and vote is entitled to a proxy to exercise all or any of their rights to attend, speak and vote and that a proxy need not be a Member; and
  - (e) set out the addresses to which any proxy notice is to be sent in accordance with article 41 (which shall include an e-mail address for delivery of proxy notices in electronic form).
- 32.4 Every Member and Director shall be entitled to receive notices of general meetings, which shall also be given to the auditors for the time being of the Company.
- 32.5 The accidental omission to give notice of any general meeting or the non-receipt of such notice by any person entitled to receive the same shall not invalidate the proceedings of that meeting.

### **33 Attendance And Speaking At General Meetings**

- 33.1 A person is able to exercise the right to speak at a general meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting.
- 33.2 A person is able to exercise the right to vote at a general meeting when:
- (a) that person is able to vote, during the meeting, on resolutions put to the vote at the meeting, and
  - (b) that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.
- 33.3 The Directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it.
- 33.4 In determining attendance at a general meeting, it is immaterial whether any two or more members attending it are in the same place as each other.
- 33.5 Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them.

### **34 Quorum For General Meetings**

- 34.1 The quorum for a general meeting shall be such Members (present in person, by proxy or by authorised representative in accordance with section 323 of the Act) who together hold a majority of the voting rights at the general meeting (disregarding voting rights resulting from the application of article 38.3).
- 34.2 No business other than the appointment of the chair of the meeting is to be transacted at a general meeting if the persons attending it do not constitute a quorum.

### **35 Chairing General Meetings**

- 35.1 The Chair appointed pursuant to article 17.1 (or if not present and willing to do so, the Vice-Chair appointed pursuant to that article) shall chair general meetings if present and willing to do so.
- 35.2 If neither the Chair nor the Vice-Chair are willing to chair the meeting or are not present within 10 minutes of the time at which a meeting was due to start:

- (a) the Directors present, or
- (b) (if no Directors are present), the meeting,

must appoint a Director or Member (or Member representative) to chair the meeting, and the appointment of the chair of the meeting must be the first business of the meeting.

### **36 Attendance And Speaking By Directors And Non-Members**

- 36.1 Directors may attend and speak at general meetings, whether or not they are Members or appointed proxies or representatives of Members.
- 36.2 The chair of the meeting may permit other persons who are not Members or representatives of Members to attend and speak at a general meeting.

### **37 Adjournment**

- 37.1 If the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, the chair of the meeting must adjourn it.
- 37.2 The chair of the meeting may adjourn a general meeting at which a quorum is present if:
- (a) the meeting consents to an adjournment, or
  - (b) it appears to the chair of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner.
- 37.3 The chair of the meeting must adjourn a general meeting if directed to do so by the meeting.
- 37.4 When adjourning a general meeting, the chair of the meeting must:
- (a) either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the Directors, and
  - (b) have regard to any directions as to the time and place of any adjournment which have been given by the meeting.
- 37.5 If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the Company must give at least 7 days' notice of it (excluding day on which the notice is given and the day of the adjourned meeting):
- (a) to the same persons to whom notice of the Company's general meetings is required to be given, and
  - (b) containing the same information which such notice is required to contain.
- 37.6 No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place.

### **38 Voting At General Meetings**

- 38.1 All votes at general meetings shall be taken by way of a poll except where a resolution is passed unanimously by a show of hands of the Members entitled to vote on the resolution and present at the general meeting (either in person, by proxy or by authorised representative) and a poll vote has not been duly demanded in accordance with the Articles.
- 38.2 Subject to article 38.3, on a poll vote:
- (a) the ITA or (where applicable) such Member to whom the ITA's membership is transferred as permitted by article 30.2 shall have seven votes provided that, where the ITA's membership has been so transferred and the number of constituent councils of the transferee Member is not seven, the transferee Member shall have one vote for each constituent council for whose area it is the local transport authority;
  - (b) each LTA Member other than the ITA or Member referred to in paragraph (a) shall have one vote; and
  - (c) Associate Members shall not have a vote.

- 38.3 On a resolution to remove a Director appointed by a Member pursuant to article 22.1, the Member who appointed that Director (including where that Member is an Associate Member) shall have such number of votes as shall be required to enable that Member to prevent the passing of that resolution.
- 38.4 In accordance with the Act, the chair of a general meeting shall not have a casting vote in the event of an equality of votes cast for and against a resolution.
- 38.5 No objection may be raised to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid. Any such objection must be referred to the chair of the meeting whose decision is final.

### **39 Poll Votes**

- 39.1 A poll may be demanded at any general meeting by any qualifying person (as defined in section 318 of the Act) present and entitled to vote at the meeting.
- 39.2 A poll on a resolution may be demanded:
- (a) in advance of the general meeting where it is to be put to the vote, or
  - (b) at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.
- 39.3 A demand for a poll may be withdrawn if—
- (a) the poll has not yet been taken, and
  - (b) the chair of the meeting consents to the withdrawal;

and a demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made.

- 39.4 Polls must be taken immediately and in such manner as the chair of the meeting directs.

### **40 Authorised Representatives Of Members**

- 40.1 Where a Member that is a corporation (whether or not a public authority or a company) by resolution of its directors or other governing body authorises a person to act as its representative and to exercise its voting rights and other powers at a general meeting in accordance with section 323 of the Act then a Director, the company secretary or such other person as the Directors have authorised so to require, may require the representative to produce a certified copy of that resolution.

### **41 Proxies**

- 41.1 Proxies may only validly be appointed by a notice in writing (a **proxy notice**) which:
- (a) states the name and address of the Member appointing the proxy;
  - (b) identifies the person appointed to be that Member's proxy and the general meeting in relation to which that person is appointed;
  - (c) is signed by or on behalf of the Member appointing the proxy, or is authenticated in such manner as the Directors may determine; and

- (d) is delivered to the Company in accordance with the Articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate;

and a proxy notice which is not delivered in such manner shall be invalid, unless the Directors, in their discretion, accept the notice at any time before the meeting.

- 41.2 The Directors may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.
- 41.3 Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions.
- 41.4 Unless a proxy notice indicates otherwise, it must be treated as:
  - (a) allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting, and
  - (b) appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.
- 41.5 A Member who is entitled to attend, speak or vote at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been delivered to the Company by or on behalf of that Member.
- 41.6 An appointment under a proxy notice may be revoked by delivering to the Company a notice in writing given by or on behalf of the Member by whom or on whose behalf the proxy notice was given.
- 41.7 A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates.

## **42 Amendments To Resolutions**

- 42.1 An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if:
  - (a) notice of the proposed amendment is given to the Company in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the chair of the meeting may determine), and
  - (b) the proposed amendment does not, in the reasonable opinion of the chair of the meeting, materially alter the scope of the resolution.
- 42.2 A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if:
  - (a) the chair of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed, and
  - (b) the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.
- 42.3 If the chair of a general meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the chair's error does not invalidate the vote on that resolution.

## PART 6 – ADMINISTRATIVE ARRANGEMENTS

### 43 Means Of Communication To Be Used

- 43.1 Subject to the Articles, anything sent or supplied by or to the Company under the Articles may be sent or supplied in any way in which the Act provides for documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the Company.
- 43.2 Subject to the Articles, any notice or document to be sent or supplied to a Director in connection with the taking of decisions by Directors may also be sent or supplied by the means by which that Director has asked to be sent or supplied with such notices or documents for the time being.
- 43.3 A Director may agree with the Company that notices or documents sent to that Director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours.
- 43.4 Any notice, document or other information shall be deemed served on or delivered to the intended recipient:
- (a) if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 48 hours after it was posted;
  - (b) if sent by reputable international overnight courier addressed to the intended recipient (provided that delivery in at least five Business Days was guaranteed at the time of sending and the sending party receives a confirmation of delivery from the courier service provider), five Business Days after posting either to an address outside the United Kingdom or from outside the United Kingdom to an address within the United Kingdom;
  - (c) if properly addressed and delivered by hand, when it was given or left at the appropriate address; and
  - (d) if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied;
  - (e) if sent or supplied by means of a website the later of the time when the material is first made available on the website and the one hour after the recipient receives notice of the fact that the material is available on the website.

For the purposes of this article, no account shall be taken of any part of a day that is not a Business Day.

- 43.5 In proving that any notice, document or other information was properly addressed, it shall suffice to show that the notice, document or other information was addressed to an address permitted for the purpose by the Act.

### 44 Company Seal

- 44.1 Any common seal may only be used by the authority of the Directors.
- 44.2 The Directors may decide by what means and in what form any common seal is to be used.

- 44.3 Unless otherwise decided by the Directors, if the Company has a common seal and it is affixed to a document, the document must also be signed by at least one authorised person in the presence of a witness who attests the signature.
- 44.4 For the purposes of this article, an authorised person is:
- (a) any Director;
  - (b) the company secretary (if any); or
  - (c) any person authorised by the Directors for the purpose of signing documents to which the common seal is applied.

#### **45 Application of the Local Authorities (Companies) Order 1995**

- 45.1 For so long as the Company is a controlled company and/or a regulated company for the purposes of the Local Authorities (Companies) Order 1995 the Company shall comply with any applicable requirements of that Order including where applicable in relation to:
- (a) provision of information to auditors of Members who are local authorities;
  - (b) provision of information to elected members of Members;
  - (c) obtaining the Audit Commission's consent to appointment of the Company's auditors; and
  - (d) making minutes of general meetings available for inspection by members of the public.

### **Directors' Indemnity And Insurance**

#### **46 Indemnity And Insurance**

- 46.1 Subject to article 46.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:
- (a) each relevant officer shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer in the actual or purported execution and/or discharge of his duties, or in relation to them including any liability incurred by him in defending any civil or criminal proceedings, in which judgment is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which the court grants him, in his capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the Company's (or any associated company's) affairs; and
  - (b) the Company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in paragraph (a) and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.
- 46.2 Article 46.1 does not authorise any indemnity to the extent that such indemnity would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law and any such indemnity is limited accordingly.

46.3 The Directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant officer in respect of any relevant loss.

46.4 In this article 46:

- (a) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate; and
- (b) a "relevant loss" means any loss or liability which has been or may be incurred by a relevant officer in connection with that relevant officer's duties or powers in relation to the Company, any associated company or any pension fund or employees' share scheme of the Company or associated company; and
- (c) a "relevant officer" means any Director or other officer of the Company or an associated company, but excluding any person engaged by the Company (or associated company) as auditor (whether or not he is also a Director or other officer), to the extent he acts in his capacity as auditor).