

TELFORD & WREKIN COUNCIL

CABINET – 26 JULY 2011

100 DAY REVIEW OF 2011/12 SERVICE & FINANCIAL PLANNING STRATEGY

REPORT OF THE ASSISTANT CHIEF EXECUTIVE AND CHIEF FINANCE OFFICER

1. PURPOSE

- 1.1 To set out proposals to revise the Council's capital programme and the revenue budget for 2011/12, following a review initiated by the Council's new administration after the May Borough elections.

2. RECOMMENDATIONS

- 2.1 **Members are asked to approve the proposals set out in the report for consultation with the community including:-**
- 2.2 **The cancellation of the planned building of new Civic Offices to generate ongoing revenue savings of over £1.1m p.a.**
- 2.3 **The development of a Community Hub in the Southwater area of Telford Town Centre which will provide customer access to Council services and a new library. The Community Hub could also provide space for community groups/organisations, and other public sector bodies – making the Community Hub a Cooperative Council centre.**
- 2.4 **Changes to other capital projects and the generation of additional capital receipts generating ongoing revenue benefits of over £1.75m pa**
- 2.5 **A much stronger emphasis on improved procurement processes referred to in section 7.10.ii of this report in order to deliver savings which reduce the overall impact of grant cuts on front-line services.**
- 2.6 **Increased investment in the maintenance of roads and pavements of a further £1.3m capital in 2012/13 and £0.25m in 2013/14 over and above the existing approved capital programme;**
- 2.7 **Investment of £2.3m in a regeneration scheme for Hadley and £1.9m for Oakengates;**

- 2.8 Creation of a capital budget of £45k to match fund projects of up to £7.5k in each of the 6 Borough Town areas;**
- 2.9 Reinstatement of free swimming for under 16s with a flex card**
- 2.10 Allocation of up to £0.6m one-off funding to provide additional support for employees facing compulsory redundancy;**
- 2.11 Contributing £25k one off funding to a small business loans fund;**
- 2.12 Creation of a Co-operative Council initiatives budget of £15k;**
- 2.13 Carrying forward revenue benefits identified in the report of around £1.6m as a one-off benefit to help support the budget for 2012/13 together with any unspent element of the contingency at year end and any further service efficiencies that can be implemented during 2011/12;**

2.14 Summary of the net Revenue budget savings from the proposals

The net savings generated by the proposals contained in this report for the Council's revenue budget, are summarised in the table below:-

	2011/12 £m	2012/13 £m	2013/14 £m	2014/15 £m	Ongoing £m
Impact of changes made to capital programme and benefit of additional capital receipts (see paragraph 7.8)	(0.567)	(1.191)	(1.603)	(2.747)	(2.935)
Impact of revenue items (see paragraph 7.10.iv)	(1.035)	2012/13 -2014/15 proposals and baseline position will be developed in accordance with the normal budget timetable and public consultation			
Overall saving	(1.602)				

The review has focussed on delivering further savings in both the current year (2011/12) revenue budget and four year capital programme in order to reduce the future service impact of government grant cuts. The changes proposed will also feed into the 2012/13-2014/15 service & financial planning process for which an overall strategy and specific proposals are currently being worked on for consultation.

3. BACKGROUND/ APPROACH

- 3.1 Following the Borough elections and subsequent Annual Council in May 2011, the new administration committed, as one of its first priorities, to carry out a high level review of the Council's Service &

Financial Planning Strategy for 2011/12 within 100 days. The strategy had been approved by Full Council on 3 March 2011. In terms of the scope of the review, this has encompassed:

- a review of the main schemes in the capital programme including the provision of new council offices and particularly those schemes funded from the Council's own resources, rather than external resources such as specific capital grants. This has been the primary focus of the review and has concentrated attention on identifying those schemes that are not fully contractually committed;
- a continual review of revenue budgets to seek to identify any further 'low impact' efficiency savings and any other 'quick win' cost savings that could be implemented in 2011/12 with the revenue benefit rolled forward as a one-off benefit available to support the budget in 2012/13;
- a review of the 'Guiding Principles' which had underpinned the current strategy;
- the development of a programme of work to take forward the administration's priority initiative of becoming a 'Co-operative Council' (a separate report on this is included on this Cabinet's agenda).

3.2 In addition to this review, the administration sought and secured a meeting with the Secretary of State for Communities and Local Government to advise him of Telford & Wrekin's specific issues and concerns and to seek additional Government financial and policy support to address these. We are currently putting together further information requested by the Secretary of State following a productive meeting.

4. THE FINANCIAL CONTEXT FOR THE COUNCIL

4.1 The Council agreed its budget for 2011/12 at the Council meeting held on 3rd March 2011. The report considered by Council highlighted that Government grants to the Council had been cut by £13.6m this year with a further cut in grant announced of £5.3m in 2012/13. These reductions were on top of cuts of £3m announced during the 2010/11 financial year. Due to the scale and very significant front-loading of the cuts in grants, the Council set a budget for 2011/12 which was heavily reliant on the use of £9.2m of one-off resources in order to be able to phase in reductions in spending.

4.2 As well as the significant grant cuts, the Council faces a number of other financial pressures including pressure on budgets from comparatively high rates of inflation and increased taxes payable to the Government of £1.25m pa. There are also many service pressures, particularly on care services for children (where an additional £1.4m was invested in the budget for 2011/12). Adult care is also under pressure and all savings were therefore re-invested within the service

to help offset the pressure caused by an aging population and the transfer of costs for continuing health care cases from the Primary Care Trust to the Council. In future years the Council also faces significant additional revenue costs from the planned capital programme as capital projects funded from debt clearly have to be repaid with interest over a number of years placing further pressure on the revenue budget.

4.3 Key elements of the strategy agreed by the Council for 2011/12 included:-

- An investment of £1.4m additional funding in to services for Looked after Children,
- Assumed savings of £5.1m from staff restructuring,
- Freezing Council tax to attract a grant of £1.4m from the Government
- Savings of £12.1m from non staffing budgets (much of which was of a one-off nature)
- Use of £1.4m of the Council's £4.2m available balances

4.4 Given the use of £9.2m of one off resources to support the budget in 2011/12 and the further grant cuts and under-lying budget pressures facing the council in 2012/13 significant further efficiencies and cuts will be needed to help bridge the projected budget gap of around £20m (before the use of balances and any Council Tax increase) in 2012/13.

4.5 Projections beyond 2012/13 are very difficult because the Council only received a 2 year grant settlement covering 2011/12 and 2012/13 pending a major review of the local government finance system with no details yet available of how this may impact on the Council. However based on the national planning totals announced in the October 2010 Comprehensive Spending Review further grant cuts of at least £4.8m are expected over the 2013/14 – 2014/15 period on top of underlying base budget pressures of at least £3.5m before allowances for inflation, pay awards and demographic pressures in adult services are built in.

5. THE POLICY CONTEXT FOR THE COUNCIL

5.1 The Council, as a member of the Local Strategic Partnership (LSP), remains fully committed to the realisation of the partnership's long-term vision of “**a successful, prosperous and healthy community which offers a good quality of life for all the people of Telford & Wrekin**” that has been developed in consultation with the community.

5.2 Specifically, the new administration wants Telford & Wrekin to be a ***diverse, caring and enterprising Borough***. While, through the Summer, the Council will carry out a comprehensive programme of consultation and engagement with the community to listen to, understand and respond to its views on medium and long-term

priorities for the Borough, our thoughts are that our approach must, as a minimum be focused on the realisation of seven key outcomes:

- Telford & Wrekin will be a great place to do business with higher levels of investment and business growth;
- Lower levels of poverty and social exclusion and greater well-being of households through higher numbers of residents in employment;
- Vulnerable children, young people and adults are safeguarded from harm and neglect;
- Even more children and young people are on the path to success in adult life through the provision of good quality education, training and jobs;
- A safe and cohesive place where people are empowered and have the confidence to play active roles in their communities;
- Improved health of people which enables them to live active, positive and independent lives;
- Mixed and sustainable communities with an increased supply of new housing, improved existing homes, and a high quality physical environment.

6. GUIDING PRINCIPLES

The Council's existing strategy was framed around a number of guiding principles. These principles have been reviewed and revised. The Council's guiding principles, which should inform and direct our strategy, are now proposed as being:

- To develop spending plans that are based on and address the community's needs and priorities;
- Be open and transparent in how resources are spent across the Borough, but target spend at issues and areas where needs are greatest;
- As a Co-operative Council, work with our community to identify creative new ways of delivering services and ensuring that needs in the Borough continue to be addressed;
- Seeking to minimise the level of Council Tax increase, balanced against growing demands for Council services and protecting services from cuts (NB. This budget review is not considering levels of Council Tax in 2011/12 or beyond);
- Deliver efficiencies and savings, as far as possible minimising the impact on the quality of services, particularly through improving our approach to procuring goods and services;
- Look for external investment e.g. Government grants, to address priorities;

- Set aside some additional money to deal with any unforeseen circumstances caused by the current economic situation;
- Taking a responsible approach to the use of Council reserves that balances the need for financial prudence and sustainability with the need to maintain and protect important frontline services;
- Where possible cut the Council's reliance on borrowing for some capital schemes so that expenditure on debt repayments can be reduced;
- Sell some of the Council's land and property to reduce borrowing, cut running costs, and – where there is a strong business case – to fund priority facilities and schemes.

7. PROPOSALS FOR CONSULTATION

- 7.1 In the light of these guiding principles and from the review work undertaken, the following revisions are proposed to the Council's existing Service & Financial Planning Strategy:

A. CAPITAL PROGRAMME

- 7.2 A review of the capital programme to identify where spending which is not contractually committed has been undertaken in order to identify projects which can be cancelled, scaled back or deferred with the aim of reducing the levels of borrowing planned by the previous Council.
- 7.3 Significant changes to capital projects are proposed in relation to:
1. **Civic Offices Accommodation** – In May/June 2011, a further review of the Council's future accommodation requirements was undertaken in the context of the budget setting exercise, requirements to maximise the flexibility of the Council's accommodation, property rationalisation and New Ways of Working. Following the review of accommodation it was concluded that a solution which utilises existing Council owned properties and therefore offers greater flexibility in the medium term for accommodation requirements was the preferred solution. In relation to Southwater, the review acknowledged that a number of drivers for a public sector led development in Southwater remained relevant. These drivers include:
 - **Service Delivery:** A centralised Community Hub which would include first point/contact centre and potential for other public sector and voluntary sector co location within the Town Centre, which is accessible to residents, was seen as being critical to maintaining high standards of accessibility and service delivery.

- Regeneration: Increased footfall arising out of a public sector led development was seen as key in supporting the wider regeneration of Southwater.
- Precedent, Quality & Confidence: A public sector led development was seen as critical in setting design and sustainability standards as well as raising confidence levels for private sector investors.
- Evening Economy: The development provides space for bars, restaurants and shops, thus supporting the creation of a vibrant evening economy.

In response to these drivers, proposals for a Community hub in Southwater (as detailed in the Telford Town Centre report also on the agenda for Cabinet on 26 July 2011) have been developed which accommodate the following uses:

- Community Hub: The building will provide accommodation for front line staff to deliver high quality customer services. The Community Hub could also provide space for community groups/organisations, and public sector bodies which will mean that the Community Hub will be a cooperative council centre. Options will be explored with voluntary and other public sector organisations over the coming months.
- A Library and Fairshare Credit Union. An improved library was identified early on as a critical component in the Southwater development in terms of offering an enhanced provision whilst freeing up the existing site for future development (as detailed in the Town Centre report of 26 July 2011 Cabinet).
- Bars, restaurants and shops: Units, on the ground floor of this building will benefit from an enviable location at the head of Southwater Square, overlooking the new Southwater Lake.

In summary, the plan to build Civic Offices in the Southwater area of the Town Centre will not be progressed. Instead, the accommodation strategy will:

- Proceed with the sale of the existing Civic Offices site;
- Build only a Community Hub encompassing a customer first point/contact centre and new library in Southwater
- Rationalise office accommodation to reduce the number of buildings operated by the Council by moving out of older less efficient smaller buildings currently used in order to generate revenue savings as well as further capital receipts;
- Invest in space saving furniture as this will generate ongoing revenue savings by enabling employees to be located at a higher density so reducing the amount of space that the Council needs to occupy for office accommodation and therefore also reducing annual running costs;

- Retain the use of Darby House and utilise the Wellington office development
- Use existing Council owned buildings within, or around, the Town Centre as the accommodation solution
- Free up a valuable site for disposal in the Southwater area

A range of options for office accommodation have been reviewed and the financial implications assessed based around the need to continue supporting Telford Town Centre Regeneration, have locations within or around the Town Centre and utilise existing Council owned buildings. The objective is to identify an option which delivers flexibility in the Council's estate to accommodate changes in accommodation needs and makes better use of buildings already owned by the Council.

The revenue savings of the revised proposals compared to the existing approved budget are summarised below:-

2011/12 £m	2012/13 £m	2013/14 £m	2014/15 £m	Ongoing £m
(0.147)	(0.756)	(1.163)	(1.163)	(1.163)

2. **Building Schools for the Future (BSF)** – A review of the BSF programme is being undertaken. Any proposals for changes will be brought to Cabinet later in the year. The majority of the programme is funded by grant from Central Government and therefore the opportunity for savings to the Council's budget is limited.

3. **Telford Town Centre** - A separate report on the Cabinet agenda includes proposals for revisions to the Telford Town Centre investment package. This report recommends an increase in the overall investment of £7.69m over the currently approved budget which is funded from additional capital receipts. This reinforces the commitment to Telford Town Centre through public sector led development to provide precedence, ensure high quality and provide confidence for the private sector. The revenue savings of the revised proposals and re-phasing compared to the existing approved budget are summarised below:-

2011/12 £m	2012/13 £m	2013/14 £m	2014/15 £m	Ongoing £m
(0.278)	(0.218)	(0.354)	(0.104)	(0.355)

7.4 Other revisions to capital schemes are also proposed:-

1. **Hadley local centre** – A revised scheme is proposed with a projected cost of around £2.3m. Although with a similar net capital cost to the scheme currently budgeted, this revised regeneration project has a significant revenue benefit compared to the previously proposed scheme as a result of better rental income in 2012/13 of £94k, in 2013/14 of £117k and on an ongoing basis of £45k pa. It is also likely that an additional capital receipt could be generated with a further potential revenue benefit of around £25k pa. Due to commercial pressures relating to this project the scheme will continue from August and not form part of the budget consultation process.
2. **Wellington** – No changes are proposed to the scheme in Wellington and completion will continue as originally planned.
3. **Dawley** – No changes are proposed to the budget allocation for the Dawley regeneration project.
4. **Newport** – a scheme to look at environmental works around the canal up to a value of £50k will be designed and consulted on generating a saving of around £0.2m
5. **Oakengates** – a scheme focussing on Oxford Street and Market Street but including removal of the canopy on Limes Walk and other works costing around £1.9m in total is proposed generating a reduced borrowing requirement of £0.5m. Due to the need for public consultation on this new scheme it is unlikely that work would start before the 2012/13 financial year.
6. **Waste Bulking station** – It is proposed to delete this £3.9m project from the capital programme pending the outcome of a review of the Council's overall waste strategy. This does however delay the capital receipt assumptions relating to this project.
7. **Locality Management, BTI Small Grants and Ironbridge BTI** – Around £0.5m of these budgets is currently uncommitted. No new commitments will be entered in to except that it is proposed to reserve an amount of £45k for potential matched funding for grants to projects of up to £7.5k in the 6 Borough Town areas. This will produce a net saving of around £0.455m from these budgets.
8. **Capitalisation Direction** – A capitalisation direction has been applied for which, if granted, would enable statutory redundancy payments to be treated as a capital cost and to be funded either from capital receipts or from prudential borrowing. The application was for £2.94m but it is likely that applications will be very significantly scaled back as only £300m is available nationally. An announcement is expected before the end of July of the amount, if any, that will be awarded to the Council and when this is known the cost will be built in to the medium term financial projections.

In total the proposals outlined in section 7.4 of this report would result in reductions in prudential borrowing and revenue costs totalling:-

Year	(Reduction) / Increase in Borrowing £m.	Revenue Saving* £m.
2011/12	(6.711)	(0.182)
2012/13	1.511	(0.559)
2013/14	(1.516)	(0.520)
2014/15	1.600	(0.556)
2015/16	0	(0.473)
Total	(5.116)	(0.473)

* Excludes improved rental income of revised proposals for Hadley.

- 7.5 **Maintenance of Roads and Pavements** – reducing pot-holes and improving the condition of the roads and pavements is a high priority. It is proposed to not only commit the additional £0.66m “pothole” grant from the Government, announced after the budget for 2011/12 had been agreed, but also a further £1.3m capital in 2012/13 and £0.25m additional capital in 2013/14 over and above the existing approved programme. This additional investment will be allocated on a priority needs basis and will be funded from savings generated from the review of capital projects, including the deletion of the plans to build new civic accommodation outlined above.
- 7.6 **Capital Receipts** - In addition, the Council is exploring options for the realisation of further capital receipts, over and above expected amounts, from the sale of land or other assets (e.g. a separate report is included on the Cabinet agenda in respect of the potential sale of the Council’s interest in West Mercia Supplies) the proceeds of which could be used to pay down debt or act as an alternative to borrowing or other forms of more costly financing of priority schemes and projects.
- 7.7 Any additional capital receipts generated over and above the £80m already planned will be used to reduce outstanding debt and so reduce the cost of principal and interest repayments which have to be borne by council tax payers. After updating projections of the capital receipts now anticipated over the medium term a significant revenue benefit compared to the current approved revenue budget is anticipated which is summarised in the table below.

The revenue costs/(savings) of the revised proposals and re-phasing compared to the existing approved capital receipts budget are summarised below:-

2011/12 £m	2012/13 £m	2013/14 £m	2014/15 £m	Ongoing £m
0.040	0.401	0.441	(1.002)	(1.022)

7.8 **Summary of Capital Programme Changes : Savings on revenue budget** - In summary the revenue impacts of the changes to the capital programme and assumptions on the generation of capital receipts in future years is detailed in the table below:-

	2011/12 £m	2012/13 £m	2013/14 £m	2014/15 £m	Ongoing £m
Civic accommodation	(0.147)	(0.756)	(1.163)	(1.163)	(1.163)
Town Centre project	(0.278)	(0.218)	(0.354)	(0.104)	(0.355)
Other capital projects	(0.182)	(0.559)	(0.520)	(0.556)	(0.473)
Improved rental income at Hadley		(0.094)	(0.117)	(0.045)	(0.045)
New investment in road maintenance		0.035	0.110	0.123	0.123
Revised schedule of capital receipts	0.040	0.401	0.441	(1.002)	(1.022)
Total revenue impact	(0.567)	(1.191)	(1.603)	(2.747)	(2.935)

B. REVENUE BUDGET

7.9 The review of the Council's revenue Budget for 2011/12 has had 3 dimensions, with proposals based on:

- Revisions to spending priorities;
- Identification of further savings;
- Additional contributions to balances to help off-set pressures for next year's budget;

7.10 A full strategic and comprehensive review of the Council's budget will, of course, be undertaken to prepare our medium-term strategy for 2012/13 and beyond.

(i) Revisions to spending priorities

- **Support to employees facing compulsory redundancy** – It is proposed to allocate a sum of up to £0.6m in order to support employees facing compulsory redundancy. The mechanism for using this funding and specifically where it should be targeted will be agreed between Members, officers and Trade Union representatives. Any use of this allocation during the current year will be funded on a temporary

basis (from balances) with the total cost being met from reducing the assumed contribution to the single status provision in 2012/13.

- **Reinstatement of free swimming for Under-16s** who have a Flex Card. This change to take effect from the beginning of the School Summer holidays. Net cost of this is estimated at £30,000 which is to be funded from a reduction to the Community Fund Budget and, as such, has no net impact on the overall revenue budget.
- Creation of a small **Co-operative Council initiatives** budget which can be used to provide pump-priming monies for relevant community projects. This budget of £15,000 is again funded from the existing Community Fund and therefore has no net impact on the Council's overall budget.
- **The Community Fund** (formerly ££s for Projects) to operate, following the changes outlined above, at a level of £54,000, allocated on the basis of £1,000 per ward member – revised scheme approved by Cabinet on 21 June 2011.
- **Contribution to Small Business Loans Fund** – It is proposed to make a revenue contribution of £25k to a small business loans fund. The Council will work with local business people to establish a small business loans fund based on co-operative principles.
- Appointment of a **Director of Children's Services**- a key commitment of the new administration. The interim appointment from early August will cost around £75k this year. Funding for the ongoing position will form part of the review of senior management to be undertaken by the interim chief executive.

(ii) Identification of further savings

- A continuing drive to identify further efficiency savings from existing revenue budgets, enabling the creation of one-off benefits in 2011/12 to help with pressure on the 2012/13 strategy;
- The budget for 2011/12 assumed that a contribution of £1.2m would be received from schools buy-back following reductions of £2.4m made by the Government to "non-front-line" schools grants". Rather than place additional pressure on schools' budgets at a late stage in their financial planning timetable, it is proposed that existing arrangements continue in 2011/12 and that this additional support for schools is met from the sources identified in Appendix 1.
- Procurement – Having already set 20% non staff savings targets across the authority the Council is increasing the emphasis on procurement and the attainment of efficiencies to achieve the 20% non staff savings so that service cuts are minimised. To this end there is a

new impetus being placed on procurement across the organisation. Savings on procurement in the region of £0.74m and £1.8m have been delivered in the last 2 financial years and about £0.6m are already identified for this financial year. However, we can and will improve on this figure. To do that we are setting up a task force working in every part of the organisation to improve our procurement practices with the sole objective of driving out savings without compromising service delivery. For example we are working with Improvement & Efficiency West Midlands, the local Regional Improvement and Efficiency Partnership, to secure further savings in high spend areas including family and community services, adult social care, energy and environmental services. Furthermore all key contracts are being reviewed to ensure that they are as competitive as they can be and all future contracts will be carefully considered using these criteria. Restructuring in key areas, including family and community services, adult social care, environmental services and ICT are creating specialist procurement positions that will be supported by a central procurement team that can provide expert support and develop cross cutting procurement opportunities. In this way we are confident that we can maximise procurement savings and reduce the impact of service cuts. In order to ensure transparency in this process we will ensure that we regularly monitor and report on the savings programme proposals under key headings of procurement savings, other efficiency gains, increased income and service reductions.

(iii) Additional contributions to balances to help off-set pressures for next year's budget

- As part of the preparation for 2012/13 budget strategy any additional savings generated in 2011/12 over and above the amounts agreed when the 2011/12 budget was approved will be treated as additional contributions to balances. Amounts identified to date include:-
 - Re-tendering of insurance arrangements has generated savings of around £0.25m for General Fund (and £0.15m to be allocated for schools);
 - Reductions in Special Responsibility Allowances agreed by the new administration will save £0.04m pa
 - New Homes Bonus grant of £0.615m;
 - Impact of slippage on 2010/11 capital programme (c. £0.3m one-off benefit in 2011/12
 - Treasury management investment opportunities have generated a further £0.13m benefit in 2011/12
 - The revenue implications of changes to the capital programme summarised in section 7.8 of this report totalling £0.567m

It is proposed that these net revenue benefits totalling £1.6m are carried forward as a one-off benefit in to 2012/13. In addition any one-off benefit that can be generated from early implementation in the current financial year of efficiency savings identified as part of the

2012/13 service and financial planning process together with any underspend on the contingency at year end will also be carried forward to provide further one-off benefits for the 2012/13 budget.

7.10.iv Summary of changes to revenue budget

	2011/12 £m	2012/13 £m
Additional support to employees facing compulsory redundancy to be funded from use of single status contribution in 2012/13	0.200	0.400 (0.600)
Reintroduction of Free Swimming for Under 16s	0.030	0.030
Co-operative Council Initiatives budget	0.015	0.015
Community Fund	0.054	0.054
££s for projects	(0.099)	(0.099)
Contribution to Small Business Loans Fund	0.025	
Director of Children's Services – interim arrangements	0.075	
Insurance re-tender	(0.250)	(0.250)
Reduced Special Responsibility Allowances	(0.040)	(0.040)
New Homes Bonus	(0.615)	(1.300)
Treasury Management	(0.430)	
Total revenue impact	(1.035)	(1.790)

8. NEXT STEPS

A. CONSULTATION & ENGAGEMENT

8.1 Over the next few months, the Council will undertake a widespread programme of consultation and engagement with the community :

- Up to the end of September on the proposals set out in this report following the initial review of the Budget for 2011/12 leading to Cabinet recommendations to Council in November.
- Through the late summer and autumn, a wider debate about priorities, non-priorities and spending choices to help inform the preparation of specific proposals for the next two years which will then themselves be the subject of further consultation from December to early February;
- starting to shape a new long-term vision for the Borough; and
- developing, through our Co-operative Council programme, a dialogue with the community to explore how the Council can work better with local people and groups to find better ways of meeting needs.

8.2 In relation to the points above, throughout the coming months, the views of the community will be vital in shaping our strategy. Appendix 2 sets out a more detailed schedule of our proposed approach and programme. Key features include:

- Through our website, local people are encouraged to tell us their ideas for saving money and have a go at our 'budget calculator which simulates budget setting (available online and also promoted at libraries);
- Face to face engagement at locations across the Borough, including community events, at which cabinet members and senior officers will be seeking local people's views;
- Meeting a range of stakeholder groups and running a number of focus groups;
- Establishing a Co-operative Council Citizens Commission;
- Short survey to be completed online and our contact centre staff will also look to complete the survey with customers over the phone.

B. DEVELOPING OUR STRATEGY FOR 2012/13 & BEYOND

8.3 As mentioned above, a strategic and comprehensive review of the Council's budget will, of course, be undertaken to prepare our medium-term Service & Financial Planning Strategy for 2012/13 and beyond. To support this process, a number of key workstreams have been identified and are in progress to identify opportunities, options and choices. These workstreams include:

- Establishment of a Procurement Task Force within the Council to further challenge current procurement practices and ongoing contract management arrangements and target the delivery of further efficiency savings;
- New ways of working and accommodation review – to deliver significant potential savings from the sale of surplus buildings and reduced running costs;
- Creation of an Economic Development Strategy Review Group which is looking at updating our approach to maximise the improvement we can make to the economic welfare of the residents of the Borough
- Progressing the major service review of children's and adults' services;
- Waste Project Board – reviewing our approach to waste management
- Development and implementation of Co-operative Council work programme which includes a review and improvement of local working arrangements with the voluntary and community sector and with Town & Parish Councils;
- Continuation of the restructure programme as planned
- Generation of non-staffing savings proposals for 2012/13 and future years highlighting the rationale for the proposal, implications and ways that the impact could potentially be mitigated
- Review of capital receipts projections (sites, timings and values)

- 8.4 Underpinning these reviews will be the ethos that this Council wishes to:
- avoid compulsory redundancies for its employees wherever possible, though we cannot guarantee to protect every job;
 - safeguard vital frontline services and to protect the elderly, the young and the most vulnerable people in our Borough, but we cannot guarantee to protect every service that the Council currently provides;
 - work with residents, communities, partners and our workforce to find new ways of working and doing things differently and better with our communities.

9. OTHER IMPLICATIONS

Equality & Diversity

The Council has specific initiatives within its policy and financial plans to promote equal opportunities, which is at the heart of the Council's policies and will complete its high level Equalities Impact assessment of the changes informed by the consultation process, when considering the final proposals for Cabinet in November

Environmental Impact

The allocation of resources takes specific account of environmental issues facing the Council, in the context of other pressures and priorities.

Links with Corporate Priorities and Risk

The report sets the strategy framework which includes consideration of both community and corporate priorities and the corporate risk register.

Financial & Legal Comments

This report forms part of the Council's policy planning and budgetary framework

Ward Implications

Borough Wide Strategy.

Background Papers

- RSG and other Government grant related papers,
- Council Plan,
- Service & Financial Planning Report approved by Council on 3rd March 2011.

**Report prepared by Ken Clarke, Head of Finance (01952) 383100,
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Appendix 1

Proposals to deliver £1.2m savings in response to reduction of “Non-front-line schools grants”.

Service Area	Proposed Saving £'000s	Rationale for Proposal
Early Years and Childcare	172	This relates to delivery of non staffing savings identified as part of the service’s targeted 20% savings and without impacts on services provided.
Early Learning and Childcare - 2 Year Olds	71	No reduction in service - the reduction in funding allocated reflects the anticipated levels of demand based on the past 2 years data.
Integrated Youth Provision	120	One off funding to be used to offset savings requirements
Contact Point	77	Funding provided by Central Government via the Early Intervention Grant - development of this ICT based monitoring system has been discontinued by the Government and funding remains unallocated.
Youth Offending Service	100	Agreed early delivery of savings as part of the services targeted 20% savings
Targeted Mental Health in Schools	75	This was initially a pathfinder scheme ending March 2011. An evaluation of the outcomes identified best practice which will be embedded into mainstream services. The saving relates to vacant posts associated with the pathfinder service.
Single Status	120	A single status allowance has previously been made in all specific grant funded areas. In line with the Council's General Fund budget for Single Status this funding can be re-allocated in 2011/12.
One off balances within Children's areas	150	Some reduction in one-off balances held following review of potential commitments
School Improvement	50	Increased trading income from Primary School Improvement

School Improvement	50	Early consideration of the rationalisation of Transforming Learning budgets as per targeted 20% savings
Various SDUs	40	Small non staffing savings from various SDUs within Children's Service Areas
Other	175	Further work is currently being undertaken on Traded Services specifically the Schools Multicultural Service which may identify an increase in income dependant on the impact of Phase 2 restructure. Close monitoring and challenge of expenditure is likely to result in additional in year savings which may contribute to the £1.2m required in 2011/12.

Total Savings Proposed 1,200

Budget Engagement

Over the next few months, we will carry out an extensive programme of budget engagement to seek views on:

- The 2011/12 Budget Review proposals set out in this report; and
- Longer-term priorities and spending choices to help inform the development of our Budget Strategy for 2012/13 and beyond.

We will carry out this engagement programme alongside work to develop our approach to becoming a Co-operative Council and a new long-term vision for the Borough.

The proposed programme moves away from previous, more traditional approaches. Our aims are to:

- Engage with a wider section of the community;
- Give people an opportunity to get more involved at an earlier stage;
- Use a wider variety of engagement methods, including greater use of online tools, Twitter/Facebook etc;
- Give members and senior officers a greater role in engagement activities, so that people have the opportunity to give their views directly to the key decision-makers.

The budget engagement programme will include 4 key elements:

a) Road-show

The road-show will move around the Borough between July-September. At the road-show, we will:

- Promote different ways that people can get involved in the budget process and encourage people to attend meetings and focus groups (see b) below);
- Carry out some quick and interactive face to face engagement activities to give a 'snapshot' of views in different localities.

The road-show will go to a range of community events, such as Wellington Lions Day, Culture Fest, the World Heritage Festival in Ironbridge and smaller events and fun days. We will also have a planned programme that we will promote widely where we will go to all the Borough Town and District Centres, linking in wherever possible with market days and other peak periods (to include some evening and weekend sessions). We will also hold some sessions at buildings with access to the Council's network, such as leisure centres and libraries, so that people without Internet access have the opportunity to try out our new online tools (see d) below). The road-show programme will be developed in conjunction with ward members to ensure we are going to the right locations at the right times and members and senior

officers will be invited to take part. We will also monitor participation by ward so that we can add additional sessions to encourage residents in particular areas to get involved if necessary.

b) Meetings

We will also carry out some more in-depth face to face engagement during September and October in order to have a fuller debate about the Budget Review proposals and longer-term priorities and spending choices. This will involve:

Meetings with existing groups and forums – in previous years, we have done this in January following the publication of the draft Budget Strategy. We are now proposing to start this dialogue earlier, giving these groups an opportunity to influence the development of the initial Strategy. We will extend an invitation to a wide range of groups and forums to meet with us. This will also involve meetings with the relevant Scrutiny Committee(s).

- **Open meetings and focus groups**– we will also encourage other local residents who are not a member of an established group to join this debate by attending open meetings. We may need to supplement the open meetings with additional targeted focus groups to ensure that the views of the whole community are represented. We will also hold a number of open meetings with Council employees.

c) Survey

We will develop a short, user-friendly online survey, focusing on the 2011/12 Budget Review proposals. We will encourage more people to take part by carrying out the survey face to face at road-show events and we will explore the option of contact centre staff carrying out the survey over the phone.

d) Online Tools

To inform the development of the longer-term Budget Strategy, we have developed two new online tools. These are:

- **Suggestion Box (launched 1 July)** - a facility for people to send in their savings suggestions via the Council's Website.
- **Budget Calculator (to be launched 27 July)** – an online tool where participants can 'set' their own budget by adjusting spending on a range of services and altering the Council's levels of borrowing.

We will promote both of these widely, particularly at road-show events (including offering people the opportunity to drop-in and try out the tools at a library or one of our other sites).

TELFORD & WREKIN COUNCIL

CABINET – 26 JULY 2011

2011/12 FINANCIAL MONITORING REPORT

REPORT OF THE HEAD OF FINANCE

PART A) – SUMMARY REPORT

1.0 SUMMARY OF KEY ISSUES

1.1 2011/12 Revenue

Revenue spending for the year is projecting to be within budget at year end.

Although within budget, the main pressures requiring close monitoring are:

- The cost of Adult Social Care purchasing which is projected to be up to £0.5m overspent even after offsetting additional NHS grants against the impact of the PCT's withdrawal of funding for some cases of continuing healthcare needs. Most of the cost of supporting those people then falls on the Council.
- The cost of Specialist Education – projected overspend of £0.482m which mainly relates to stated provision
- Income shortfalls – a projected shortfall of £0.5m, the majority relating to PIP rentals, planning fees and licensing fees
- Contractual Inflation – inflationary pressures totalling £0.595m have been identified

The cost of Looked After Children is projecting to be within budget, based on the current numbers and mix of placements. Benefits from active treasury management and the insurance renewal process are highlighted. We are clearly aware that the council will have an extremely challenging position for next year and it is essential that very tight control on spend is exercised during 2011/12.

1.2 Capital

The capital programme approved as part of the Service & Financial Planning Strategy for 2011/12 totals £105m and re-phasing of schemes from 2010/11 totalled £22.8m giving a total programme of £127.8m. Robust programme management and monitoring is in place to ensure schemes are delivered.

This report does not take in to account the changes proposed in the 100 day review of the Council's service and financial planning strategy

which are described in a report elsewhere on this agenda and which if approved will result in very significant revenue savings.

The capital programme funding includes around £80m of receipts anticipated to be delivered over the period 2011/12 to 2014/15. Failure to achieve, or delays to, the receipts will have financial implications for the Council and the position is being closely monitored and indications are that higher levels of receipts will be generated over the medium term than had been anticipated. Further information is provided in the Service & Financial Planning report on this agenda.

The Council has applied for a capitalisation direction which will allow one off severance costs associated with the delivery of ongoing savings to be spread over a number of years.

1.3 Corporate Income Collection

Collection levels for NNDR are ahead of target at the end of May; Council Tax collection is slightly behind target for May but ahead of performance at the same time last year; and sales ledger outstanding debt is outside target.

1.4 Creation of One-off benefit to be rolled forward into 2012/13

This report includes details of one-off benefits in the current year totalling £1.331m resulting from the New Homes Bonus grant which was announced after the budget for 2011/12 had been set, savings on insurance premia following a re-tendering exercise and treasury management benefits mainly resulting from slippage of expenditure from the previous financial year. It is proposed that these benefits should be rolled forward to create a one-off sum available to support the budget strategy for 2012/13. This figure will be increased by the further net revenue benefit in 2011/12 arising from any changes agreed to the capital programme following the consultation period on the 100 day review of the service and financial planning strategy.

1.5 Use of Contingency

After making provision for the rolling-forward of £1.331m underspends to create a one-off benefit to help support the budget for 2012/13 around £1.75m of the contingency is needed to balance the budget in the current year. This leaves more than £2m available in the contingency for the current financial year.

2.0 RECOMMENDATIONS

2.1 Members are asked to

- (i) Note that 2011/12 revenue spend is currently projecting to be within budget at year end**

- (ii) Approve the use of £0.595m of the contingency to meet contractual inflation pressures being experienced detailed in section 6.1
- (iii) Note that income collection is ahead of target for NNDR and slightly behind target for Sales Ledger outstanding debt and Council Tax
- (iv) Note that robust arrangements are in place to monitor the capital programme and capital receipts.
- (v) To roll forward £1.331m to help support the budget strategy for 2012/13.

3.0 SUMMARY IMPACT ASSESSMENT

COMMUNITY IMPACT	Do these proposals contribute to specific Priority Plan objective(s)?	
	Yes	Delivery of all priority objectives depend on the effective use of available resources. Regular financial monitoring helps to highlight variations from plan.
	No	
TARGET COMPLETION/DELIVERY DATE	To outturn within budget at 31/3/12	
FINANCIAL/VALUE FOR MONEY IMPACT	Yes	The financial impacts are detailed throughout the report.
LEGAL ISSUES	No	None directly arising from this report. The S151 Officer has a statutory duty to monitor income and expenditure and take action if overspends /shortfalls emerge.
OTHER IMPACTS, RISKS & OPPORTUNITIES	No	
IMPACT ON SPECIFIC WARDS	No	<i>Borough Wide</i>

4.0 PREVIOUS MINUTES

03/03/11 – Full Council, Service & Financial Planning Strategy

PART B) – ADDITIONAL INFORMATION



5.0 2011/12 REVENUE BUDGET







5.1 Spend is projected to be within budget at year end which includes use of £1.747m of the corporate contingency.









5.2 Variations of more than £0.100m are detailed in section 5.3 for each Service Delivery Unit. The overall 2011/12 budget position is summarised in the table below :




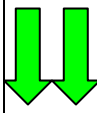



Service Delivery Unit	Accelerated Restructure Savings	Service	Total
	£	£	£
Safeguarding	0	268,524	268,524
School Improvement	0	481,999	481,999
Family & Community Services	(151,000)	(31,000)	(182,000)
Property & ICT	(19,974)	70,000	50,026
Economy & Skills	0	0	0
Environmental Services	(130,000)	(130,000)	(260,000)
Housing & Planning	0	225,000	225,000
Care & Support	0	500,000	500,000
Customer, Leisure & Libraries	(468,805)	(19,062)	(487,867)
Governance	(67,903)	(74,656)	(142,559)
Finance	(135,537)	(12,952)	(148,489)
Core Services	(414,937)	(130,398)	(545,335)
Council Wide	1,300,000	(643,680)	656,320
Total Projected Variation	(88,156)	503,775	415,619
Benefits to be rolled forward to 2012/13			1,331,000
Call on Corporate Contingency			(1,746,619)
Projected Year End Position			0

5.3 Projected variances over £0.100m are highlighted below.

Key		
£0 to £100k	↑	 Underspend
£101+to £250k	↑↑	 Overspend
£251+to £500k	↑↑↑	
over £500k	↑↑↑↑	

Service Delivery Unit	Projected Variation £m	
<p><u>Safeguarding (Adults & Children)</u></p> <p>Children in Care – based on a total of 280 Children in Care (w.e. 24.6.11) and the current mix of placements spend is currently projecting to be within budget during the year. An additional £1.4m was invested in Looked After Children as part of the 2011/12 budget strategy.</p> <p>Agency Staff – overspend arising from the use of agency staff employed until the end of August to cover vacancies. The use of agency staff will be continually reviewed throughout the year.</p> <p>Support for Children in Need/Legal Costs and Assessments – payments made to promote the welfare of children in need. The actual cost is dependent on the type of cases that arise during the year.</p>	<p>-0.105</p> <p>+0.153</p> <p>+0.169</p>	<p></p> <p></p> <p></p>
<p><u>School Improvement</u></p> <p>Specialist Education – the majority of the overspend relates to statemented provision, which reflects the costs of new statements and additional support hours. Costs in this area are volatile due to the constant updating of available information and the projection could reduce as the year progresses.</p> <p>School/Premature Retirement/Redundancy Costs – due to the need to reduce costs and mitigate the ongoing financial pressure on schools. Current projections are based on information from HR on likely numbers and will be updated as appropriate to take into account redeployment etc.</p> <p>DSG – underspent DSG from 2010/11 was carried forward to 2011/12 and any unallocated amounts could be used to offset the costs of Specialist Education Service provision.</p>	<p>+0.482m</p> <p>+0.200</p> <p>-0.200</p>	<p></p> <p></p> <p></p>

<p><u>Housing & Planning</u></p> <p>Planning – shortfall in planning fees due to the downturn in the economy.</p>	+0.150	
<p><u>Property & ICT</u></p> <p>PIP Properties – shortfall in rental and service charge income due to the high level of voids.</p> <p>Catering & Cleaning – various underspends on catering budgets.</p>	+0.250 -0.130	 
<p><u>Economy & Skills</u></p> <p>Economic Development – loss of grant funding for Education Business Partnership</p> <p>Mitigating action, including increased fees to offset grant reduction</p>	+0.257 -0.257	 
<p><u>Environmental Services</u></p> <p>Extreme Weather Grant – one off grant from the Department of Transport</p> <p>Highways Improvement Works – increased activity funded by Extreme Weather Grant</p>	-0.644 +0.644	 
<p><u>Care & Support</u></p> <p>Purchasing budgets – as anticipated the significant upward trend from 2010/11 continues in 2011/12. The reported overspend is against a gross purchasing budget of £29.2m across all client groups, including residential care, home care, day care and adult placements. The pressure is exacerbated by the withdrawal of funding by the PCT from clients previously receiving NHS funding due to their ongoing primary health need. These costs are now falling either on the individual or in most cases on Council budgets. This projection is over and above costs impacting and funded ongoing in previous years and reflects the full year impact of clients</p>	+2.500	

<p>reassessed by the PCT in 2010/11 and those reassessed in 2011/12. The position is being kept under close review and continues to be raised and discussed with the PCT.</p> <p>NHS Funding – a mix of additional one off and ongoing funding from the Government and PCT to fund Local Authority Social Care, and having to be deployed against displaced PCT spending.</p>	-2.000	
Core Services – staff savings	-0.130	
Contractual Inflation - pressures due to the high level of inflation and contractual obligations – it is proposed that this is met from the corporate contingency (see para 6.1)	+0.595m	
<u>Items to be Rolled Forward to 2012/13 to create one off benefit</u>		
Treasury – benefits from the re-phasing of schemes from 2010/11 to 2011/12 and the impact of new investments taken early in the year	-0.466m	
Insurance – reduced cost of insurance renewals for 2011/12 – this figure may alter as work is underway to confirm the split between schools and the rest of the Council	-0.250m	
New Homes Bonus - Unringfenced grant	-0.615m	
<u>Total Rolled Forward to 2012/13</u>	1.331m	

5.4 The 2011/12 budget includes £1.3m benefit from accelerated staff savings which has been achieved.

6.0 CONTINGENCIES

- 6.1 The 2011/12 budget includes combined contingencies of £3.768m, which are set aside to meet any unforeseen expenditure. There are currently no approved uses of the contingency. However inflation has steadily increased over the past few months and RPI now stands at 5.2% and there is a request to release an element of the inflation contingency to meet the contractual inflation pressure being experienced.

	£m
General Revenue Contingency	1.596
Income/Contract Inflation Contingency	1.072
Additional One Off Contingency (held in reserves)	1.100
Total Contingency	3.768
Proposed Use – recommended for approval in this report:	
Contractual Inflation	0.595
In Year Use to Offset Variations	1.152
Balance remaining in Contingencies	2.021

7.0 CAPITAL

7.1 2011/12 Capital Programme

The capital programme approved as part of the Service & Financial Planning Strategy for 2011/12 totals £105m. Re-phasing of schemes from 2010/11 totalled £22.8m which was approved at Full Council on the 23 June 2011. Robust programme management and monitoring is in place.

- 7.2 The capital programme funding includes around £80m of receipts anticipated to be delivered over the period 2011/12 to 2014/15. Failure to achieve, or delays to, the receipts will have financial implications for the Council and the position is being closely monitored.

7.3 Capitalisation Direction

Nationally, the Government has made £300m available for capitalisation directions (i.e. not grants) to support Local Authorities who are making efficiency savings through organisational restructuring.

The Council's medium term financial strategy relies on the delivery of 20% savings from the planned restructure programme which is underway and has applied for a capitalisation direction, totalling £2.940m, from the Secretary of State to cover **statutory** redundancy costs incurred in 2011/12. The effect of this would be that the costs which would normally be treated as revenue spend could be funded from borrowing or from capital receipts instead, which would potentially spread the cost over a number of years.

In 2010/11 the total amount of capitalisation applied for nationally was significantly higher than the total available and authorities who bid for statutory redundancy costs only received around 38% of the amount they requested. It is very likely that a scaling factor will also be applied in the 2011/12 round.

Notification has been received that the application has passed the initial “gate 1” test – confirmation of the amount of capitalisation being granted will be announced at some point during July. The approval to capitalise statutory redundancy costs will lead to additional borrowing costs which will be built into future monitoring reports once confirmation of the direction is received. An indication of the cost of borrowing £2.940m is £0.079m in 11/12 and £0.232m ongoing.

8.0 REVIEW OF 2011/12 BUDGET STRATEGY

8.1 Following the Borough elections and subsequent Annual Council in May 2011, the new administration committed, as one of its first priorities, to carry out a high level review of the Council’s Service & Financial Planning Strategy for 2011/12 within 100 days.

8.2 Proposals to revise the 2011/12 Budget Strategy are detailed in a separate report also being presented to Cabinet on the 26 July 2011. This includes a review of the capital programme. The implications of these proposals will be incorporated into the overall financial monitoring once approved.

9.0 CORPORATE INCOME MONITORING

9.1 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.

9.2 In summary, the overall position shows collection levels for NNDR ahead of target at the end of May; Council Tax collection was slightly behind the target, but ahead of performance at the same time last year and Sales Ledger debt is also behind target.

INCOME COLLECTION – MAY 2011			
	Actual	Target	Performance
Collection Levels:			
Council Tax Collection	20.08%	20.19%	0.11% Outside Target
NNDR Collection	24.24%	22.73%	1.51% Ahead of Target
Debt Levels:			
Sales Ledger	4.82%	4.50%	0.32% Outside Target

9.3 Council Tax (£59.2m)

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 2010/11	98.0%
Year End Target for 2011/12	98.0%

Performance is cumulative during the year and expressed against the complete year's debit. Performance to the end of May is behind the target set for this year but ahead of performance at the same time last year:

Month End Target	Month End Actual	Last year Actual
20.19%	20.08%	19.87%

9.4 NNDR-Business Rates (£66m)

The % of business rates for 2011/12 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 2010/11	99.1%
Year End Target for 2011/12	99.1%

Performance at the end of May is ahead of the month end target and performance at the same time last year.

Month End Target	Month End Actual	Last year Actual
22.73%	24.24%	23.84%

9.5 Sales Ledger (£43.6mm)

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

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

Age of	Annual	May 2011
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debt	Target %	£m	%
Total	4.50	2.10	4.82

Overall outstanding Sales Ledger debt is outside target by 0.32%.

10.0 **BACKGROUND PAPERS**

2011/12 Budget Strategy / Financial Ledger reports

Report Prepared by: Ken Clarke, Head of Finance – 01952 383100;
Pauline Harris, Corporate Finance Manager – 01952 383701

TELFORD & WREKIN COUNCIL**CABINET****26 JULY 2011****SCHOOLS CAPITAL PROGRAMME 2011/12****REPORT OF HEAD OF PROPERTY & ICT****PART A) – SUMMARY REPORT****1. SUMMARY OF MAIN PROPOSALS**

To identify the proposed planned capital programme for schools for financial year 2011/12, in accordance with the budget strategy 2010/11 – 2011/12.

2. RECOMMENDATIONS

- 2.1 **That Cabinet approve the 2011/12 capital programme as identified in this report and in detail within Appendix A.**

3. SUMMARY IMPACT ASSESSMENT

COMMUNITY IMPACT	Do these proposals contribute to specific Priority Plan objective(s)?	
	Yes	<i>Maintaining a good quality estate ensures that services which are delivered are consistent, and of high quality. This assists in the delivery of the following corporate priorities:</i> <ul style="list-style-type: none"> • <i>Children and Young People</i> • <i>Community Focused and Efficient Council</i>
	Will the proposals impact on specific groups of people?	
	Yes	<i>Where capital investment is made improvements for people with disabilities are undertaken to improve access to services.</i>
TARGET COMPLETION/DELIVERY DATE	<i>Projects will in the main be delivered during the financial year 2011/12 but the scale of some projects might result in slippage of payments from 11/12 to 12/13. Regular financial monitoring will identify projected position.</i>	
FINANCIAL/VALUE FOR MONEY IMPACT	Yes	<i>Funding for the planned programme of works is included within the approved capital programme for 2011/12, including slippage from 2010/11 as indicated in Appendix A.JAC 300611</i>
LEGAL ISSUES	Yes	<i>The Council has statutory responsibilities in respect of Health and Safety and Disability Discrimination legislation and specific advice can be given in this regard. All contracts must be awarded in accordance with the Council's Contract Procedure Rules and EU requirements, if applicable.</i>
OTHER IMPACTS, RISKS & OPPORTUNITIES	Yes	<i>Where improvements are made to properties other opportunities for associated works are considered whilst the works are being undertaken to take account of economies of scale benefits.</i>
IMPACT ON SPECIFIC WARDS	Yes	<i>The capital programme has an impact on most of the Bough's wards and a breakdown is included in Appendix A.</i>

4. INFORMATION

- 4.1 The schools Capital Programme for 2011/12 has been reduced as part of the settlement from Central Government from the levels received in previous years. The number of funding streams has also been reduced and there are now only two main sources. Firstly, basic need which is funding that has been allocated according to relative need for new pupil places, based on forecast data provided by all authorities. Secondly, modernisation funding, which is the proportion of the funding available for capital maintenance and allocated to each authority by taking account of both school and weighted pupil numbers from the most recent data available. This particular stream is the one which is associated with the schools Asset Management priorities as managed by Property & ICT. Please see Appendix A for the full programme.

- 4.2 The 2011/12 capital allocations have seen the removal of separate funding streams which were previously available including the access initiative, early years and extended schools allocations. As a result of this decision, funding has been prioritised from the modernisation allocation specifically to support pupils individual access needs in order to address statutory Disability Discrimination Act (DDA) requirements.
- 4.3 The Council has a statutory duty to ensure the sufficiency of school places across the Borough and consequently a proportion of the basic need allocation has been prioritised to address this specific requirement. Whilst the Council has successfully delivered a number of excellent new build school mergers of Infants and Junior provision into a Primary school, it has on a number of occasions been able to remodel existing buildings to meet the essential requirements for the school. In some instances the work has involved enabling access between the two, separate buildings, providing a joint staffroom and enhancing the front entrance and common areas. This strategy is proposed to continue this year, with two further mergers recommended to benefit from such remodelling.
- 4.4 The Council also has a statutory duty to address serious Health & Safety priorities and funding has been identified in the programme to undertake essential asbestos removal work, replacement boiler schemes and the replacement of large items of heavy duty kitchen equipment, as well as undertaking demountable class base and roof replacement schemes.
- 4.5 In order to meet the requirements of the Private Finance Agreement (PFI) the Council is required to meet the cost of any 'notice of change' obligations that are required as part of the contract. Therefore funding is required to be set aside in order to meet this obligation. In addition, for those schools benefiting from the Building Schools for the Future programme a sinking fund has had to be established to ensure that essential lifecycle replacement and high level repairs & maintenance work can be undertaken. The standard to which this level of work is to be set has been prescribed by Partnership for Schools (PfS) and is at a higher level than the Council is currently able to commit to. Whilst the schools themselves will contribute both their own capital and revenue to the fund, there will be a need for a significant contribution from the Council in order to bridge the funding shortfall over the lifetime of the programme.

5. IMPACT ASSESSMENT – ADDITIONAL INFORMATION

5.1 Community Impact

The provision of new build, remodelled and well maintained buildings ensures that Council Services are delivered efficiently and with service continuity. Many of the key services are delivered from the Council's property portfolio including schools and are the first key point of interaction with customers within their community.

5.2 Equalities Impact

Where possible as part of the design of new build school projects or major planned building capital maintenance investment programme, improvements to accessibility within schools is undertaken in order to adhere to the Disability Discrimination Act and the Council's Inclusion policy. Where improvements to existing facilities are being undertaken Equalities Issues (i.e. baby changing facilities) are also included as part of the scheme. This allows the Council to meet its targets for increasing accessibility.

5.3 Environmental Impact

Environmental improvements are incorporated into all schemes where appropriate in an aim to reduce the Councils Carbon Emissions from operations as part of its Carbon Reduction Commitment Delivery strategy.

6. PREVIOUS MINUTES

N/A

7. BACKGROUND PAPERS

N/A

APPENDIX A - SCHOOLS CAPITAL PROGRAMME

Schemes	Funding Source	Total Capital Programme 2011/12	Funding Slipped from 2010/11	2011/12 Funding Allocations	Wards	Comments
		£'000	£'000	£'000		
Modernisation & Condition - Various Schemes 10/11						
Mount Gilbert – replace roofing Panels	Grant	18	18	0	Malinslee	Serious condition problem leading to additional costs if not addressed.
Modernisation & Condition - Various Schemes 11/12						
Apley Wood Primary - Electrical Sub-mains Upgrade	Grant	20	0	20	Apley Castle	Electrical sub-mains upgrades to support current loading issues and to address regular problems with power failure. The overloading of the existing supply is an H&S issue which would lead to school closure.
Asbestos Removals - Various Schools	Grant	120	0	120	Various	Work required to address serious Health and Safety issues following HSE visit. The Council has a legal responsibility to manage asbestos within its properties
BSF - Schools Facilities Management Sinking Fund	Grant	400	0	400	All secondary school wards	Funding required to establish a sinking fund to address Partnerships for Schools prescribed levels of R&M / lifecycle replacement in participating BSF schools over the lifetime of the programme.
Crudgington Primary - Land Purchase/ Essential associated works	Grant	80	0	80	Ercall Magna	To resolve on-going issues associated with the ownership of the school playing field and car park
Crudgington Primary - New biomass boiler	Grant	160	0	160	Ercall Magna	Essential replacement to address serious condition and H&S priority.
DDA Access Works & Equipment	Grant	280	0	280	Various	There is no longer a separate allocation of funding to address access priorities. Therefore a separate budget is allocated to address DDA priorities and meet the Councils statutory and legal obligations.
Donnington Wood CE Junior - Roofing repairs	Grant	100	0	100	Donnington	The asset is suffering from roof leaks which are affecting the delivery of the curriculum causing this school to be closed in the past. The works are to be undertaken in phases, over 3 years

Dothill Primary - Boiler Replacement	Grant	125	0	125	Dothill	Replacement of defective boilers. The investment will address a serious condition liability and deliver lower fuel / CO2 emissions and also ensure continuity of curriculum delivery. There are currently two boiler plant rooms which are both at the end of their physical and economic life.
Various schools - External Painting	Grant	120	0	120	Various	Preventative planned maintenance at prioritised schools to significantly reduce future capital expenditure on replacement buildings, curtain walling and windows etc. External painting and repairs to approximately 15 schools on a 4 year cycle
Various schools - Kitchen remodelling	Grant	90	0	90	Various	Remodelling of school kitchens and replace large items of kitchen plant which are a Health & Safety risk to operatives.
Energy Efficiency measures to address condition and H&S priorities - Various schools	Grant	150	0	150	Various	Energy efficient replacement measures to support Carbon Reduction Commitment to deliver revenue savings and reduce carbon tax.
Various schools – installation of fly Screens to kitchens	Grant	60	0	60	Various	Following occupational health inspections the need to address a serious problem of insect infestation in a number of school kitchens. The works have been prioritised over two phases and further funding is required in 2011/12 in order to meet the required health and safety standards.
Hadley PFI Sinking Fund	Grant	70	0	70	Hadley & Leegomery	To address contractual obligations associated with the PFI notice of changes.
Haughton School - Roof replacement/external DDA adaptations	Grant	60	0	60	Cuckoo Oak	Essential works to address serious condition priority and to enable the external areas to be totally accessible to all site users.
Hollinswood Junior - Main Entrance	Grant	25	0	25	The Nedge	Second phase of alterations to the main entrance to address accessibility problems and security in line with Asset Management Plan suitability survey.
Lilleshall Primary – H&S work	Grant	60	0	60	Church Aston & Lilleshall	Essential remodelling works to address Ofsted concerns over staffing and external H&S safeguarding risks.
Moorfield Primary School – Replacement roofing	Grant	140	0	140	Newport West	The proposal addresses roof leaks and includes insulation of the roof which will lower revenue heating expenditure.
Newport CE Junior – Heating work	Grant	30	0	30	Newport South	Works to resolve heating problems which adversely affecting curriculum delivery.
Redhill Primary – Remodelling work	Grant	30	0	30	Priorslee	Remodelling works to address Ofsted concerns over lack of resource space and to address access issues.
Queenswood Primary – External improvements	Grant	20		20	Ketley & Oakengates	Essential external grounds work to complete Community/Family project.
Various schools - Security Measures	Grant	80	0	80	Various	To reduce revenue expenditure due to vandalism and address safeguarding issues raised by OFSTED inspections.

Sir Alexander Fleming Primary -Guttering Replacement	Grant	30	0	30	Cuckoo Oak	Replacement of integral guttering located at the centre of the roof which is causing leaks and internal damage to the school.
Various schools - Tree Maintenance	Grant	60	0	60	Various	Emergency works to address serious risks following recent tree surveys on all school sites. Schools are contributing to the cost of this work.
Wombridge Primary - Drainage	Grant	35	0	35	Ketley & Oakengates	Replacement drainage to alleviate flooding problems to the rear of the school
Sub Total –Modernisation and Condition		2,338	18	2,320		
All schools - Devolved Formula Capital	Grant	526	0	526	All wards	Ring Fenced and devolved to schools- future years estimates - not yet confirmed allocation
Basic Need 11/12						
Grange Park Primary New Build/Remodelling	Capital Receipts	31	31	0	The Nedge	Existing demountables on Grange Park site only have temporary planning permission. A permanent solution is being assessed. This funding will contribute to the overall budget with future allocations also being required.
John Fletcher Junior/ Madeley Infant – remodelling	Grant	220	0	220	Madeley	To allow for the physical connection of the existing infant and junior school buildings and improve access and circulation.
Newdale Primary	Grant/Capital Receipts	722	270	452	Lawley & Overdale	To provide class base extensions in order to meet statutory obligations regarding the provision of pupil places. In addition there is a serious parking problem both off site and on the school premises which can only be resolved through the provision of additional parking places.
St Georges Primary - Replacement class bases	Grant	500	0	500	St Georges	To replace demountables which are in a very poor condition. The current accommodation is at the end of its life and has been an Asset Management Plan priority for a considerable time.
William Reynolds Primary - Adaptations	Grant	330	0	330	Woodside	To allow for the physical connection of the existing infant and junior school buildings and improve access and circulation.
Sub Total - Basic Need		1,803	301	1,502		
TOTAL CAPITAL PROGRAMME 2011/12		4,667	319	4,348		

TELFORD & WREKIN COUNCIL

CABINET – 26 JULY 2011

CO-OPERATIVE COUNCIL

REPORT OF THE ASSISTANT CHIEF EXECUTIVE

1. PURPOSE

- 1.1 The purpose of this report is to set out a proposed approach to becoming a Co-operative Council.

2. RECOMMENDATIONS

- 2.1 **That Members approve the proposed approach and next steps set out in Sections 4 and 5 of this report and that delegated authority be granted to the Assistant Chief Executive following consultation with the Cabinet Member: Co-operative Council & Partnership to take all steps necessary to progress the Co-operative Council approach as outlined in the report and in particular to progress and deliver the Early Adopter Programme set out at Appendix 1;**
- 2.2 **That delegated authority be granted to the Assistant Chief Executive following consultation with the Cabinet Member: Co-operative Council and Partnership to approve any expenditure within the £15,000 fund allocated for Co-operative Council initiatives.**

3. BACKGROUND

- 3.1 We are one of a number of Councils, such as Lambeth, Rochdale and Oldham, who are committed to becoming **Co-operative Councils**. We are the first Council in the West Midlands to make this commitment.
- 3.2 Being a Co-operative Council is about us working together with our residents, partners and other local organisations to collectively deliver the best we can with the combined resources we have.
- 3.3 Whilst all the Councils involved share a belief that co-operative working should be at the heart of what we do, each Council will need to develop its own approach that will work for their own area, reflecting the different nature of their organisations and the communities they serve. However, as a member of the Co-operative Council Network, we will work closely with other Co-operative Councils to share best practice and ideas.

3.4 In Telford & Wrekin, our aims are to:

- Build a new partnership between local people and public services where power and responsibility is more balanced by agreeing what we will provide and what communities will control for themselves;
- Ensure that public services are of the best quality, offer value for money, are designed around people's lives and are 'joined up' so that residents get what they need at the right time and the right place;
- Involve the community and employees in planning services and support employees, local people and organisations to organise and run services differently;
- Enable people to do more to help their own communities and at the same time to help themselves by gaining new skills and experience.

3.5 Section 4 of this report sets out how we will translate these high-level aims into practical action. An important principle is that we will develop our plans in conjunction with our employees and the whole community. There will be a much greater emphasis on engagement and members and officers from across the Council will be encouraged to get involved in engagement activities.

4. PROPOSED APPROACH

4.1 Our first step to becoming a Co-operative Council has been to identify some practical **Early Adopter** projects that will put co-operative working into action as soon as possible. These are summarised in Appendix 1.

4.2 A key part of the Early Adopter Programme has been to prioritise some initial areas of work to support **Co-operative Service Delivery**. These are:

- **Pilot ward for co-operative service delivery (Brookside)** – Brookside has been identified as a potential pilot area for developing a co-operative approach to service delivery as there has been a programme of community engagement in the area that provides a good platform to build upon in terms of resident involvement. Also analysis of the 2010 Index of Multiple Deprivation relating to education, training, employment and skills identified Brookside as one of the priority areas within the Borough for 'narrowing the gap' in deprivation. It is proposed to build upon previous community engagement within the area to work with local residents, community groups, the Parish Council, and ward members to review Council-run facilities and services. The aim will be

to identify if these services could be redesigned or delivered differently to better meet the needs of local people.

- **Leisure, Culture & Libraries** – we will test out a range of ways of giving the Leisure, Culture & Libraries Service greater freedoms and flexibilities in how they do things, such as the ability to make faster decisions and to pursue new income generation opportunities. All employees will be encouraged to get involved by suggesting and helping to implement new ways of working. By stripping away some of the bureaucracy, the services will be able to respond better and quicker to what customers want, which is critical in a fast-moving and competitive environment. Whilst services will continue to be provided by the Council, they will effectively be run at ‘arms-length’ but firmly within the Council’s family of services.
 - **Dawley Town Hall** – in response to feedback from local residents about the future of Dawley Town Hall, we will work with a number of partners to assess the feasibility of bringing the facility back into community use.
 - **Schools Learning Partnership** - we will work with head-teachers to set up an educational trust for all community and trust schools in the secondary sector, which will work in close partnership with existing academies, grammar schools and the Thomas Telford CTC. The trust will establish an operational group consisting of head-teachers to lead on school to school developments with the local authority working in partnership to provide advice, organisation and support.
 - **Telford Employability Partnership** – we will establish a partnership (Council, Telford College of Arts and Technology, Job Centre+ and other training providers supporting unemployed and at risk of redundancy) to provide information, advice and support to help young people and adults into employment, education and training, including outreach in the most disadvantaged communities.
 - **Small Business Loans Fund** – we will work with local business people to establish a small business loans fund, based on co-operative principles.
- 4.3 At the same time as delivering the Early Adopter Programme, we will also work with local people and organisations and our employees to develop a longer-term **Co-operative Settlement and Delivery Plan**.
- 4.4 The **Co-operative Settlement** will be a shared agreement that will clearly set out what the Council will do and what others will do. The Settlement will have two parts:
- **Co-operative Community Settlement** – bringing together existing agreements, such as the Voluntary Sector Compact, Parish Charter and Customer Charter into a single updated agreement between

the Council and the community with a much greater emphasis on the role that citizens will play in the Borough;

- **Co-operative Workforce Settlement** – a new shared agreement between the Council and its employees.

- 4.5 Each part of the Settlement will include a **Delivery Plan**, which will set out in detail a programme to deliver co-operative working in the community and within the Council. A specific time plan will be developed, however it is expected that it will take 10 years to become a fully Co-operative Council and importantly a Co-operative Borough.
- 4.6 To help develop the Co-operative Settlement and Delivery Plan, we will set up a **Co-operative Commission**. The Commission will bring together a wide range of community and business leaders with the Cabinet and other members. Membership of the Commission will be announced at Cabinet on 26 July. Commissioners will be volunteers and will not receive any payments.
- 4.7 The reasons for setting up the Commission are to draw on the wide range of expertise and skills that exist within the Borough and to bring a fresh, external and challenging perspective to how we do things.
- 4.8 The first step will be for the full Assembly of Commissioners to meet to identify and prioritise a number of work-streams that the Commission will lead to inform the development of the Settlement and Delivery Plan, based on areas where Commissioners feel they will be able to add the most value. Work-streams may focus on a particular service area or be more cross-cutting.
- 4.9 An important principle is that the Commission will have the freedom and flexibility to set its own agenda. Once the Commission has agreed its priority work-streams, the Cabinet will be able to determine whether there are any other additional work-streams that the Council should progress alongside the work of the Commission.
- 4.10 We will also work with the Scrutiny Management Board to identify any common areas of interest between Scrutiny and the Commission. Wherever possible, we will seek to bring together the work of the relevant Scrutiny Committee and the Commission to avoid duplication.
- 4.11 Each of the Commission's priority work-streams will be delivered by a sub-group; members of the Commission will have the opportunity to join the sub-group(s) that they feel best fits their expertise and interests. The sub-groups will work collaboratively with the appropriate lead Cabinet member, Corporate Management Team lead and other Council officers.
- 4.12 Sub-groups will be able to carry out or commission the Council to carry out engagement with local residents, service users, local

organisations and Council employees etc, as needed, in order to inform their thinking. They will also be able to invite other people with relevant expertise to join their sub-group.

- 4.13 Each sub-group will be asked to submit a short report to the Commission with recommended actions that the Council should take in the short-term (6 months), medium-term (18 months) and long-term (3 years and more). Recommendations should identify any associated savings and up-front costs. The Assembly of Commissioners will then meet to consider and approve the sub-groups' recommendations, which will be brought together into a single report to be presented to Cabinet.
- 4.14 We are also proposing to establish a **Citizens' Group**, which we will run collaboratively with Rights and Fairness Telford (RAFT). This group will be made up of a mixture of representatives from existing groups and forums and local residents recruited directly.
- 4.15 This group will have three roles:
- Act as a sounding board for the Commission sub-groups as they develop their recommendations;
 - Assess the equalities impacts of the Commission's recommendations;
 - Promote and act as champions for co-operative working within their groups and communities.
- 4.16 To move forward our approach to co-operative working within the Council, we will also set up an **Employee Commission**. The Employee Commission will involve representatives from existing employee groups, trade unions and **Employee Champions** (employees who will promote and act as champions for co-operative working, at least one from each service area).
- 4.17 In parallel with the work of the Co-operative Commission, the Employee Commission will determine priority work-streams to inform the development of the Workforce Settlement and Delivery Plan and will work in sub-groups to deliver these.
- 4.18 Both the Co-operative and Employee Commissions will be asked to report to Cabinet by the end of January 2012 (see Section 5 'Next Steps and Timescales'). Cabinet will then consider the Commission reports, alongside any additional work that has been carried out by the Council. It will then publish its draft Co-operative Settlement and Delivery Plan.

5. NEXT STEPS & TIMESCALES

- 5.1 The timescales for the delivery of the Early Adopter Programme is shown in Appendix 1.

5.2 We have already held a number of engagement sessions with managers and employees. There will be ongoing communication and engagement to involve our workforce in developing our approach.

5.3 The key next steps and timescales for the development of the Co-operative Settlement and Delivery Plan are:

Next Steps	Timescale
Proposed approach agreed by Cabinet and launch/promotion internally and externally	26 July 2011
First meeting of Co-operative Commission– priority work-streams identified and agreed	After Cabinet, date to be confirmed – late July/early September
Recruit and brief members of Employee Commission	End August 2011
Recruit and brief Citizens' Group members	End August 2011
First meeting of Employee Commission	September 2011
First meeting of Citizens' Group	September 2011
Sub-group meetings – scoping/planning	September 2011
Sub-groups – engagement/information gathering	October/November 2011
Sub-group meetings – review engagement/information gathering results, develop initial ideas and recommendations	End November 2011
Co-operative Commission sub-groups 'test' initial ideas with Citizens' Group where appropriate	December 2011
Sub-group meetings – agree and submit recommendations to Commission	End December 2011
Second meeting of Co-operative/Employee Commission – consider and agree recommendations of sub-groups	January 2012
Commission submit final reports to Cabinet	End January 2012
Cabinet publishes draft Co-operative Settlement and Delivery Plan	End February 2012 (coincide with publication of final budget/new vision and priorities)
Draft Co-operative Settlement and Delivery Plan considered by full Council	March 2012

6. OTHER IMPLICATIONS

Community and Equalities Impact	The development of the draft Co-operative Settlement and Delivery Plan will be subject to an equalities impact assessment. The Citizens' Group will play a key role in helping to assess the impact of the Commission's recommendations on different groups within the community. We will assess the impact of other initiatives as they are developed.
Financial Impact	A sum of £15,000 has been allocated from within existing resources to establish a fund for Co-operative Council initiatives.
Legal Issues	The Council has the power to undertake the work outlined in this report under Section 2 of the Local Government Act 2000 (wellbeing powers). These are powers to do anything which it considers likely to achieve the promotion or improvement of the economic, social or environmental well-being of the area. Before exercising this power the Council must have regard to the Secretary of State's Guidance on use of the powers.
Impact on specific wards	Borough-wide impact.

7. PREVIOUS MINUTES

7.1 Nil.

8. BACKGROUND PAPERS

8.1 None.

**Report prepared by Felicity Mercer, Policy & Value for Money Manager,
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APPENDIX 1 – EARLY ADOPTER PROGRAMME

a) Joining up Services

Early Adopter	Target Delivery Date
In partnership with the Primary Care Trust, launch a 'Health Hub' in the Civic Offices First Point to enable First Point customers to access a range of health services and council services in one location	Phase 1 – End July 2011
Set up a direct email account and single direct line to Wrekin Housing Trust for Telford & Wrekin Councillors so that they can report issues on behalf of residents in their wards	End July 2011
Establish Telford Employability Partnership – see Section 4.2 of report	Launch 31 October 2011

b) Involving the community in planning services

Early Adopter	Target Delivery Date
Launch a new approach to the Community Fund with a greater role for ward councillors and Parish Councils	New approach agreed 21 June 2011
Set up a facility on the Council's Website for people to submit their savings suggestions (Suggestion Box)	Went live on 1 July 2011 – 118 suggestions received 1-14 July
Involve people in budget development through a new online 'budget calculator' – developed and currently being tested by members of the public	Launch 27 July 2011
Re-launch the Community Panel and run a campaign to recruit new members	Recruitment started – impact to be reviewed September 2011
Carry out a programme of engagement with the whole community to develop a new vision and set of priorities for the Borough	Engagement started – draft vision by mid-November 2011
Develop a single access point for all engagement activities so that people can go to one place to find out how they can get involved	Portal populated and promoted by November 2011

c) Supporting employees, local people and organisations to organise and run services differently

Early Adopter	Target Delivery Date
Pilot ward for co-operative service delivery (Brookside) – See Section 4.2 of report	Agree action plan – early October 2011
Leisure, Culture & Libraries – See Section 4.2 of report	Agree governance arrangements and service objectives/targets – end September 2011
Dawley Town Hall – See Section 4.2 of report	Feasibility study – end July 2011
Schools Learning Partnership – See Section 4.2 of report	To be confirmed
Small Business Loans Fund – See Section 4.2 of report	End October 2011

d) **Enabling local people and organisations to play a more active role in their communities**

Early Adopter	Target Delivery Date
Run a campaign to promote the benefits of volunteering as part of National Volunteers week	Delivered 1-7 June 2011 (262 letters of thanks, 10 community events held and wide media coverage)
Encourage employees, local people and organisations to become Fair-trade champions	Internal campaign to promote Fair-trade vending machines – end of August 2011, Fair-trade event in a school with link to global Fair-trade school programme – October 2011
Develop a package of support for voluntary-run youth clubs, review charging policy for use of Council buildings by youth clubs and develop a package of support for other voluntary groups who include young people and are not supported by national governing bodies	October 2011

e) **Developing a new partnership with employees**

Early Adopter	Target Delivery Date
Put in place a package of new flexible employment options that will benefit both the Council and employees. Prepared and currently in consultation with Trade Unions	Sept 2011
Pilot new ways to involve employees in identifying non-staff savings and helping to reduce costs	Pilot 'Cost Challenge' 15 July 2011

TELFORD & WREKIN COUNCIL

CABINET 26TH JULY 2011

2010/11 END OF YEAR PRIORITY PLAN PERFORMANCE MONITORING SUMMARY

REPORT OF ASSISTANT CHIEF EXECUTIVE

PART A) – SUMMARY REPORT

1. SUMMARY OF MAIN PROPOSALS

- 1.1 To set out 2010/11 performance against the Council's corporate priorities via the Priority Plan actions and performance measures from April 2010 to March 2011.

2. RECOMMENDATION

- 2.1 That consideration is given to the overview of performance against Priority Plans
- 2.2 To identify areas/issues for targeted improvement activity and/or require further analysis to understand current performance.

3. SUMMARY IMPACT ASSESSMENT

COMMUNITY IMPACT	Do these proposals contribute to specific Priority Plan objective(s)?	
	Yes	<i>This report identifies progress against the key objectives of each Priority Plan.</i>
	Will the proposals impact on specific groups of people?	
	Yes	<i>The objectives and actions in each Priority Plan will impact across all sections of the Borough – including work to support and protect the most vulnerable in the community.</i>
TARGET COMPLETION/DELIVERY DATE	<i>Priority Plans set out actions which were to be completed and delivered within 2010/11.</i>	
FINANCIAL/VALUE FOR MONEY IMPACT	Yes	<i>Service & Financial Planning reports are presented regularly to Cabinet and include the overall financial position for the Council which links to Priority Plan Actions and Performance.</i>
LEGAL ISSUES	Yes	<i>The Council has a legal duty under the Local Government Act 1999 to secure continuous improvement in the delivery</i>

		<i>of services having regard to a combination of economy, efficiency and effectiveness.</i>
OTHER IMPACTS, RISKS & OPPORTUNITIES	Yes	<i>The scope of the actions in the Priority Plans will impact on many aspects of life in the Borough including the environment, economy and community cohesion. The actions all impact on the Council's reputation.</i>
IMPACT ON SPECIFIC WARDS	Yes	<i>Borough-wide impact.</i>

PART B) – ADDITIONAL INFORMATION

4. INFORMATION

- 4.1 Each of the Council's 7 Priority Plans set out actions and performance measures to drive and understand progress against the Council's Priorities in 2010/11. The actions were required to be completed during the 12 month period. The performance measures were both local and national indicators. These actions and performance measures were the focus of the Council's corporate performance framework for 2010/11.
- 4.2 During the year the coalition Government commenced a programme to review the number of statutory returns local government must make, including abolishing the National Indicator Set from March 2011.
- 4.3 This report focuses on performance against both the actions and performance indicators in Priority Plans from April 2010 to March 2011.

Headline Analysis

- 4.4 Of the 138 indicators with targets, 81 have achieved target (59%). Of the 156 indicators with trend data available, 88 (56%) have shown improvement from 2009/10 and 49 (31%) have worsened. The picture for actions is more positive, with 288 (74%) of the total 387 completed. In reality this means:

Summary of Progress

4.5 Active Lifestyles:

Progress

- Results of the Citizen Survey indicate that the satisfaction with leisure and culture facilities in the Borough overall has risen from 49% to 55% demonstrating the positive impact of the priority. Customer satisfaction with Libraries remains high at 88%, similarly with Oakengates Theatre (90%) and with sports and leisure facilities (73%).

- Achievements have included the opening of the new Tennis Centre at Oakengates and 11 new play areas and a BMX track for children, young people and their families.
- Progress has also been made by delivering enhancements to the driving range at Horsehay Golf Centre and both health and safety and customer service improvements at Newport Pool; a new mobile library and improved route and access; improved walking routes for disabled/vulnerable road users; and a variety of outdoor events delivered to the community throughout the year.

Areas for Development

- As reported at 8 months, the number of visits to leisure facilities has fallen, largely as a result of the cancellation, by Government, of the free swimming offer. The planned closure of both Newport Pool and Horsehay Village Golf Course for customer improvements has also impacted, together with reduced attendances at Telford Ice Rink.
- The development of a 'one stop shop' for activities and facilities information/website. This work is on going and will be continued in 2011/12.
- Research needs to be undertaken to establish what the community thinks of existing provision and what they would like to see developed in the Borough. Questions have been developed for the next Community Panel survey.

4.6 Adult Care and Support:

Progress

- Performance data shows we were again in joint best position for benefit assessment times in the West Midlands (as at Quarter 2), 7 days, against a national average of 13 days. New claims took an average of 14 days against a national average of 22 days.
- Progress has been made in the development of the Access team to include intermediate care, carers, and the hospital social work; the refurbishment of Dodmoor Grange offering 9 bed spaces; the launch of TWIGS home gardening service to enhance the development of employment skills for people with learning disabilities; the development of the welfare benefit take-up strategy; successful campaigns to raise awareness to ensure that abuse is not hidden; the implementation of a new IT system to improve substance misuse recording and information sharing; improved access to adult care and support services via the development of the internet web pages and the introduction of on line contact assessment; the development of an outcome focussed framework and assessment to monitor improved quality of life for carers; increased range of assistive technologies available via the council's Home Improvement Agency; self directed support process has been developed and embedded in the service delivery model; implementation of the assessment and review evaluation tool to regularly ascertain service user's views.

- Areas which have shown improvement from 2009/10 and have exceeded target include: social care clients receiving self directed support; the timeliness of social care packages following assessment; drug users in effective treatment; and adults with mental health problems helped to live at home.

Areas for Development

- A key area for development is for a programme of work to improve information technology and management. This has now been incorporated as a major theme of the review of Adult and Children's Services in 2011/12.
- A number of measures have not reached target. These include: achieving independence for older people through rehabilitation/intermediate care; and % of clients receiving assessment within acceptable waiting time;
- The following measures have improved but have not reached target: adults with learning disabilities helped to live at home; number of B&B accommodation for all 16/17 year olds; number of households living in temporary accommodation.
- Extend the Affordable Warmth programme – work was not undertaken due to conflicting priorities and pressures.

4.7 Children & Young People:

Progress

- Progress has been made in the implementation of 3 Family Intervention Projects (viewed positively by the DfE); the Children Abused through Exploitation (CATE) project was identified as a strength by Ofsted and as best practice by the DoH task force; all child protection and looked after children cases were reviewed within timescale; fewer young people are becoming the subject of a child protection plan for a second or subsequent time; attendance in both primary and secondary schools has improved.
- Areas of good performance include: Obesity in primary school age children in reception has fallen; repeat incidents of domestic violence are running below target levels; % of young people who are NEET has reduced from 9.4% to current figure of 7.8%; number of first time entrants into the Youth Justice system has more than halved since last year; attainment at KS2 and KS4 has improved; attainment across BME groups has improved; there has been an increased number of young people achieving both a level 2 and level 3 qualification by the age of 19.

Areas for Development

- A key area for development, due to the limited success in its reduction, is child and family poverty sub priority and hence, given the complex and cross cutting nature and the publication of the Frank Field Review, the approach going forward needs to be reconsidered.
- Although teenage pregnancy achieved a reduction of 19.94% from the 1998 baseline rate in 2008 and 21.96% reduction in 2009, the national target to reduce under-18 conceptions by 55% by 2010 will not be achieved (to be reported in Feb 2012).

- 52.4% of Initial Assessments were carried out within 7 days, a deterioration on last year's performance and not meeting target. 77.4% of Core Assessments were carried out in 35 days, which is the same as last year but not on target. The number of child protection plans lasting 2 years or more has increased.
- In relation to our care leavers, currently 50% are in Education Employment and Training, which does not meet the target of 70%. Attainment of children in care at KS2 and KS4 is also a concern with only 2 out of 20 young people achieving 5 A*-C GCSEs; the use of B&B accommodation has not been eliminated with 4 young people aged 16/17 still living in B&Bs.

4.8 Community Protection & Cohesion:

Progress

- Results from the Citizen Survey indicate that there has been an increase in the percentage of respondents that agree that their immediate local area is a place where people from different backgrounds get on well together (75%).
- Achievements have included a reduction in overall crime and disorder over the past 12 months and the launch of the ASB hotline. A decrease in calls to the police has been reported since this launch.
- Progress has also been made with 'Scores on the doors' which has seen a steady improvement in the number of premises achieving higher scores; the Town Warden scheme has been established including such initiatives as traffic management, parking enforcement and tackling ASB; the community pay back model has been developed and the pilot project is underway; a comprehensive training programme was undertaken for all staff with responsibilities in the Emergency Plan; a review of policies and procedures of managing vulnerable victims has been completed and has resulted in better case management of victims; 99 projects have been allocated funding through the Community Fund; the Empty Property protocol has seen an increase in referrals from partners leading to improved action to reduce health and safety risks; an increased attendance at CultureFest, encouraging people from different backgrounds to come together through multi-cultural activities.
- Key measures that have shown improvement against last year and met target include: drug users in effective treatment; reduction in the number of first time offenders in the Youth Justice System; assault with injury rate; and % of adult offenders who re-offend.

Areas for Development

- A number of measures have not reached target. These include: serious and violent crime rate, serious acquisitive crime rate and repeat incidents of domestic violence.
- Area based approach – further work needs to be carried out with the observatory and the neighbourhood profiles so impact can be measured to ensure we are narrowing the gap

- After the Taxi Marshalling scheme concluded, there have been a number of complaints of illegal activity by the private hire trade, however the scheme has been unsuccessful in securing further funding.

4.9 Environment & Rural Area:

Progress

- The majority of key performance measures in this plan come from the Citizen Survey and results indicate overall performance is very good with increased satisfaction levels with some indicators performing in national 'best quartile'. For example, satisfaction with parking has increased from 39% to 47% and satisfaction with the maintenance of pavements has risen from 34% to 38%.
- All elements of the capital programme have been completed on schedule including investment into renewing lining on roads across the borough, investment in sign cleaning and replacement and completion of carriageway works and footway surfacing, including improvements to accommodate disabled use; a Borough wide kerbside collection of plastics was rolled out in June; pedestrian crossings on Randlay Avenue have been installed; first phase of part-night switching off of street lights has been implemented; a review of traffic signals at key junctions is complete and options for improving efficiency have been identified;
- There has been an increase in recycling rates and a decrease in the amount of waste sent to landfill. Satisfaction with recycled and waste collections as a combined service has increased to 81%.
- Cleanliness standards continue to be an area of strength with street cleanliness and levels of fly tipping all meeting targets.

Areas for Development

- The % of unclassified road network where structural maintenance should be considered, is not performing as well as last year and is higher than target.

4.10 Housing, Regeneration & Prosperity:

Progress

- Despite the financial and economic climate, GVA has remained above the West Midlands average and numbers of people employed in construction, knowledge economy occupations and manufacturing have remained the same as last year.
- We have also been successful in a challenging housing market delivering increased numbers of affordable housing over the last 3 years.
- Progress has also included: securing funding to expand the internal apprenticeship scheme; recruitment of a Market Manager and Markets Assistant with numerous themed markets held in the Borough; High Street and public realm improvements in Dawley, Newport and Leegomery; the acquisition of 32 properties in Sutton Hill and 40 properties in Woodside; the target for numbers of Kickstart loans has been exceeded with £310k loans complete, hence more people are benefitting from making repairs and improvements to their home using

interest free loans; 202 affordable homes have been delivered and is recognised as an achievement in the current climate.

- Satisfaction with the Borough Towns has increased in Newport (80% +2% points), Madeley (75% +20% points) and Dawley (51% +19% points). Satisfaction with the South Telford Estates has increased in both Woodside and Sutton Hill.
- Key performance measures that have met target include: % of people employed in construction; new business registration rate; number of vacant private sector dwellings returned to occupation or demolished; number of non-decent private sector dwellings made decent as a direct result of action by the LA

Areas for Development

- There are some key challenges to be resolved around adult skills with a number of these measures missing target quite significantly including: proportion of population qualified to at least level 2 or higher, level 3 or higher and level 4 or higher; number of entry level qualifications in literacy achieved; number of entry level qualifications in numeracy achieved
- Satisfaction with Brookside has decreased by over 10%
- The development of the Housing, Care and Support Strategy has been delayed and the Lightmoor extra care housing scheme is not due to be completed until 2011/12. The delay in these actions has impacted on the numbers of extra care and specialist/social affordable housing figures delivered for this year.

4.11 Community Focused Efficient Council:

Progress

- Results of the Citizen Survey indicate that satisfaction with the way the Council runs things has improved by 6% from 55% to 61%; satisfaction with the Borough as a place to live has improved from 73% to 77% and satisfaction with the immediate local area has improved from 74% to 76%. More people are satisfied with opportunities to get involved (from 25% to 30%) and more people feel they can influence decisions in their local area.
- Progress has also included the development of a savings package and associated programme of engagement and communication; development and implementation of a communication and engagement strategy; review and revision of how we make information and services more accessible to meet specific needs; the development of a framework to improve the access to and use of intelligence; the opening hours of the Contact Centre have increased (8am to 8pm) and there has been a positive impact on the number of abandoned calls; more transactions are being completed via the corporate website; a new approach to procurement with electronic tendering and the use of the Shropshire Business Portal and have seen an increase in the number of corporate contracts reviewed; and the introduction of a new hotline for Town/Parish Councils.

Areas for Development

- The percentage of people who feel well informed about the services and benefits provided by the Council has decreased by 8% points from 72% to 64% and fewer people agree that the Council listens to their views.
- User satisfaction with the corporate website has decreased; revenue income from the Property Investment Portfolio has reduced; and there were fewer invoices paid within our 20 day target.
- New partnership arrangements and a proposed structure for the Delivery Partnerships are to be developed.

**Report prepared by Clare Hall-Salter, Planning and Performance Manager
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CABINET

Decision Notices and Minutes of a meeting of the Cabinet held on Tuesday, 26th July, 2011 at 5.00 p.m. at the Civic Offices, Telford

PUBLISHED ON MONDAY, 1st AUGUST, 2011

(DEADLINE FOR CALL-IN THURSDAY, 4th AUGUST, 2011)

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

ALSO PRESENT: Councillor A. Lawrence (Opposition Group Leader) and Councillor C.B.A. Elliott (Cabinet Support Member)

CB-16 CHRIS CORBETT

The Chairman (and Leader of the Council) stated that the meeting would be the last meeting to be minuted by Chris Corbett, Democratic Services Officer.

Chris had been employed by the Council for the last 37 years, and following the restructure of the Governance Service, would be leaving the Council.

The Chairman, and other Cabinet Members wished Chris very best wishes for the future.

CB-17 MINUTES

RESOLVED – that the minutes of the meetings of the Cabinet held on 21st June 2011 and 7th July, 2011 be confirmed and signed by the Chairman.

CB-18 APOLOGIES FOR ABSENCE

Councillors H. Rhodes, W.L. Tomlinson and A.J. Eade (substituted by Cllr A Lawrence)

CB-19 DECLARATIONS OF INTEREST

None

CB-20 100 DAY REVIEW OF THE 2011/12 SERVICE & FINANCIAL PLANNING STRATEGY

Key Decision identified as **Budget Strategy / Service & Financial Planning Process** in the Forward Plan published on 16th June 2011
Recommendations to Council - not subject to call-in

Councillor W.A.M. McClements, Cabinet Member: Resources & Service Delivery, presented the joint report of the Assistant Chief Executive and the Head of Finance, that set out proposals to revise the Council's capital programme and the revenue budget for 2011/12, following a review initiated by the Council's new administration after the May Borough elections.

The net savings generated by the proposals contained in the report for the Council's revenue budget, was summarised as follows:-

	2011/12 £m	2012/13 £m	2013/14 £m	2014/15 £m	Ongoing £m
Impact of changes made to capital programme and benefit of additional capital receipts (see paragraph 7.8)	(0.567)	(1.191)	(1.603)	(2.747)	(2.935)
Impact of revenue items (see paragraph 7.10.iv)	(1.035)	2012/13 -2014/15 proposals and baseline position will be developed in accordance with the normal budget timetable and public consultation			
Overall saving	(1.602)				

The review had focussed on delivering further savings in both the current year (2011/12) revenue budget and four year capital programme in order to reduce the future service impact of government grant cuts. The changes proposed would also feed into the 2012/13- 2014/15 service & financial planning process for which an overall strategy and specific proposals were currently being worked on for consultation.

Members were reminded that the Council agreed its budget for 2011/12 at the Council meeting held on 3rd March 2011. The report considered by Council highlighted that Government grants to the Council had been cut by £13.6m this year with a further cut in grant announced of £5.3m in 2012/13. These reductions were on top of cuts of £3m announced during the 2010/11 financial year. Due to the scale and very significant front-loading of the cuts in grants, the Council set a budget for 2011/12 which was heavily reliant on the use of £9.2m of one-off resources in order to be able to phase in reductions in spending.

The Council, as a member of the Local Strategic Partnership (LSP), remained fully committed to the realisation of the partnership's long-term vision of "**a successful, prosperous and healthy community which offers a good quality of life for all the people of Telford & Wrekin**" that had been developed in consultation with the community.

Specifically, the new administration wanted Telford & Wrekin to be a **diverse, caring and enterprising Borough**. While, through the Summer, the Council would carry out a comprehensive programme of consultation and engagement with the community to listen to, understand and respond to its views on medium and long-term priorities for the Borough, the thoughts were that our

approach must, as a minimum be focused on the realisation of seven key outcomes:

- Telford & Wrekin will be a great place to do business with higher levels of investment and business growth;
- Lower levels of poverty and social exclusion and greater well-being of households through higher numbers of residents in employment;
- Vulnerable children, young people and adults are safeguarded from harm and neglect;
- Even more children and young people are on the path to success in adult life through the provision of good quality education, training and jobs;
- A safe and cohesive place where people are empowered and have the confidence to play active roles in their communities;
- Improved health of people which enables them to live active, positive and independent lives;
- Mixed and sustainable communities with an increased supply of new housing, improved existing homes, and a high quality physical environment.

The Council's existing strategy was framed around a number of guiding principles. Those principles had been reviewed and revised. The Council's guiding principles, that should inform and direct our strategy, were now proposed as being:

- To develop spending plans that are based on and address the community's needs and priorities;
- Be open and transparent in how resources are spent across the Borough, but target spend at issues and areas where needs are greatest;
- As a Co-operative Council, work with our community to identify creative new ways of delivering services and ensuring that needs in the Borough continue to be addressed;
- Seeking to minimise the level of Council Tax increase, balanced against growing demands for Council services and protecting services from cuts (NB. This budget review is not considering levels of Council Tax in 2011/12 or beyond);
- Deliver efficiencies and savings, as far as possible minimising the impact on the quality of services, particularly through improving our approach to procuring goods and services;
- Look for external investment e.g. Government grants, to address priorities;
- Set aside some additional money to deal with any unforeseen circumstances caused by the current economic situation;

- Taking a responsible approach to the use of Council reserves that balances the need for financial prudence and sustainability with the need to maintain and protect important frontline services;
- Where possible cut the Council's reliance on borrowing for some capital schemes so that expenditure on debt repayments can be reduced;
- Sell some of the Council's land and property to reduce borrowing, cut running costs, and – where there is a strong business case – to fund priority facilities and schemes.

In the light of those guiding principles and from the review work undertaken, the following revisions were proposed to the Council's existing Service & Financial Planning Strategy:

A review of the capital programme to identify where spending which is not contractually committed has been undertaken in order to identify projects which can be cancelled, scaled back or deferred with the aim of reducing the levels of borrowing planned by the previous Council.

Significant changes to capital projects are proposed in relation to:

Civic Offices Accommodation –In summary, the plan to build Civic Offices in the Southwater area of the Town Centre would not be progressed. Instead, the accommodation strategy would:

- Proceed with the sale of the existing Civic Offices site;
- Build only a Community Hub encompassing a customer first point/contact centre and new library in Southwater
- Rationalise office accommodation to reduce the number of buildings operated by the Council by moving out of older less efficient smaller buildings currently used in order to generate revenue savings as well as further capital receipts;
- Invest in space saving furniture as this will generate ongoing revenue savings by enabling employees to be located at a higher density so reducing the amount of space that the Council needs to occupy for office accommodation and therefore also reducing annual running costs;
- Retain the use of Darby House and utilise the Wellington office development
- Use existing Council owned buildings within, or around, the Town Centre as the accommodation solution
- Free up a valuable site for disposal in the Southwater area

A range of options for office accommodation had been reviewed and the financial implications assessed based around the need to continue supporting Telford Town Centre Regeneration, had locations within or around the Town Centre and utilised existing Council owned buildings. The objective was to identify an option which delivered flexibility in the Council's estate to

accommodate changes in accommodation needs and make better use of buildings already owned by the Council.

The revenue savings of the revised proposals compared to the existing approved budget were summarised below:-

2011/12 £m	2012/13 £m	2013/14 £m	2014/15 £m	Ongoing £m
(0.147)	(0.756)	(1.163)	(1.163)	(1.163)

Building Schools for the Future (BSF) – A review of the BSF programme is being undertaken.

Telford Town Centre - A separate report on the Cabinet agenda includes proposals for revisions to the Telford Town Centre investment package.

Hadley local centre – A revised scheme is proposed with a projected cost of around £2.3m.

Wellington – No changes are proposed to the scheme in Wellington and completion will continue as originally planned.

Dawley – No changes are proposed to the budget allocation for the Dawley regeneration project.

Newport – a scheme to look at environmental works around the canal up to a value of £50k will be designed and consulted on generating a saving of around £0.2m

Oakengates – a scheme focussing on Oxford Street and Market Street but including removal of the canopy on Limes Walk and other works costing around £1.9m in total is proposed generating a reduced borrowing requirement of £0.5m. Due to the need for public consultation on this new scheme it is unlikely that work would start before the 2012/13 financial year.

Waste Bulking station – It is proposed to delete this £3.9m project from the capital programme pending the outcome of a review of the Council's overall waste strategy. This does however delay the capital receipt assumptions relating to this project.

Locality Management, BTI Small Grants and Ironbridge BTI – Around £0.5m of these budgets is currently uncommitted. No new commitments will be entered in to except that it is proposed to reserve an amount of £45k for potential matched funding for grants to projects of up to £7.5k in the 6 Borough Town areas. This will produce a net saving of around £0.455m from these budgets.

Capitalisation Direction – A capitalisation direction has been applied for which, if granted, would enable statutory redundancy payments to be treated as a

capital cost and to be funded either from capital receipts or from prudential borrowing. The application was for £2.94m but it is likely that applications will be very significantly scaled back as only £300m is available nationally. An announcement is expected before the end of July of the amount, if any, that will be awarded to the Council and when this is known the cost will be built in to the medium term financial projections.

In total the proposals would result in reductions in prudential borrowing and revenue costs totalling:-

Year	(Reduction) / Increase in Borrowing £m.	Revenue Saving* £m.
2011/12	(6.711)	(0.182)
2012/13	1.511	(0.559)
2013/14	(1.516)	(0.520)
2014/15	1.600	(0.556)
2015/16	0	(0.473)
Total	(5.116)	(0.473)

* Excludes improved rental income of revised proposals for Hadley.

Maintenance of Roads and Pavements – reducing pot-holes and improving the condition of the roads and pavements is a high priority. It is proposed to not only commit the additional £0.66m “pothole” grant from the Government, announced after the budget for 2011/12 had been agreed, but also a further £1.3m capital in 2012/13 and £0.25m additional capital in 2013/14 over and above the existing approved programme. This additional investment will be allocated on a priority needs basis and will be funded from savings generated from the review of capital projects, including the deletion of the plans to build new civic accommodation outlined above.

Capital Receipts - In addition, the Council was exploring options for the realisation of further capital receipts, over and above expected amounts, from the sale of land or other assets (e.g. a separate report is included on the Cabinet agenda in respect of the potential sale of the Council’s interest in West Mercia Supplies) the proceeds of which could be used to pay down debt or act as an alternative to borrowing or other forms of more costly financing of priority schemes and projects.

Any additional capital receipts generated over and above the £80m already planned would be used to reduce outstanding debt and so reduce the cost of principal and interest repayments which have to be borne by council tax payers. After updating projections of the capital receipts now anticipated over the medium term a significant revenue benefit compared to the current approved revenue budget was anticipated which was summarised in the table below.

The revenue costs/(savings) of the revised proposals and re-phasing compared to the existing approved capital receipts budget are summarised below:-

2011/12 £m	2012/13 £m	2013/14 £m	2014/15 £m	Ongoing £m
0.040	0.401	0.441	(1.002)	(1.022)

Summary of Capital Programme Changes : Savings on revenue budget - In summary the revenue impacts of the changes to the capital programme and assumptions on the generation of capital receipts in future years is detailed in the table below:-

	2011/12 £m	2012/13 £m	2013/14 £m	2014/15 £m	Ongoing £m
Civic accommodation	(0.147)	(0.756)	(1.163)	(1.163)	(1.163)
Town Centre project	(0.278)	(0.218)	(0.354)	(0.104)	(0.355)
Other capital projects	(0.182)	(0.559)	(0.520)	(0.556)	(0.473)
Improved rental income at Hadley		(0.094)	(0.117)	(0.045)	(0.045)
New investment in road maintenance		0.035	0.110	0.123	0.123
Revised schedule of capital receipts	0.040	0.401	0.441	(1.002)	(1.022)
Total revenue impact	(0.567)	(1.191)	(1.603)	(2.747)	(2.935)

The review of the Council's revenue Budget for 2011/12 has had 3 dimensions, with proposals based on:

- Revisions to spending priorities;
- Identification of further savings;
- Additional contributions to balances to help off-set pressures for next year's budget;

A full strategic and comprehensive review of the Council's budget will, of course, be undertaken to prepare our medium-term strategy for 2012/13 and beyond.

Revisions to spending priorities

- Support to employees facing compulsory redundancy – It is proposed to allocate a sum of up to £0.6m in order to support employees facing compulsory redundancy. The mechanism for using this funding and specifically where it should be targeted will be agreed between Members, officers and Trade Union representatives. Any use of this allocation during the current year will be funded on a temporary basis

(from balances) with the total cost being met from reducing the assumed contribution to the single status provision in 2012/13.

- Reinstatement of free swimming for Under-16s who have a Flex Card. This change to take effect from the beginning of the School Summer holidays. Net cost of this is estimated at £30,000 which is to be funded from a reduction to the Community Fund Budget and, as such, has no net impact on the overall revenue budget.
- Creation of a small Co-operative Council initiatives budget which can be used to provide pump-priming monies for relevant community projects. This budget of £15,000 is again funded from the existing Community Fund and therefore has no net impact on the Council's overall budget.
- The Community Fund (formerly ££s for Projects) to operate, following the changes outlined above, at a level of £54,000, allocated on the basis of £1,000 per ward member – revised scheme approved by Cabinet on 21 June 2011.
- Contribution to Small Business Loans Fund – It is proposed to make a revenue contribution of £25k to a small business loans fund. The Council will work with local business people to establish a small business loans fund based on co-operative principles.
- Appointment of a Director of Children's Services- a key commitment of the new administration. The interim appointment from early August will cost around £75k this year. Funding for the ongoing position will form part of the review of senior management to be undertaken by the interim chief executive.

Summary of changes to revenue budget

	2011/12 £m	2012/13 £m
Additional support to employees facing compulsory redundancy to be funded from use of single status contribution in 2012/13	0.200	0.400 (0.600)
Reintroduction of Free Swimming for Under 16s	0.030	0.030
Co-operative Council Initiatives budget	0.015	0.015
Community Fund	0.054	0.054
££s for projects	(0.099)	(0.099)
Contribution to Small Business Loans Fund	0.025	
Director of Children's Services – interim arrangements	0.075	
Insurance re-tender	(0.250)	(0.250)
Reduced Special Responsibility Allowances	(0.040)	(0.040)

New Homes Bonus	(0.615)	(1.300)
Treasury Management	(0.430)	
Total revenue impact	(1.035)	(1.790)

Over the next few months, the Council would undertake a widespread programme of consultation and engagement with the community :

Councillor McClements stated that the revised budget had been completed within some 61 days following the recent election and had rescheduled the town centre development to be some £1.1m less than had been proposed by the previous administration. There would be some £0.5m revenue savings per year, a community hub would be developed with some 200 car park spaces together with prime cost effective private sector services.

Councillor Lawrence replied by stating the he considered the budget identified savings that would inevitably be made in the current economic circumstances.

Councillor England commented upon the new administration's emphasis on upon putting the people of the Borough to the forefront of its proposals.

RESOLVED –

TO RECOMMEND TO COUNCIL that the proposals set out in the report, for consultation with the community, be approved including:-

- (a) The cancellation of the planned building of new Civic Offices to generate ongoing revenue savings of over £1.1m p.a.**
- (b) The development of a Community Hub in the Southwater area of Telford Town Centre which will provide customer access to Council services and a new library. The Community Hub could also provide space for community groups/organisations, and other public sector bodies – making the Community Hub a Cooperative Council centre.**
- (c) Changes to other capital projects and the generation of additional capital receipts generating ongoing revenue benefits of over £1.75m pa**
- (d) A much stronger emphasis on improved procurement processes referred to in section 7.10.ii of this report in order to deliver savings which reduce the overall impact of grant cuts on front-line services.**
- (e) Increased investment in the maintenance of roads and pavements of a further £1.3m capital in 2012/13 and £0.25m in 2013/14 over and above the existing approved capital programme;**
- (f) Investment of £2.3m in a regeneration scheme for Hadley and £1.9m for Oakengates;**

- (g) **Creation of a capital budget of £45k to match fund projects of up to £7.5k in each of the 6 Borough Town areas;**
- (h) **Reinstatement of free swimming for under 16s with a flex card**
- (i) **Allocation of up to £0.6m one-off funding to provide additional support for employees facing compulsory redundancy;**
- (j) **Contributing £25k one off funding to a small business loans fund;**
- (k) **Creation of a Co-operative Council initiatives budget of £15k;**
- (l) **Carrying forward revenue benefits identified in the report of around £1.6m as a one-off benefit to help support the budget for 2012/13 together with any unspent element of the contingency at year end and any further service efficiencies that can be implemented during 2011/12;**

CB-21 2011/12 FINANCIAL MONITORING REPORT

Key Decision identified as **Budget Strategy / Service & Financial Planning Process** in the Forward Plan published on 16th June 2011

Councillor W.A.M. McClements, Cabinet Member: Resources & Service Delivery, presented the report of the Head of Finance, which commented that revenue spending for the year was projecting to be within budget at year end.

Although within budget, the main pressures requiring close monitoring were:

- The cost of Adult Social Care purchasing which was projected to be up to £0.5m overspent even after offsetting additional NHS grants against the impact of the PCT's withdrawal of funding for some cases of continuing healthcare needs. Most of the cost of supporting those people then fell on the Council.
- The cost of Specialist Education – projected overspend of £0.482m which mainly related to stated provision
- Income shortfalls – a projected shortfall of £0.5m, the majority relating to PIP rentals, planning fees and licensing fees
- Contractual Inflation – inflationary pressures totalling £0.595m have been identified

The cost of Looked After Children was projecting to be within budget, based on the current numbers and mix of placements. Benefits from active treasury management and the insurance renewal process were highlighted. Members were aware that the council would have an extremely challenging position for next year and it was essential that very tight control on spend was exercised during 2011/12.

The capital programme approved as part of the Service & Financial Planning Strategy for 2011/12 totalled £105m and re-phasing of schemes from 2010/11

totalled £22.8m giving a total programme of £127.8m. Robust programme management and monitoring was in place to ensure schemes were delivered.

The report, however, did not take in to account the changes proposed in the 100 day review of the Council's service and financial planning strategy which were described in a report earlier on the agenda and as approved would result in very significant revenue savings.

The capital programme funding included around £80m of receipts anticipated to be delivered over the period 2011/12 to 2014/15. Failure to achieve, or delays to, the receipts would have financial implications for the Council and the position was being closely monitored and indications were that higher levels of receipts would be generated over the medium term than had been anticipated.

The Council had applied for a capitalisation direction which would allow one off severance costs associated with the delivery of ongoing savings to be spread over a number of years.

Collection levels for NNDR were ahead of target at the end of May; Council Tax collection was slightly behind target for May but ahead of performance at the same time last year; and sales ledger outstanding debt was outside target.

This report included details of one-off benefits in the current year totalling £1.331m resulting from the New Homes Bonus grant which was announced after the budget for 2011/12 had been set, savings on insurance premia following a re-tendering exercise and treasury management benefits mainly resulting from slippage of expenditure from the previous financial year. It was proposed that those benefits should be rolled forward to create a one-off sum available to support the budget strategy for 2012/13. That figure will be increased by the further net revenue benefit in 2011/12 arising from any changes agreed to the capital programme following the consultation period on the 100 day review of the service and financial planning strategy.

After making provision for the rolling-forward of £1.331m underspends to create a one-off benefit to help support the budget for 2012/13 around £1.75m of the contingency was needed to balance the budget in the current year. That left more than £2m available in the contingency for the current financial year.

RESOLVED –

- (a) that 2011/12 revenue spend projecting to be within budget at year end be noted**
- (b) that the use of £0.595m of the contingency to meet contractual inflation pressures being experienced detailed in section 6.1 of the report, be approved;**

- (c) that income collection is ahead of target for NNDR and slightly behind target for Sales Ledger outstanding debt and Council Tax be noted;
- (d) that robust arrangements are in place to monitor the capital programme and capital receipts be noted;
- (e) that the roll forward of £1.331m to help support the budget strategy for 2012/13 be approved.

CB - 22 SCHOOLS CAPITAL PROGRAMME 2011/12

Key Decision identified as **School Organisation/Capital Financing/Borough Towns Initiative/Building Schools for the Future/Planning School Places** in the Forward Plan published on 16th June 2011.

Councillor P. Watling, Cabinet Member: Children, Young People & Families, presented the report of the Head of Family & Community Services, which identified the proposed planned capital programme for schools for financial year 2011/12, in accordance with the budget strategy 2010/11 – 2011/12.

The Schools Capital Programme for 2011/12 had been reduced as part of the settlement from Central Government from the levels received in previous years. The number of funding streams has also been reduced and there are now only two main sources, basic need funding and modernisation funding.

The 2011/12 capital allocations had seen the removal of separate funding streams which were previously available including the access initiative, early years and extended schools allocations. As a result of that decision, funding had been prioritised from the modernisation allocation specifically to support pupils individual access needs in order to address statutory Disability Discrimination Act (DDA) requirements.

The Council had a statutory duty to ensure the sufficiency of school places across the Borough and consequently a proportion of the basic need allocation has been prioritised to address this specific requirement. The Council also had a statutory duty to address serious Health & Safety priorities and funding has been identified in the programme to undertake essential asbestos removal work, replacement boiler schemes and the replacement of large items of heavy duty kitchen equipment, as well as undertaking demountable class base and roof replacement schemes.

In order to meet the requirements of the Private Finance Agreement (PFI) the Council is required to meet the cost of any 'notice of change' obligations that are required as part of the contract. Therefore funding is required to be set aside in order to meet this obligation. In addition, for those schools benefiting from the Building Schools for the Future programme a sinking fund has had to be established to ensure that essential lifecycle replacement and high level repairs & maintenance work can be undertaken. The standard to which this level of work is to be set has been prescribed by Partnership for Schools (PfS)

and is at a higher level than the Council is currently able to commit to. Whilst the schools themselves will contribute both their own capital and revenue to the fund, there will be a need for a significant contribution from the Council in order to bridge the funding shortfall over the lifetime of the programme.

Members supported the report.

RESOLVED – that the 2011/12 capital programme as identified in the report, and detailed within Appendix A of the report, be approved.

CB - 23 CO-OPERATIVE COUNCIL

Key Decision identified as **Performance Management, Value-for-Money and Best Value (inc the Council Plan)** in the Forward Plan published on 16th June 2011.

Councillor S. Davies, Cabinet Member: Co-operative Council and Partnership, presented the report of the Assistant Chief Executive that set out a proposed approach to becoming a Co-operative Council.

Members were reminded that the Council was one of a number of Councils, such as Lambeth, Rochdale and Oldham, who were committed to becoming Co-operative Councils. Telford & Wrekin was the first Council in the West Midlands to make that commitment.

Being a Co-operative Council was about working together with local residents, partners and other local organisations to collectively deliver the best that the Council could with the combined resources available.

In Telford & Wrekin, the aims were to:

- Build a new partnership between local people and public services where power and responsibility is more balanced by agreeing what we will provide and what communities will control for themselves;
- Ensure that public services are of the best quality, offer value for money, are designed around people's lives and are 'joined up' so that residents get what they need at the right time and the right place;
- Involve the community and employees in planning services and support employees, local people and organisations to organise and run services differently;
- Enable people to do more to help their own communities and at the same time to help themselves by gaining new skills and experience.

The first step to becoming a Co-operative Council had been to identify some practical Early Adopter projects that would put co-operative working into action as soon as possible. Those were summarised in Appendix 1 of the report.

A key part of the Early Adopter Programme has been to prioritise some initial areas of work to support Co-operative Service Delivery. These are:

- Pilot ward for co-operative service delivery (Brookside) –
- Leisure, Culture & Libraries – we will test out a range of ways of giving the Leisure, Culture & Libraries Service greater freedoms and flexibilities in how they do things,
- Dawley Town Hall – to assess the feasibility of bringing the facility back into community use.
- Schools Learning Partnership - we will work with head-teachers to set up an educational trust for all community and trust schools in the secondary sector,
- Telford Employability Partnership – we will establish a partnership (Council, Telford College of Arts and Technology, Job Centre+ and other training providers supporting unemployed and at risk of redundancy) to provide information, advice and support to help young people and adults into employment, education and training, including outreach in the most disadvantaged communities.
- Small Business Loans Fund –work with local business people to establish a small business loans fund, based on co-operative principles.

At the same time as delivering the Early Adopter Programme, the Council would also work with local people and organisations and our employees to develop a longer-term Co-operative Settlement and Delivery Plan.

The Co-operative Settlement would be a shared agreement that would clearly set out what the Council would do and what others would do. Each part of the Settlement would include a Delivery Plan, which would set out in detail a programme to deliver co-operative working in the community and within the Council. A specific time plan would be developed, however it was expected that it would take 10 years to become a fully Co-operative Council and importantly a Co-operative Borough.

To help develop the Co-operative Settlement and Delivery Plan, the Council was to set up a Co-operative Commission to bring together a wide range of community and business leaders with the Cabinet and other members. Membership of the Commission was outlined in a document tabled at the meeting and it was explained that Commissioners would be volunteers and would not receive any payments.

The Council was also proposing to establish a Citizens' Group, which would run collaboratively with Rights and Fairness Telford (RAFT). That group would be made up of a mixture of representatives from existing groups and forums and local residents recruited directly.

To move forward the approach to co-operative working within the Council, the Council would also set up an Employee Commission. The Employee Commission would involve representatives from existing employee groups, trade unions and Employee Champions (employees who will promote and act as champions for co-operative working, at least one from each service area).

Councillor A. Lawrence (representing the Conservative Group Leader) commented that he thought that the report contained some merits in that it paralleled the Governments Big Society initiative. However, he considered it to be “not fit for purpose”, needed to be enhanced to contain suggested Terms of Reference of the suggested discussion bodies contained therein, and no reference was made to the involvement of community interest companies.

In reply, Councillor S. Davies, Cabinet Member: Co-operative Council and Partnership, expressed disappointment that the Conservative Group on the Council had not responded to the invitation to become a member of the Community Commission as proposed in the report and disagreed that he report was not fit for purpose.

Councillor A England commented that the new Council was more than about business in that it aimed to concentrate upon the people environment and poverty in the Borough and was more interested in the Quality of Life of its citizens.

Councillor Overton commented upon the new ethos of the Council and regretted that the Conservative Group had not been prepared to become involved in membership of the Co-operative Commission.

RESOLVED –

- (a) that the proposed approach and next steps set out in Sections 4 and 5 of the report be approved**
- (b) that delegated authority be granted to the Assistant Chief Executive following consultation with the Cabinet Member: Co-operative Council & Partnership to take all steps necessary to progress the Co-operative Council approach as outlined in the report and in particular to progress and deliver the Early Adopter Programme set out at Appendix 1;**
- (c) That delegated authority be granted to the Assistant Chief Executive following consultation with the Cabinet Member: Co-operative Council and Partnership to approve any expenditure within the £15,000 fund allocated for Co-operative Council initiatives.**

CB - 24 2010/11 END OF YEAR PRIORITY PLAN PERFORMANCE MONITORING SUMMARY

Non-Key Decision

Councillor W.A.M. McClements, Cabinet Member: Resources & Service Delivery presented the report of the Assistant Chief Executive that set out 2010/11 performance against the Council’s corporate priorities via the Priority Plan actions and performance measures from April 2010 to March 2011.

Each of the Council's 7 Priority Plans set out actions and performance measures to drive and understand progress against the Council's Priorities in 2010/11. The actions were required to be completed during the 12 month period. The performance measures were both local and national indicators. These actions and performance measures were the focus of the Council's corporate performance framework for 2010/11.

During the year the coalition Government commenced a programme to review the number of statutory returns local government must make, including abolishing the National Indicator Set from March 2011.

The report focused on performance against both the actions and performance indicators in Priority Plans from April 2010 to March 2011.

Members emphasised the issues of Intermediate Care, Child & Family Poverty, Crime Rates and Adult Skills as areas that needed to be focussed upon.

RESOLVED –

- (a) that the overview of performance against Priority Plans be noted
- (b) that the areas/issues for targeted improvement activity as identified above be subject to further analysis to understand current performance.

CB-25 EXCLUSION OF PRESS AND PUBLIC

RESOLVED - that the press and public be excluded from the meeting for the following item of business on the grounds that it involved the likely disclosure of exempt information as defined in paragraphs 3 & 7 of Part 1 of Schedule 12A of the Local Government Act 1972.

CB-26 COMMUNITY MOBILE TRANSPORT GRANT/TRANSFER OF DIAL-A-RIDE BOOKING SYSTEM

Key Decision identified as **Community Mobility Transport Grant / Transfer of Dial a Ride booking system** in the Forward Plan published on 16th May 2011.

Councillor C.F.Smith, Cabinet Member: Housing, Regeneration & Economic Regeneration, presented the report of the Head of Environmental Services which sought approval of the payment of a grant to Community Mobility Transport (CMT), a subsidiary charity managed by Council for Voluntary Services (CVS), in order to support the delivery of community transport delivered by CMT in 2011/2012 and to agree the transfer of the Dial a Ride booking system from CVS to the Council.

RESOLVED –

- (a) that, under Section 2 of the Local Government Act 2000, a new level of grant payment to Community Mobility Transport be approved,
- (b) that the Head of Environmental Services be granted delegated authority, following consultation with the Cabinet Member, to authorise payment of the annual grant and negotiate and agree the terms of the grant agreement with CMT.
- (c) that the transfer of the Dial a Ride booking service from CMT to the Council be agreed
- (d) that delegate authority be granted to the Head of Environmental Services to take all steps necessary to give effect to the transfer.

CB-25 TRANSFER OF LIGHTMOOR WILDLIFE SITE, AND LEASE, TO SHROPSHIRE WILDLIFE TRUST

Key Decision identified as **Transfer of Lightmoor Wildlife Site and Lease to Shropshire Wildlife Trust** in the Forward Plan published on 16th May 2011.

Councillor C.F.Smith, Cabinet Member: Housing, Regeneration & Economic Regeneration, presented the report of the Head of Property & ICT which sought approval from Cabinet for the transfer of the Lightmoor Wildlife site from the Homes and Communities Agency (HCA) to the Council.

Property & ICT had negotiated with HCA to transfer the site together with a commuted sum to fund the costs of maintaining the asset.

Approval was also sought to enter in to a 5 year lease with Shropshire Wildlife Trust to manage the site.

RESOLVED –

- (a) that delegated authority be granted to the Head of Property & ICT in consultation with the Cabinet Member for Housing, Regeneration and Economic Development to acquire and enter into a 5 year lease with Shropshire Wildlife Trust relating to the Lightmoor Wildlife Site, as shown at Appendix 1 of the report, upon terms to be agreed;
- (b) that the requirement to obtain 4 formal tenders in accordance with Paragraph 7 of the Contract Procedure Rules of the Constitution to enable the lease to be granted to Shropshire Wildlife Trust., be waived;
- (c) That the Head of Governance be authorised to agree and execute all necessary documentation.

Key Decision identified as **Community Mobility Transport Grant / Transfer of Dial a Ride booking system** in the Forward Plan published on 16th May 2011.

Councillor E.A. Clare, Cabinet Member: Adult & Social Care, presented the report of the Head of Care & Support which sought Cabinet approval, subject to formal competitive tender in accordance with the Council's constitution and procurement rules, to enter into contractual arrangements with a preferred provider identified through the tendering process.

Members were informed that The National Carers Strategy entitled 'Carers at the Heart of 21st century families and Communities' which was updated by the Government in November 2010 set out the Governments vision for carers and a key element of this strategy is the promotion of emergency support services for family/ informal carers.

The Cabinet was informed of a tender process for the provision of an emergency response service for carers, that would provide a home based care and support service when a crisis or unplanned incident occurs in the carers life. The service would be free to registered adult carers living within the Borough of Telford and Wrekin for up to a period of 72 hours until the crisis was over or alternative care and support arrangements could be made. The important service would provide 24/7 emergency response to ensure carers have peace of mind in the event of crises or emergency situations to ensure the person they care for receives the necessary care and support .

RESOLVED –

- (a) that the award of tender for the provision of a emergency response service for carers following a competitive tendering process be endorsed**
- (b) that a three year contract (with the option to extend for a further two years subject to satisfactory performance) be awarded to the preferred provider(s) in accordance with the Council's Constitution and appropriate contractual documentation subject to the terms and conditions approved by the Head of Governance be entered into.**
- (c) that delegated authority be granted to the Corporate Director/Head of Care & Support to enter into the contractual agreement , following consultation with the Cabinet Member for Care & Support.**
- (d) that delegate authority be granted for the Common Seal of the Council to be affixed to the resulting contractual documentation as, in the opinion of the Head of Governance, was appropriate under Article 14.06 of the Constitution.**

CB-27 OPTIONS FOR THE FUTURE OF WEST MERCIA SUPPLIES

Key Decision identified as **Capital Strategy and Capital Programme Decisions within the agreed Capital Programme** in the Forward Plan published on 16th May 2011.

Councillor W. McClements, Cabinet Member: Resources & Service Delivery, presented the report of the Head of Governance which outlined options for the future of West Mercia Supplies.

West Mercia Supplies (WMS) was a purchasing and distribution consortium owned by Worcestershire County Council, Shropshire Council, Herefordshire Council and Telford and Wrekin Council and managed by a Joint Committee of Members from the four authorities.

The Joint Committee on 28 March 2011 authorised the Chief Executives of the owning authorities to explore the sale and Management Buyout options (including testing the market).

Ernst and Young were engaged via a competitive tendering process to undertake a feasibility study on behalf of the four owning authorities. A summary of their findings was included as an Appendix to the report.

Ernst and Young have now been commissioned to undertake further work on the potential sale value of the energy business and potential pension liability issues.

In the light of the Ernst & Young report the three other owning authorities obtained authority from their respective Cabinets in June to progress and conclude the sale option with a view to the business being marketed in September 2011.

Cabinet Members and Councillor A Lawrence commented that they were in favour of the sale as the preferred option giving best value for the citizens of the Borough.

RESOLVED –

- (a) that the potential options for the future of West Mercia Supplies and the summary of the feasibility study at Appendix 1 of the report conducted by Ernst & Young be noted**
- (b) that approval be given to the sale of West Mercia Supplies;**
- (c) that the Head of Governance be authorised, after consultation with the Cabinet Member for Resources and Service Delivery and the other three owning authorities, to progress and conclude the sale of West Mercia Supplies in whole or in part; and**

- (c) that delegated authority be granted to the Head of Governance after consultation with the Cabinet Member for Resources and Service Delivery to take all steps necessary and agree all arrangements (including financial arrangements between the owning authorities) to give effect to a sale and in connection with the future operation of the West Mercia Supplies Joint Committee.

CB-28 TELFORD TOWN CENTRE

Key Decision identified as **Telford Town Centre area** in the Forward Plan published on 16th May 2011.

Councillor C.F.Smith, Cabinet Member: Housing, Regeneration & Economic Regeneration, presented the report of the Head of Property & ICT which provided an update on the Town Centre Project and sought approval for its continued implementation.

The project team had been reviewing the master plan and “Phase 1” developments (identified in the 12 January 2010 Cabinet report) in response to a number of factors.

Those factors were reflected in a revised “Phase 1” delivery strategy which was described in detail in the report. The proposed revisions had implications for the allocation of funding across developments, that had been approved in principle by partners Homes & Communities Agency (HCA) on the basis that outputs, including quantum of development and jobs created, remained unaffected.

During discussion of the report, and its appendices, Members commented that that proposals had merit, gave more revenue for the Council and were supported by other Town Centre Partner Organisations.

RESOLVED –

- (a) that adjustments to the existing funding package set out in Appendix 2 of the report, for the delivery of the revised Phase 1 programme of works be endorsed;
- (b) that the inclusion within the Budget Strategy of the revenue expenditure set out in Appendix 2 of the report, be endorsed;
- (c) that delegated authority be granted to the Head of Property & ICT in consultation with Cabinet Member for Housing, Regeneration and Economic Development to market and dispose of assets identified in Appendix 5 of the report, together with additional land within the Southwater area to facilitate the continued regeneration of the Town Centre including exploring opportunities and agreeing and concluding terms for occupants of the Community Hub Building as detailed at paragraph 1.1.5 of Appendix 1 of the report.

- (d) that delegated authority be granted to the Head of Governance to seal or sign any documents required to give effect to the recommendations contained in the report.
- (e) that delegated authority be granted to the Head of Property & ICT in consultation with Cabinet Member for Housing, Regeneration and Economic Development to award any contracts necessary for the delivery of Phase 1 works outlined in the report.

CB-29 COUNCIL ASSET DISPOSALS & ACQUISITIONS

Key Decision identified as **Operational Property Disposals** in the Forward Plan published on 16th May 2011.

Councillor W.A.M. McClements, Cabinet Member: Resources & Service Delivery, presented the report of the Head of Property & ICT which sought Cabinet approval to the disposal of Operational Property and Property within the Property Investment Portfolio (PIP), which were surplus to requirements and the reinvestment of the capital receipts generated from the PIP properties in modern premises to support a sustainable revenue position of the Property Investment Portfolio and The Severn Gorge Countryside Trust.

Five operational assets across the Borough have been identified as assets that are surplus to requirements, namely Edgbaston House, the former Aqueduct Community Centre off Majestic Way, land at Shepherd's Lane, the former school House at Newport Junior School and the Car Park off King St, Dawley (the sites were outlined in Appendix 1 of the report).

Members considered that the proposals made proper use of the Council's land & property assets.

RESOLVED –

- (a) that delegated authority be granted to the Head of Property & ICT in consultation with Cabinet Member for Housing, Regeneration and Economic Development to the disposal and acquisition of various assets as identified in section 4 of the report, on terms to be agreed by the Head of Property & ICT;
- (b) that delegated authority be granted to the Head of Governance to execute any documents necessary to give effect to the above recommendation.

CB-30 CRUDGINGTON PRIMARY SCHOOL - PURCHASE OF LAND ADJACENT TO THE SCHOOL.

Non - Key Decision

Councillors W.A.M. McClements, Cabinet Member: Resources & Service Delivery and P Watling W.A.M. McClements, Cabinet Member: Children,

Young People & Families, jointly presented the report of the Head of Property & ICT that sought Cabinet approval to acquire land and rights adjacent to Crudgington Primary School

The Council had over the past year been in discussion with the Head teacher and Governors of Crudgington Primary school over the future of its playing field and car park. The facilities had for a number of years been leased from a local landowner and the current lease was due to expire in July 2012.

Following initial discussions with the school, further meetings had been held between Council representatives and the legal representative of the landowner with a view to reaching an agreement regarding the future use of the land by the School. Those meetings to date had failed to reach a solution which satisfactorily secured the land for School uses and it is now considered that the Council needed to begin the process of compulsory acquisition in order to secure the school's future.

Members supported the proposals that would enable the school to meet National Curriculum requirements.

RESOLVED –

- (a) that the Council continue to seek to acquire the land and rights described in paragraph 4.4 of the report by agreement with the landowner.**
- b) that, whilst the negotiations to acquire the said land and rights by agreement were continuing, the Council proceed to process and make a compulsory purchase order in respect of the land and rights.**
- c) that, in the event of the negotiations to acquire the said land and rights failing to achieve acquisition by agreement, the Council should acquire the land and rights pursuant to the said compulsory purchase order.**
- d) that the Head of Property & ICT be authorised to acquire the said land and rights by agreement and to undertake all required steps and processes to make a compulsory purchase order in respect of the said land and rights.**
- e) that, in the event of the Head of Property & ICT deciding that there is no prospect of acquiring by agreement within a reasonable time, the Head of Property & ICT be authorised to undertake all required steps and processes to acquire the said land and rights pursuant to the said compulsory purchase order in accordance with the approved budget relating to the school's capital programme.**

CB-31 REGULATION OF INVESTIGATORY POWERS ACT 2000 AND CCTV CODE OF PRACTICE

Non - Key Decision

Councillor S. Davies, Cabinet Member: Co-operative Council and Partnership, presented the joint report of the Head of Governance and the Head of Family & Community Services which informed Members of a recent inspection, to seek approval of the updated Policy in respect of the use of Regulation of Investigatory Powers Act 2000 (RIPA) powers, to report on RIPA usage during 2010/11 and to seek approval of a revised CCTV Code of Practice.

The Council was recently inspected by the Office of Surveillance Commissioners (OSC) which resulted in a positive inspection report with a finding that the use of powers had been appropriate. As a result, minor changes to both the Council's CCTV Policy and RIPA Policy were submitted for Members approval.

RESOLVED –

- (a) That the revised RIPA Policy document be noted and approved.**
- (b) That the contents of the report be noted.**
- (c) That the CCTV Code of Practice, as appended to the report, be approved.**

The meeting ended at 6.06 p.m.

Signed for the purposes of the Decision Notices

**Jonathan Eatough
Head of Governance
Date: 1st August 2011**

Signed:

Date: