

Record of Cabinet decisions

Tuesday, 30 October 2012

3.00pm to 4.35pm

Date of publication: 1 November 2012

**Subject to call-in these decisions will be effective from 9 November 2012
The record of decisions are subject to approval at the next meeting of the Cabinet**

Present:

Councillor Rodney Chambers, OBE	Leader
Councillor Alan Jarrett	Deputy Leader and Portfolio Holder for Finance
Councillor David Brake	Portfolio Holder for Adult Services
Councillor Jane Chitty	Portfolio Holder for Strategic Development and Economic Growth
Councillor Howard Doe	Portfolio Holder for Housing and Community Services
Councillor Phil Filmer	Portfolio Holder for Front Line Services
Councillor Tom Mason	Portfolio Holder for Corporate Services
Councillor Mike O'Brien	Portfolio Holder for Community Safety and Customer Contact
Councillor Les Wicks	Portfolio Holder for Children's Services
Councillor David Wildey	Portfolio Holder for Children's Social Care

In Attendance:

- Robin Cooper, Director of Regeneration, Community and Culture
- Neil Davies, Chief Executive
- Mick Hayward, Chief Finance Officer
- Richard Hicks, Assistant Director, Customer First, Leisure, Culture, Democracy and Governance
- Perry Holmes, Monitoring Officer
- Julie Keith, Head of Democratic Services
- Anthony Law, Democratic Services Officer
- Barbara Peacock, Director of Children and Adults Services

Apologies for absence

There were none.

Record of decisions

The record of the meeting held on 2 October 2012 was agreed and signed by the Leader as correct.

Declarations of disclosable pecuniary interests

There were none.

Review of the Guide to Developer Contributions

Background:

This report sought approval and adoption of a revised Guide to Developer Contributions, attached at Appendix 1 to the report, as a Supplementary Planning Document.

The existing guide, adopted in April 2008, set out the levels of Section 106 contributions that a developer should provide when intending to build 10 dwellings or more. Contributions were to address the impact of development, such as funding for school places to meet the needs of residents of the new development. Members were advised that since the guide was adopted much of the information had changed and some sections in the 2012 draft guide had been significantly revised, with new sections on affordable housing, waste and recycling. The draft therefore reflected current requirements.

The Cabinet had agreed on 17 April 2012 to a consultation exercise on a revised draft guide. The report gave details of the consultation exercise undertaken between May and June 2012 and a schedule of responses was attached at Appendix 2 to the report.

In relation to the options available to the Cabinet, it was reported that if the revised guide was not adopted developers would not have current information available to them and would not understand current requirements.

The Regeneration, Community and Culture Overview and Scrutiny Committee had considered the draft guide on 4 October 2012 and the report set out details of its comments and recommendation.

A screening assessment for a Diversity Impact Assessment had been completed and was attached at Appendix 3 to the report. It was noted that the screening process had shown that a full assessment was not required.

Decision number:

172/2012

Decision:

The Cabinet agreed to adopt the revised Guide to Developer Contributions as a Supplementary Planning Document, to supercede the current 2008 version.

Reasons:

The revised Guide to Developer Contributions will ensure that this process is up to date and reflects current requirements.

Annual Review of the Risk Management Strategy and 6 Monthly Review of the Corporate Business Risk Register

Background:

This report provided details of the annual review of the Council's Risk Management Strategy and six monthly review of the Council's Corporate Business Risk Register.

Members were advised that the Strategic Risk Management Group was not recommending any changes to the Risk Management Strategy. However, following review by 'risk owners' a number of proposed amendments to the Corporate Risk Register were set out in the report.

It was noted that the Business Support Overview and Scrutiny Committee had considered this report on 25 September 2012 and its comments were set out in paragraph 5 of the report. It was noted that the Committee had recommended that consideration of reducing the risk rating for SR21 Procurement be delayed for six months, to enable the new Category Management Team to become established and embed the new procurement processes across the council.

Decision number:* *Decision:

173/2012 The Cabinet:

- (a) noted the comments and recommendation of the Business Support Overview and Scrutiny Committee, as set out in paragraph 5.1 of the report;**
- (b) approved the Risk Management Strategy, as set out in Appendix A to the report;**
- (c) approved the amendments to the Council's Risk Register as detailed in section 3 of the report.**

Reasons:

The establishment of a corporate framework for risk management is recommended by CIPFA and SOLACE and will complement and support the work already being carried out within each directorate to manage risks.

A New Funding Formula for Mainstream Schools and Academies

Background:

This report set out details of a new funding formula for mainstream schools and academies.

It was noted that the government had placed a duty on local authorities to formulate a new funding formula. The formula had to adhere to the government's regulations

Cabinet, 30 October 2012

and would take effect from April 2013. The deadline for notifying the Department for Education of the agreed funding formula was 31 October 2012.

Proposals for the new funding formula had been prepared with assistance from a working group of Medway head teachers, governors and school business managers. Where elements of the current formula were no longer permissible, the group considered which factors should be used in future and this was shown in Appendix 1 (primary schools) and Appendix 2 (secondary schools) to the report. The potential impact of the new formula had been assessed and the results were shown in Appendix 3 to the report.

Members were advised that the new regulations allowed little flexibility but where options were available these were considered in the report, together with the responses from schools, who had been consulted between 18 September and 2 October. Options related to:

- How to reflect pupil deprivation in the new funding formula
- The method of funding special educational needs (SEN) in primary schools
- The provision of a lump sum to ensure small schools remain viable
- funding for transitional protection
- Proposals for defining the elements that contribute to each schools notional SEN budget
- The 'de-delegation' of funds for High Needs SEN
- Proposals for the primary/secondary funding ratio.

The Schools Forum had considered the proposals on 9 October 2012 and its recommendations were set out in the report.

A Diversity Impact Assessment screening had been undertaken on the proposals and was attached at Appendix 4 to the report. It had been found it was not necessary to undertake a full impact assessment.

Decision number:

Decision:

174/2012

The Cabinet instructed officers to implement a new funding formula for schools and academies as follows:

- To calculate the pupil deprivation element of the funding formula for primary schools using a 50/50 combination of entitlement to free schools meals and Income Deprivation Affecting Children Index (IDACI) data;**
- To calculate the pupil deprivation element of the funding formula for secondary schools using IDACI data only;**
- To calculate the funding for low cost, high incidence Special Educational Needs (SEN) in primary schools using the number of children not reaching 73 points**

Cabinet, 30 October 2012

in their Early Years Foundation Stage Profiles;

- (d) To set the lump sum element of the funding formula at £108,430;**
- (e) To cap the gains from the new funding formula at 1.5% per pupil;**
- (f) To calculate the 'Notional SEN Budget' based on 50% of the funds allocated for pupil deprivation and 100% of the funds allocated for low cost, high incidence SEN;**
- (g) To de-delegate funds for high needs SEN from the SEN element of the funding formula;**
- (h) To ensure that the current primary/secondary funding ratio is maintained.**

Reasons:

The local authority is required to implement a new funding formula from 2013/14 in accordance with the regulations and to inform the Education Funding Agency of the new formula by 31 October 2012.

Revenue Budget Monitoring 2012/2013

Background:

This report gave details of the forecast outturn for the 2012/2013 financial year based on actual income and expenditure to September 2012 (the end of the second quarter).

It was noted that on 23 February 2012 the Council had set a General Fund net budget requirement of £180.998 million for 2012/2013, with Council Tax frozen at 2010/2011 levels.

This was the second quarterly report and it indicated, after management action, the outturn forecast for 2012/2013 stood at a potential overspend of £961,000, which compared to an equivalent forecast of £5 million this time last year and an improvement of £5,000 on quarter one.

Directorate management teams would continue to focus attention on identifying action to contain expenditure within the overall budgets.

The Cabinet accepted this report as urgent to enable it to receive and consider the first quarter budget monitoring information at the earliest opportunity.

Cabinet, 30 October 2012

**Decision
number:**

Decision:

175/2012

The Cabinet noted the result of the second round of revenue monitoring for 2012/2013 and instructed Directors to come forward with further proposals for management action to reduce the potential deficit.

Reasons:

Cabinet has the responsibility to ensure effective budgetary control to contain expenditure within the approved limits set by Council. Where a budget overspend is forecast, Cabinet supported by the corporate management team must identify measures to remove any excess expenditure.

Capital Budget Monitoring 2012/2013

Background:

This report gave details of the capital monitoring position for the period to September 2012 (the end of the second quarter), with a forecast outturn for 2012/2013.

The approved capital programme for 2012/2013 and future years was £105.6 million, consisting of £83 million in respect of brought forward schemes and £22.6 million of new approvals.

The report commented on the delivery of the capital programme and updated Members on a number of issues. The current forecast showed that £76.045 million of the programme was forecast for spend during 2012/2013.

The Cabinet accepted this report as urgent to enable it to receive and consider the first quarter budget monitoring information at the earliest opportunity.

**Decision
number:**

Decision:

The Cabinet noted:

(a) the spending forecasts summarised at Tables 1 and Appendix 1 of the report;

(b) budget virements and additions as detailed in paragraphs 4.2.1, 4.2.2 and 4.3.1 of the report.

Reasons:

Cabinet has the responsibility to ensure effective budgetary control to contain expenditure within the approved limits set by Council.

Cabinet, 30 October 2012

2012/2013 Council Plan Monitoring - Quarter 2

Background:

This report presented details of the Council's performance for the second quarter of 2012/2013. It included performance against indicators and actions agreed in the Council Plan 2012/2013.

Appendix 1 to the report summarised the status of each Key Measure of Success and Appendix 2 set out detailed performance tables. Members discussed the contents of these appendices. This included specific consideration of the following:

- NI 117 – 16 to 18 year olds who are not in education, employment or training
- those indicators relating to public confidence and feelings of safety
- indicators relating to domestic abuse
- NI 195c – improved street and environmental cleanliness: Graffiti
- ASC 8 – carers receiving needs assessment or review and a specific carer's service, or advice and information.

The Cabinet accepted this report as urgent to enable it to receive and consider the latest performance information at the earliest opportunity.

Decision number:

176/2012 **The Cabinet noted the second quarter performance against the Key Measures of Success used to monitor progress against the Council Plan 2012/13 and agreed that Members continue to work with officers to identify any remedial action when required to build on current achievements.**

Reasons:

Regular monitoring of performance by management and Members is best practice and ensures achievement of corporate objectives.

Road Maintenance Funding

Background:

This referral report from the Regeneration, Community and Culture Overview and Scrutiny Committee on 4 October 2012 related to future road maintenance funding.

The report set out the background to highways resurfacing and included information on national indicators, existing and future financial investment in the highway network, the work of statutory undertakers and utility reinstatement inspections.

The report noted that Members had been advised that an additional investment of £1.275 million per annum would be required to stop further decline in the road network and a briefing note, requested by the Committee, was attached to the report

Cabinet, 30 October 2012

that provided further information as to the monitoring and inspection of utility works in Medway.

The report set out the issues discussed by the Overview and Scrutiny Committee, which had referred the report to Cabinet for consideration as part of the budget setting process for 2013/2014.

Decision number: ***Decision:***

177/2012 **The Cabinet noted the report and agreed to give consideration to an additional investment of £1.275 million per annum through the budget setting process for 2013/2014.**

Reasons:

To enable the Cabinet to look at the issue of future quality of road maintenance and the funding required in detail.

International Relations Cabinet Advisory Group - Terms of Reference

Background:

This report sought approval to revised terms of reference for the International Relations Cabinet Advisory Group.

It was noted that the Cabinet had established the International Relations Cabinet Advisory Group in June 2012 and the group had recently considered its role and existing terms of reference. It was now proposed that the group focused on economic development and international inward investment and former responsibilities for 'twinning and ceremonial activities' and 'student exchanges' be passed to the Mayor's Office and officers within the Children and Adults directorate respectively.

Proposed Terms of Reference for the new International Economic Development Cabinet Advisory Group were attached at Appendix 2 to the report.

Decision number: ***Decision:***

178/2012 **The Cabinet agreed that this Cabinet Advisory Group (the new International Economic Development Cabinet Advisory Group) focus in future solely on international economic development and inward investment.**

179/2012 **The Cabinet agreed that the terms of reference of this Cabinet Advisory Group be amended as set out in Appendix 2 to the report, replacing the previous terms of reference (Appendix 1 of the report).**

Cabinet, 30 October 2012

- 180/2012** The Cabinet agreed that responsibility for all ceremonial activities and visits to the Council in association with Japan and Valenciennes move to the Mayor's office with immediate effect.
- 181/2012** The Cabinet agreed that responsibility for student exchanges moves to the Children and Adults Directorate with immediate effect.
- 182/2012** The Cabinet agreed that the Japan sub-group and all other sub-groups be informed that their status as a sub group no longer applied.
- 183/2012** The Cabinet agreed that the name of the Cabinet Advisory Group be changed to International Economic Development Cabinet Advisory Group.

Reasons:

To focus the Council's efforts and commitment on international economic development will enable the Council to identify and to follow up on international inward investment opportunities.

Recruitment Freeze

Background:

This report presented information on a vacancy that officers had requested approval to commence recruitment for, following the process agreed by Cabinet on 7 January 2003 (decision number 9/2003).

Appendix 1 to the report provided details of the post.

Decision number:

184/2012 The Cabinet agreed to unfreeze the following post, as detailed in Appendix 1 to the report, to enable officers to commence the recruitment process:

Children and Adults

- a) Support Service Assistant.

Reasons:

The post presented to Cabinet will support the efficient running of the Council.

Options for a Facilities Management Solution for Medway Council

Background:

This report set out details of a category management approach to facilities management.

It was noted that facilities management had been identified as one of the four areas to pilot the category management approach. As part of the Council introducing this new approach to procurement, categories of spend within the council were reviewed, rather than contracted spend in separate services and teams.

The report set out details, including the advantages and disadvantages, of two total facilities management options: undertaking an OJEU procurement for a total facilities management solution or establishing a Public to Public joint venture. It was noted that the preferred option was a Public to Public partnership joint venture and the report sought permission to commit the Council to formal discussions in relation to finalising a business case for the preferred option of a joint venture.

Decision number: **Decision:**

- | | |
|-----------------|--|
| 185/2012 | The Cabinet agreed to due diligence discussions taking place over the next three months with Norse Commercial Services Limited. |
| 186/2012 | The Cabinet agreed that an update report about progress, with details about potential savings and the phasing of services, be presented to Cabinet in February 2013 for a final decision. |
| 187/2012 | The Cabinet agreed that at the same time preparations for an OJEU procurement are progressed in case the due diligence discussions break down (decision 184/2012 refers). |

Reasons:

This arrangement will enable the Council to better manage the spend on activities related to facilities management, ensure the quality of services and works that are delivered and better safeguard the authority on statutory, regulatory and reputational issues.

Gateway 4 Contract Management Report: Tree Maintenance Contract

Background:

This report reviewed the progress of the tree maintenance contract, currently awarded to City Suburban Limited. This was based upon the procurement process undertaken during 2010 - 2011, which had led to an award of contract on 29 March 2011.

Cabinet, 30 October 2012

This contract covered safety related work, dealing with dead trees or branches, obstructions to roads, other tree hazards and an emergency response service. The contract also facilitated the completion of tree work to deal with legitimate customer requests for service and complaints. It was noted that some works, such as the twice yearly pruning of trees to remove low branches and the provision of an emergency response service, were undertaken on a planned basis and some following works orders placed by the Authorised Officer.

It was reported that the contractor had fulfilled their requirements in accordance with the service specification and associated contract terms and conditions.

It was noted that this Procurement Gateway 4 report had been approved for submission to Cabinet after review and discussion at a Regeneration, Community and Culture Directorate Management Team meeting on 30 July 2012 and Procurement Board on 5 September 2012.

An exempt appendix contained key information in respect of finance and whole-life costings.

Decision number: ***Decision:***

188/2012 **The Cabinet approved the continuation of the current contract with the continuation of annual Gateway 5 reporting for the remainder of the contract term.**

Reasons:

The decision is made on the basis of there being no adverse observations regarding this contract and the contractor is performing to a standard equal or better than set out in the contract specification.

.....
Leader of the Council

.....
Date

Wayne Hemingway/Anthony Law, Democratic Services Officers

Telephone: 01634 332509/332008
Email: democratic.services@medway.gov.uk