

Record of Cabinet decisions

Tuesday, 12 March 2013

3.00pm to 3.55pm

Date of publication: 13 March 2013

Subject to call-in these decisions will be effective from 21 March 2013
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 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: Neil Davies, Chief Executive
Robin Cooper, Director of Regeneration, Community and Culture
Wayne Hemingway, Democratic Services Officer
Richard Hicks, Assistant Director, Customer First, Leisure, Culture, Democracy
and Governance
Perry Holmes, Assistant Director Legal and Corporate Services/Monitoring
Officer
Julie Keith, Head of Democratic Services
Barbara Peacock, Director of Children and Adults Services

Apologies for Absence

Apologies for absence were received from Councillors Phil Filmer (Front Line Services) and Tom Mason (Corporate Services).

Record of Decisions

The record of the meeting held on 12 February 2013 was agreed and signed by the Leader as correct.

Declarations of Disclosable Pecuniary Interests

There were none.

Ofsted Inspection of Local Authority Arrangements for the Protection of Children

Background:

This report presented Cabinet with a summary of the Ofsted inspection of the local authority arrangements for the protection of children in Medway which took place between 7 and 16 January 2013 and was followed by publication of the Ofsted report on 15 February 2013.

This inspection considered key aspects of a child's journey through the child protection system, focusing on the experiences of the child or young person and the effectiveness of the help and protection that they were offered. The inspection focused on the effectiveness of the multi-agency arrangements for identifying children who were suffering, or likely to suffer harm, from abuse or neglect; and for the provision of early help where it was needed. It also considered the effectiveness of the local authority and its partners in protecting these children if the risk remained or intensified. The Inspector scrutinised case files, observed practice, spoke with children, their families, social workers, managers and other professionals. The Inspector analysed performance data, management information and business plans such as the one for the Medway Safeguarding Children's Board.

The Ofsted report's findings was summarised in the report. The Council would be formally issued an 'Improvement Notice' by the Secretary of State via the Department for Education in the next few weeks. The Council would be required to establish an Improvement Board, which would oversee the implementation of the actions in the Improvement Notice and the areas for improvement in the Ofsted report. The Inspector had already endorsed the focus and content of the Director of Children and Adults Services' improvement plan and additional resources had been approved by Members. It was noted that progress would be monitored very closely through the Improvement Board and would be subject to internal and external scrutiny and validation.

Decision number: **Decision:**

The Cabinet noted the findings of the Ofsted inspection and the improvement arrangements that are being established in response to the Department for Education's Improvement Notice.

Reasons:

To report the findings of the recent Ofsted inspection and the arrangements that are being implemented to secure urgent and sustainable service improvements.

Public Health - Transfer of Responsibilities

Background:

This report presented details of the transfer of responsibilities for certain public health functions to the Council and sought authority to be delegated to the Monitoring Officer to deal with the legal formalities in relation to formal receipt of those functions under the Health and Social Care Act 2012 and subordinate legislation. It was noted that the Health and Social Care Act 2012 would statutorily transfer to the Council functions relating to public health with effect from 1 April 2013. This followed a period of transition that had seen Primary Care Trust (PCT) staff working from Gun Wharf in preparation for the transfer.

Members were advised that the Council had prepared for the transition of these functions through a project board chaired by the Director of Public Health, who was currently jointly appointed by the Council and the PCT. This project Board included senior officers of the Council including the Chief Finance Officer, the Assistant Director, Organisational Services, Assistant Director Communications, Performance & Partnership and the Assistant Director, Legal & Corporate Services and had overseen the transfer arrangements for staff, resources, information and contracts as well as the formal legal elements of the transfer.

It was noted that Full Council had agreed a number of changes to the Constitution, outside of the employee scheme of delegation, on 21 February 2013 with effect from 1 April 2013.

Decision number:

Decision:

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| 53/2013 | The Cabinet agreed to formally receive the transfer of the public health functions and the staff, resources, information and contracts related to them taking place on 1 April 2013 under the Health and Social Care Act 2012. |
| 54/2013 | The Cabinet agreed to delegate authority to the Monitoring Officer, in consultation with the Portfolio Holder for Adult Services, to enter into all documentation necessary to effect the legal receipt through transfer of the new public health functions, the staff, resources, information and contracts related to them and to fulfil any statutory instrument transferring the functions to the Council. |
| 55/2013 | The Cabinet recommended to the Leader to agree the changes to the Cabinet Portfolios to reflect the transfer of public health functions as set out in Appendix 1 to the report. |
| 56/2013 | The Cabinet recommended to the Leader to agree the necessary executive delegations to officers as set out in |

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Appendix 1 to the report.

- 57/2013** **The Leader agreed the changes to the Cabinet Portfolios to reflect the transfer of public health functions as set out in Appendix 1 to the report.**
- 58/2013** **The Leader agreed the necessary executive delegations to officers as set out in Appendix 1 to the report.**

Reasons:

To comply with legislative requirements under the Health and Social Care Act 2012 and any subordinate legislation issued under that Act.

Discretionary Housing Payment Policy

Background:

This report presented an overview of the changing nature of discretionary housing payments and sought approval of an updated discretionary housing payment policy. From April 2013, although the national funding has increased, Discretionary Housing Payment (DHP) could only be awarded to those in receipt of Housing Benefit or Universal Credit Housing Element (UCHE). This meant that DHP could no longer be awarded as a top up to any shortfall between the council tax liability and the award of local council tax reduction.

Early indications were that certain groups such as foster families, carers and the disabled may be affected more by the welfare reforms than by other groups, but this did not necessarily mean that they were any worse off overall than any other groups. As such, some form of financial assessment of the customer's circumstances would give assurance that the funds were being targeted at those most in need. The Department for Work and Pensions had issued draft guidance on the DHP scheme in 2012, which recognised the role of local authorities in assisting customers affected by the Welfare Reforms from April 2013. The Council's existing policy had been amended to reflect these changes as set out in Appendix 1 to the report.

A Diversity Impact Assessment screening form had been carried out as set out in Appendix 2 to the report. The findings of this indicated the revised policy did not need a full Diversity Impact Assessment.

Decision number: **Decision:**

- 59/2013** **The Cabinet adopted the revised discretionary housing payment policy as set out in Appendix 1 to the report subject to the deletion of "or unwilling" from the third bullet point under the section entitled "claiming a DHP" on page 40 of the agenda.**

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Reasons:

The Government's welfare reform policy will see the biggest changes to the welfare system for over 60 years. Some recipients of benefit may be affected by one change, whilst others may be affected by multiple changes.

Discretionary Housing Payments are a means of protecting our most vulnerable customers from the effects of these changes, and as such it is imperative that the DHP policy is amended to reflect latest developments.

Business Rate Relief

Background:

This report presented a review of the current procedures for granting relief from National Non-Domestic (Business) Rates. The Localism Act 2011 had introduced a new power for local authorities to award a local discretionary relief where it was in the council tax payers' interests to do so. The cost of any such discount would be borne entirely by the local authority until 31 March 2013 after which it would be shared 50% by the Government, 49% by Medway Council and 1% by Kent & Medway Fire & Rescue Authority.

The report stated that the Council's current guidelines met the balance between affordability to the Council of granting relief and the benefit that a particular organisation provided to the local community. It was noted that national charity shops were automatically awarded top-up discretionary rate relief without any need to demonstrate they were contributing to the Medway area. The new local discretionary rate relief gave the Council absolute discretion to help any organisation. However, contributing 49% of the funding meant that the cost borne by the Council would be fairly high.

The Portfolio Holder for Finance referred to a letter tabled at the meeting from David Fraiss, who ran a business in Chatham High Street, which had been also signed by 31 other Chatham Town Centre traders, which requested business rate relief.

Decision number: **Decision:**

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| 60/2013 | The Cabinet agreed to continue to adopt the guidelines shown at appendices 1, 2 and 3 to the report, noting that the over-riding criteria at Appendix 1 (v) requires there to be evidence of a positive impact for the community of Medway. |
| 61/2013 | The Cabinet agreed not to create a local discretionary rate relief system at this time. |

Cabinet, 12 March 2013

Reasons:

Relief from business rates where appropriate is a crucial factor in the survival of many voluntary organisations that support the educational, cultural and economic well being of the Medway area. An equitable and affordable procedure for the award of such relief is a necessary part of the Council's administrative process.

Until an appropriate set of circumstances arises it is not possible to formulate guidelines or budgetary implications to support the introduction of a new local relief.

Council Tax Discretionary Relief Policy

Background:

This report presented details of a Discretionary Council Tax Relief Policy. It was recognised that there may be particular cases of hardship which were not adequately covered by the proposed new localised council tax reduction scheme, or discounts and exemptions, especially given the number of welfare reform changes being implemented from 1 April 2013. Therefore, it was proposed to put in place a discretionary relief fund, utilising powers under section 13A of the Local Government Finance Act 1992, although it was anticipated that this would only apply in limited exceptional circumstances such as:

- circumstances unusual/exceptional to the taxpayer;
- costs that are beyond their control and do not arise through the actions or failures of others;
- extreme and temporary situations which make it difficult to meet the Council Tax liability that is due;
- imminent recovery action that will have a major detrimental effect on the resident's capacity to support or maintain their family.

A Diversity Impact Assessment (DIA) screening had been completed as set out in Appendix 2 to the report. Given that the fund was equally accessible to all council taxpayers there were no concerns that any particular groups would be adversely affected by this policy, but monitoring would be needed to ensure that relief was awarded in an equal manner.

Decision number:

Decision:

62/2013

The Cabinet adopt the discretionary council tax relief policy as set out in Appendix 1 to the report funded as indicated in paragraph 5.2 of the report.

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Reasons:

The Government's welfare reform policy will see the biggest changes to the welfare system for over 60 years. Some recipients of benefit may be affected by one change, whilst others may be affected by multiple changes. Given this, and the launch of a new localised council tax reduction scheme, it is possible that some council taxpayers could face financial hardship and as such a contingency fund could prove a lifeline in those particular cases.

Proposal to Establish a Joint Venture Company for Facilities Management

Background:

This report presented details of a proposal to establish a joint venture company with Norse Commercial Services Limited so that the Council would benefit from a total facilities management solution that both delivered savings from the Council's expenditure on such activities and generated income by undertaking such activities for private and public sector clients in the region.

The Cabinet had considered a report in October 2012 on the issue and agreed that officers enter into due diligence discussions with Norse. Following discussions with the Council's service managers, the services which remained within the scope of the proposal were set out in paragraph 2.6 of the report.

The report provided the detailed implications of establishing a joint venture company including procurement issues, governance arrangements, property rationalisation, HR issues (TUPE and pensions) and the transfer strategy.

A Diversity Impact Assessment screening had been undertaken as set out in Appendix 4 of the report. It was noted that diversity issues would be regularly reviewed as part of the mobilisation planning and implementation.

The Cabinet agreed that the decisions set out below were urgent and should therefore not be subject to call-in. In line with rule 16.11 of Chapter 4, Part 5 of the Constitution, call-in could be waived where any delay likely to be caused by the call-in process would seriously prejudice the Council's or the Public's interests. The Cabinet agreed to accept this as an urgent item because the budget for 2013/14 included the proposed savings in this report.

It was noted that the Chairman of the Business Support Overview and Scrutiny Committee had agreed that the decisions proposed were reasonable in all the circumstances and to them being treated as a matter of urgency and to waive call-in.

Decision number: **Decision:**

63/2013 **The Cabinet agreed to establish a joint venture company that is operational from 1 June 2013.**

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- 64/2013** The Cabinet agreed that Norse Commercial Services Limited be formally invited to establish a joint venture with the Authority on the terms outlined in the principal Heads of Terms subject to the satisfactory negotiation of the various legal agreements that will underpin this arrangement.
- 65/2013** The Cabinet agreed that the transfer should be for services described in paragraph 2.6 of the report commencing June 2013.
- 66/2013** The Cabinet agreed the principle of adding further Facilities Management services in later phases subject to agreeing a business case for such additions.
- 67/2013** The Cabinet agreed that the Chief Executive, in consultation with the Leader, will appoint Councillors and Senior Officers to be Directors of the joint venture company.
- 68/2013** The Cabinet agreed that regular further reports be brought back to Cabinet by the joint venture company.
- 69/2013** The Cabinet agreed that the Assistant Director for Legal and Corporate services determine the joint venture company name, in consultation with the Portfolio Holder for Finance, following a consultation with Members and staff.
- 70/2013** The Cabinet agreed that these decisions were conditional upon the outstanding matters listed in paragraph 4.66 of the report being resolved to the satisfaction of the Portfolio Holder for Finance, the Chief Executive and the Chief Finance Officer.
- 71/2013** The Cabinet agreed that these decisions are considered urgent and therefore should not be subject to call-in.

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.

To allow the Council to take advantage of income opportunities and make efficient use of assets, workforce and knowledge.

The appointments indicated in paragraph 8.5 would ensure the company works under a suitable governance structure.

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Regular reporting will ensure transparency at all stages of the company development and to ensure that the company activities are in keeping with the Council's priorities and operating model.

Participation by staff in the naming of the company will contribute to staff being actively involved in setting up of company.

Recruitment Freeze

Background:

This report presented information on vacancies 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 posts, with details of one further post tabled at the meeting.

Decision number:

72/2013

Decision:

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

Business Support Department

- (a) Meeting Support Officer – Business Administration Support Service**
- (b) Meeting Support Officer – Children's Independent Safeguarding and Review Service**
- (c) Server Engineer**
- (d) Application Support Technician**
- (e) Head of Category Management (Place)**
- (f) Data Processing Clerk**
- (g) Senior Accountant**

Children and Adults

- (h) CYC Coordinator**
- (i) SEN Senior Officer**
- (j) SEN Team Coordinator**
- (k) School Services Support Officer**
- (l) Admin Assistant (Temporary)**
- (m) Support Services Assistant.**

Reasons:

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

Renewal of Lease at Northbank House

Background:

This report presented details of a proposal to renew the lease and grant agreement in respect of Northbank House on the Medway City Estate. Northbank House had been leased to IPS International Ltd since December 2006. The report set out the role of IPS International Ltd including the delivery of training for over 900 Medway people employed in more than 150 companies.

It was proposed that the General Disposal Consent be used, so that the rent charged for the property could be at less than best consideration, on the grounds that the use of the property for a training facility which had social and economic benefits for the Medway area.

An exempt appendix provided key information in respect of the financial and legal implications arising from the proposal.

Decision number:

Decision:

73/2013

The Cabinet agreed to grant delegated authority to the Assistant Director of Legal & Corporate Services, in consultation with the Portfolio Holder for Finance, to;

- (i) To serve any necessary notices, to take a surrender of the current lease and to grant a new lease and any necessary supplementary agreement(s) in respect of Northbank House;**
- (ii) To use the 2003 consent order, so that the property can be let at less than best consideration.**

Reasons:

To maintain the Council's income flow from the property.

To help IPS International to continue to deliver training services for the benefit of the area.

Cabinet, 12 March 2013

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Leader of the Council

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Date

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