

Record of Cabinet decisions

Tuesday, 1 October 2013

3.00pm to 4.24pm

Date of publication: 2 October 2013

**Subject to call-in these decisions will be effective from 10 October 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 Phil Filmer	Portfolio Holder for Front Line Services
	Councillor Peter Hicks	Portfolio Holder for Community Safety and Customer Contact
	Councillor Mike O'Brien	Lead Portfolio Holder for Children's Services
	Councillor Kelly Tolhurst	Portfolio Holder for Educational Improvement

In Attendance: Dr Alison Barnett, Director of Public Health
Robin Cooper, Director of Regeneration, Community and Culture
Neil Davies, Chief Executive
Mick Hayward, Chief Finance Officer
Richard Hicks, Deputy Director, Customer Contact, Leisure, Culture, Democracy
and Governance
Perry Holmes, Assistant Director Legal and Corporate Services/Monitoring
Officer
Anthony Law, Democratic Services Officer
Barbara Peacock, Director of Children and Adult Services

Apologies for absence

An apology for absence was received from Councillor Doe (Housing and Community Services).

Record of decisions

The record of the meeting held on 3 September 2013 was agreed and signed by the Leader as correct.

Declarations of disclosable pecuniary interests

Councillor David Brake, Portfolio Holder for Adult Services, declared a personal interest in agenda item 5 (Disbursement of Recovered Funds) because a close family member was employed by Temple Mill Primary School. Councillor Brake withdrew from the meeting during the consideration of this item.

Medium Term Financial Plan 2014/2017

Background:

This report set out the major financial issues facing the Council over the next six years. It also provided a framework for the more detailed preparation of the draft Revenue Budget for 2014/2017.

The report included details of the Council's financial position, together with an overview of the Spending Review 2010, the Council's strategic priorities and core values and the need for the Medium Term Financial Plan to be able to respond to the changing policy context in which the Council and its partners operated. An assessment of likely available resources and details of a number of key spending issues across the Council's directorates were set out. Diversity Impact Assessments would be undertaken and reported to Members as part of the budget and service planning process as the quantum of resources and hence the impact on Council services unfolds.

Members were advised of potential deficits for 2014/2015 to 2016/2017 of £16.214m, £18.452m and £11.889m. The cumulative effect of these to known resource declarations was £34.666m, despite allowing for a potential council tax yield of 2% per annum and further savings from the transformational Better for Less programme.

In order to retain the strategic aim of achieving a sustainable budget without recourse to reserves, existing and emerging pressures would be challenged and weight given to the efficiency agenda and the search for more cost effective means of delivery.

The report set out the timetable for the development of the draft budget setting proposals and it was noted that business and service planning would run concurrently, leading to the development of the Council Plan.

It was noted that the Business Support Overview and Scrutiny Committee had considered the report on 19 September 2013 and its comments and recommendations were set out in the report.

Decision number:

Decision:

148/2013

The Cabinet endorsed the underlying aims of the Medium Term Financial Plan.

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The Cabinet noted the forecast level of overall funding outlined in Section 4 of the report; spending priorities in Section 5 of the report and the consequent funding shortfall identified in Table 4 of the report.

149/2013 The Cabinet instructed Portfolio Holders and Directors to identify savings and efficiencies to achieve a balanced budget for 2014/2015 and beyond.

Reasons:

This is a preparatory document to meet the budget process and timetable set out within the Constitution.

Disbursement of Recovered Funds

Background:

This report advised Members of the recovery of funds misappropriated from Temple Mill Primary School and the options for disbursement.

It was noted that the Audit Committee had initially considered options for the disbursement of the recovered funds on 9 July 2013 and recommended to Cabinet on 6 August 2013 the provision of training on governance issues (option 4), as this would reduce the risk of a similar fraud occurring elsewhere in Medway. It also requested a further report on how the proposed programme would be delivered. The Cabinet, on 6 August 2013, requested that the Audit Committee re-examine all existing evidence relating to the issues at Temple Mill Primary School and review any new information that had become available before making a further recommendation to Cabinet. The Audit Committee, on 4 September 2013, subsequently reconsidered the issues, which included representations from the Headteacher and Governors from Temple Mill Primary School.

A copy of the minutes of the Audit Committee were attached at Appendix 1 to the report and the report included information obtained following the committee meeting as to ICT replenishment, financial management systems and support to the school.

Decision number:

Decision:

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|-----------------|--|
| 150/2013 | The Cabinet agreed that Temple Mill Primary School's Voluntary Fund be reinstated in the sum of £14,000. |
| 151/2013 | The Cabinet agreed that £50,000 be allocated for the replenishment of ICT as set out in paragraph 6.2 of the report. |
| 152/2013 | The Cabinet agreed that a specific reserve of £25,000 be established for enhancements to the teaching environment at Temple Mill Primary School and that this be ringfenced for |

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draw down on application.

153/2013 **The Cabinet agreed that £40,000 be allocated for one year for the creation of an Internal Audit post to provide internal audit support for schools.**

154/2013 **The Cabinet agreed that the balance of the funds be allocated to the governor training budget as set out in paragraph 3.4 (option 4) of the report.**

Reasons:

Using these funds will provide targeted support to Temple Mill Primary School and will also provide training on governance issues, which will reduce the risk of a similar fraud occurring elsewhere within Medway.

Review of Children's Trust and Proposed Future Arrangements

Background:

This report summarised the review undertaken on the Children's Trust arrangements and proposed future arrangements for multi-agency partnership working. It recommended the establishment of the Medway Children's Action Network.

It was noted that the review of the Medway Children's Trust had included engagement with a range of stakeholders including the Clinical Commissioning Group, the Parent's Forum, Public Health, Councillors, CVS, Voluntary Sector Forum and Medway Community Health. The review had concluded that the existing arrangements were no longer fit for purpose and there was a need to move to a more streamlined approach. This had become possible due to recent changes in government guidance providing greater flexibility.

The report outlined proposals for the establishment of the Medway Children's Action Network (Medway CAN), designed to develop more effective partnership working to improve outcomes for children, young people and their families. The report detailed the Council's legal duties and confirmed that Medway CAN would fulfil the Council's statutory requirements.

Members were also advised that Partnership Commissioning was currently developing a Children and Young People's Commissioning Plan (previously referred to as Better Start in Life Strategy). The plan would look at the total resource for children, families and young people in Medway, how the Council was investing (or proposing to invest) and identify jointly agreed objectives. The plan would support the delivery of the aims and objectives of the Council Plan, Health and Wellbeing Strategy and Improvement Plan. It would come to Cabinet at a later date for approval.

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Decision number: **Decision:**

155/2013 **The Cabinet:**

- (a) **approved the establishment of Medway Children’s Action Network (CAN), as set out in paragraph 3 of the report.**

- (b) **delegated authority to the Director of Children and Adults Services, in consultation with the Portfolio Holder for Children’s Services, to finalise the proposed membership, as set out in paragraph 3.4 of the report and with the inclusion of the Medway Youth Parliament.**

- (c) **noted the development of a Children and Young People’s Commissioning Plan.**

Reasons:

Although the statutory guidance surrounding Children’s Trust Boards has been removed, there is a continuing legal requirement for authorities to have a Children’s Trust Board and to promote effective partnership working to improve outcomes for Children and Young People and their families. Medway CAN will be outcomes and solution focused and will bring together Voluntary and Community Sector and statutory partners.

Housing Revenue Account (HRA) Development Programme

Background:

This report sought the Cabinet’s views on a proposal for the Housing Revenue Account (HRA) development programme to be included within the Council’s Capital Programme and to use the HRA Headroom to fund the programme.

It was noted that the new “self-financing” regime for the HRA came into place on 1 April 2012. As part of the self-financing settlement the Council was given a maximum debt cap and the difference between this and the actual debt was known as “headroom”. The HRA headroom available as at April 2013 was £5.5m and this was estimated to increase by approximately £800,000 per annum to £9.397m in year five of the programme (2017/2018), once the annual provision for debt repayment had been taken into account and assuming no new borrowing was undertaken.

It was proposed to increase Medway’s existing housing stock by using the available headroom to finance a house-building programme and to consider substantial remodelling or refurbishment of some existing properties where appropriate.

This report suggested a draft programme for future activity. The programme included both the regeneration of currently owned assets such as existing garages and sheltered schemes as well as new development on land acquired either directly, or in

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partnership with local contractor/developers. Reports on individual HRA projects or groups of projects would be submitted to Cabinet for approval to proceed.

It was noted that the Business Support Overview and Scrutiny Committee had considered this report on 19 September 2013. Details of the Committee's consideration and recommendations were set out in the report.

During the discussion on this item it was noted that reference to 'Davenport Road' within the report should be amended to read 'Davenport Avenue' and 'Winchester Avenue' should read 'Winchester Way'.

**Decision
number:**

Decision:

The Cabinet noted the comments of the Business Support Overview and Scrutiny Committee as set out in the report.

156/2013

The Cabinet recommended that Full Council approve the addition of a £5.5m housing development programme to the Council's Capital Programme funded by utilising the £5.5m borrowing Headroom available to the Housing Revenue Account.

Reasons:

This proposed development programme would both improve and add to the HRA's existing housing stock, which will benefit existing tenants and Medway residents that qualify for affordable housing.

Annual Review of Risk Management Strategy and 6 Monthly Review of the Council's Corporate Business 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 19 September 2013 and its comments were set out in paragraph 5 of the report. It was noted in the report that the Strategic Risk Management Group and 'risk owners' would consider the issues raised.

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**Decision
number:**

Decision:

157/2013

The Cabinet:

- (a) noted the comments of the Business Support Overview and Scrutiny Committee as set out in 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 was recommended by CIPFA and SOLACE and would complement and support the work already being carried out within each directorate to manage risks.

Solar Photovoltaic Energy Systems

Background:

This report proposed an investment in Solar Photovoltaic (PV) Systems for Gun Wharf and Medway Tunnel to generate electricity, reduce carbon emissions and achieve revenue savings.

It was noted that the annual cost of electricity at Gun Wharf was £450,000 and £170,000 at Medway Tunnel. The proposal was to install a 30kW peak power (kWp) scheme at the Medway tunnel and a 108kWp scheme at Gun Wharf. It was anticipated that the energy generated by both systems would be used on site and offset an element of current supply requirements and costs.

It was reported that the payback of the scheme would be in the region of 10 years and the net saving over a 20-year period was in the region of £350,000 based on current energy prices. It was also estimated that the installation of Solar PV would reduce the Council's carbon dioxide emissions by approximately 70 tonnes per annum.

The capital cost of the installations was estimated to be £230,000, which if approved would be funded through prudential borrowing. As an addition to the capital programme this matter would be referred to Council for decision.

**Decision
number:**

Decision:

158/2013

The Cabinet recommended that Full Council approve a funding envelope for the scheme by adding £230,000 to the capital programme.

159/2013 **The Cabinet delegated authority to the Assistant Director of Legal and Corporate Services, in consultation with the Portfolio Holder for Finance, to enter into the necessary feed-in tariff contractual arrangements and procure the installation of Solar Photovoltaic systems at Gun Wharf and Medway Tunnel using prudential borrowing on the best terms reasonably obtainable, subject to Full Council first agreeing to amend the capital programme to fund the scheme as set out in paragraph 8.1.1 of the report.**

Reasons:

The installation of Solar PV will not only generate energy and savings, but also reduce the Council's carbon footprint.

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. Details of three further posts were set out within an addendum report tabled at the meeting.

Decision number: **Decision:**

160/2013 **The Cabinet agreed to unfreeze the following posts, as detailed in Appendix 1 to the report and tabled at the meeting, to enable officers to commence the recruitment process:**

Business Support

- (a) Service Support Assistant (Medway Revenue and Benefits Service)**
- (b) Category Specialist x 4**
- (c) Administration Officer**
- (d) Lawyer, Children's Services**
- (e) Lawyer, Litigation**
- (f) Paralegal (Planning and Projects)**

Children and Adults Services

- (g) Assistant Debt Management Officer**
- (h) Finance Officer**

Public Health Directorate

(i) Supporting Healthy Weight Assistant

Regeneration, Community and Culture

(j) Homechoice Assistant

(k) HRA Building Inspector

(l) Processing Administration Senior (Temporary)

(m) Processing Assistant – Processing and Income Recovery.

Reasons:

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

Gateway 1 Contract Procurement Commencement: Brompton Westbrook Primary School - Expansion to Two Forms of Entry

Background:

This report sought permission to commence the procurement of the permanent expansion to 2 forms of entry at Brompton Westbrook Primary School. The Outline Business Case for the new building had been approved by Cabinet on 11 June 2013 (decision number: 99/2013).

The new accommodation included a school/community hall with changing facilities, a new main entrance, two new classrooms and additional dining space. This allowed the existing hall to be used for improved SEN group rooms and pastoral care. It also allowed reconfiguration of the office spaces, which were currently unsuitable.

The report set out the various procurement options including a preferred option for consideration.

It was noted that the Gateway 1 report had been approved for submission to the Cabinet after review and discussion by the Children and Adult Directorate Management Team and Procurement Board.

An exempt appendix set out key information concerning finance and whole-life costing.

Decision number:

Decision:

161/2013

The Cabinet approved the Gateway 1 High Risk Report for progression to Gateway 2 of the procurement process for a single stage Design and Build tender via the Kent County Council Select List (as set out in 3.10 (2) of the report).

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Reasons:

The decision grants permission to commence the procurement of the permanent expansion of Brompton Westbrook Primary School to 2 forms of entry in accordance with the decision of Cabinet on 11 June 2013 (decision No. 99/2013). This decision would allow for works to commence 6 weeks earlier than via the IESE framework two stage tender route. It was believed that the single stage route offered a better opportunity to deliver the key items for September 2014.

Gateway 1 Procurement Commencement: Hoo Peninsula Wireless Network

Background:

This report sought permission to commence the procurement of a wireless network solution for schools and academies on the Hoo Peninsula.

It was noted that the Hoo Peninsula was poorly served by the major telecommunications companies and as such connections to council buildings and schools was expensive and slow. The lack of service provision on the Peninsula was affecting delivery of online learning opportunities to the pupils attending schools on the Peninsula. The efficiency of leadership and management processes that rely on internet connectivity were also affected.

Members were advised that to create equality across the authority the connection speeds to these sites must be increased. It was reported that ICT had undertaken a separate feasibility study for a high-speed wireless solution that would serve the majority of these sites. The results of this survey were detailed in this report together with the various procurement options.

This Gateway 1 report had been approved for submission after review and discussion by the Children and Adults Directorate Management Team and Procurement Board.

An exempt appendix set out key information concerning finance and whole-life costing.

Decision number:

162/2013

Decision:

The Cabinet approved the use of the FAB-Telecoms-12 Fabrick Housing Group Framework to procure a wireless network solution for schools and academies on the Hoo Peninsula as set out in paragraph 4.1 of the report (preferred option).

Reasons:

The current network solution on the Hoo Peninsula is not fit for purpose and is inhibiting the delivery of high quality education for young people who learn there. The proposed procurement will provide an upgradable cost effective solution.

Gateway 1 Procurement Commencement: Corporate School Meal Provision

Background:

This report sought permission to commence the procurement of the school meal provision on behalf of Medway schools, which would deliver a sustainable, quality, value for money service to students in Medway within both small and large schools and which would meet nutritional standards for school meals, as set by government.

The report set out the various procurement options including a preferred option for consideration.

It was noted that the Gateway 1 report had been approved for submission to the Cabinet after review and discussion by the Children and Adult Directorate Management Team and Procurement Board.

An exempt appendix contained finance and whole-life costings information for this project.

Decision number: ***Decision:***

163/2013 **The Cabinet approved the commencement for the procurement of school meals provision for Medway schools on the basis set out in paragraph 4.1 of the report.**

Reasons:

The current contract is due to expire on 31 July 2014, therefore a contract needs to be in place for commencement on 1 August 2014.

Gateway 1 Contract Procurement Commencement: Strood Community Hub

Background:

This report sought permission to commence the procurement of Strood Community Hub. The project involved relocating Strood Library and Contact Point from their current locations to 133 High Street, Strood. The property required refurbishment and fit out for this purpose and it was proposed that the Council take out a lease of the premises from the current landlord. It formed part of the wider regeneration proposals for Strood and would act as its focal point.

The report set out the various procurement options including a preferred option for consideration.

It was noted that the Gateway 1 report had been approved for submission to the Cabinet after review and discussion by the Regeneration, Community and Culture Directorate Management Team and Procurement Board.

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An exempt appendix contained finance and whole-life costings information for this project.

Decision number:

Decision:

- 164/2013** **The Cabinet approved this Gateway 1 report for progression to Gateway 2 of the procurement process and invited tenders for the building works as set out in the preferred option (paragraph 4.1 of the report), utilising the KCC select list of approved contractors.**
- 165/2013** **The Cabinet agreed to delegate authority to the Assistant Director Legal and Corporate Services, in consultation with the Portfolio Holder for Finance, to enter into a lease and any related legal agreements of suitable premises in Strood for a new Community Hub on the best terms reasonably available, subject to: any necessary and satisfactory planning consents being obtained and subject to vacant possession and Full Council approval of the scheme as an addition to the Capital Programme.**
- 166/2013** **The Cabinet recommended that Full Council approve the addition of £1 million to the Capital Programme to fund the refurbishment and fit-out costs.**

Reasons:

The KCC select list provides the best option in terms of tender turn around and being able to give a local contractor opportunity to bid. Tenderers will be selected from the Medway Zone section of the KCC select list.

Gateway 1 Procurement Commencement: Infrastructure Support Services for the Voluntary and Community Sector

Background:

This report sought permission to commence the procurement of a combined infrastructure support service to the voluntary and community sector (VCS) in Medway.

The report provided background and context to the services that were currently being delivered and provided Cabinet with options for the future delivery of these services, so that officers could proceed with the commissioning of a combined infrastructure support service to the VCS in Medway. This service would include existing volunteer centre services and voluntary sector support services.

It was noted that the Gateway 1 report had been approved for submission to the Cabinet after review and discussion by the Children and Adult Directorate Management Team and Procurement Board.

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An exempt appendix contained finance and whole-life costings information for this project.

Decision number: **Decision:**

167/2013 **The Cabinet approved the procurement of one contract for a combined infrastructure support service to the Voluntary and Community Sector (VCS) in Medway, as set out in paragraph 4.1 of the report.**

Reasons:

The proposed procurement would provide the opportunity to deliver much improved volunteer centre and voluntary sector support services, with the potential for a cost saving by consolidating three current service contracts into one.

Gateway 4 Procurement Post Project Completion Review: All Faiths Community School, Strood

Background:

This report provided details of the review of the works undertaken at All Faiths Community School to deliver much needed additional teaching space of three new classrooms, the provision of a new hall, the demolition of the existing Children's Centre and the provision of a new Children's Centre with improved storage and external learning space, the creation of a new combined reception area, allowing for a stronger link between the school and Children's Centre and the provision of an extra parking area and a new, safer internal road.

It was noted that the works were completed on time and within budget. The report also included comments from the Headteacher of the school.

It was noted that the Gateway 4 report had been approved for submission to the Cabinet after review and discussion by the Children and Adult Directorate Management Team and Procurement Board.

An exempt appendix contained finance and whole-life costings information for this project.

Decision number: **Decision:**

The Cabinet noted the outcome of the contract as set out in paragraph 4.1 of the report.

The Cabinet noted the Headteacher feedback as set out in paragraph 8.5 of the report.

Reasons:

The contract was a one off procurement, which has now finished. In addition, the project was completed to specification and within budget.

Gateway 4 Procurement Post Project Completion Review: Lordswood Infant and Junior Schools

Background:

This report provided details of the review of the works undertaken at Lordswood Infant and Junior Schools to provide functional, inspirational and secure open learning environments. To do this the project provided one integrated building, which improved the accommodation for teaching and learning, made better use of the space on the ground floor, enabling all classrooms to be accommodated and situated together in year groups. The project provided access to shared resources and to outside classroom space, enabling cross class working. The final provision of a link building joined the two schools together. The link building united the schools physically as well as providing a functional weatherproof route for children, staff and visitors.

It was noted that the works were completed on time and within budget and comments from the Headteacher of Lordswood Primary School were included within the report.

It was noted that the Gateway 4 report had been approved for submission to the Cabinet after review and discussion by the Children and Adult Directorate Management Team and Procurement Board.

An exempt appendix contained finance and whole-life costings information for this project.

Decision number: ***Decision:***

The Cabinet noted the outcome of the contract as set out in paragraph 4.1 of the report.

Reasons:

The contract was one-off with no additional termed requirements.

Gateway 4 Procurement Post Project Completion Review - Thames View Infant and Junior Schools

Background:

This report provided details of the review of the works undertaken at Thames View Infant and Junior Schools to extend the nursery accommodation and improve the dropping off/ waiting area outside the nursery entrance with the use of a canopy. The

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Junior school building has had a new main entrance, which provided a focal point for the visitors to the school and the provision of sufficient space for a central hub for administrative staff for the amalgamated school.

It was noted that the works were completed on time and within budget. The report also included comments from the Headteacher of Thames View Primary School.

It was noted that the Gateway 1 report had been approved for submission to the Cabinet after review and discussion by the Children and Adult Directorate Management Team and Procurement Board.

An exempt appendix contained finance and whole-life costings information for this project.

Decision number: **Decision:**

The Cabinet noted the outcome of the contract as set out in paragraph 4.1 of the report.

The Cabinet noted the headteacher feedback in section 8.5 of the report.

Reasons:

The contract was a one off procurement, which has now finished.

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Leader of the Council

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Date

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