

Record of Cabinet decisions

Tuesday, 15 July 2014

3.00pm to 4.45pm

Date of publication: 16 July 2014

**Subject to call-in these decisions will be effective from 24 July 2014
The record of decisions is 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 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
Julie Keith, Head of Democratic Services
Anthony Law, Democratic Services Officer
Barbara Peacock, Director of Children and Adults Services
Stephanie Goad, Assistant Director Communications, Performance and
Partnerships

Apologies for absence

There were none.

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Record of decisions

The record of the meeting held on 10 June 2014 was agreed and signed by the Leader as correct.

Declarations of disclosable pecuniary interests and other interests

Disclosable pecuniary interests

There were none.

Other interests

Councillor Filmer declared an interest in agenda item 14 (Update on Medway Norse) because he was a Director of Medway Norse. He chose to leave the room during consideration and determination of this item.

Councillor O'Brien declared an interest in agenda item 8 (Outcomes of Consultation for the Proposed Alterations at Danecourt Special School) because members of his extended family worked in this area. He advised that he would stay and participate in the consideration and determination of this item.

Statement of Accounts 2013/2014

Background:

This report provided details of the Council's draft Statement of Accounts for 2013/2014, as set out in Supplementary Agenda No.2. Copies of a number of revised 'Notes to the Principal Financial Statements' and 'Supplementary Financial Statements' were tabled at the meeting.

The Council was required under the Accounts and Audit Regulations 2003 (as amended) to produce an annual statement of accounts that was subject to scrutiny by the external auditors. The auditor would subsequently give an opinion on the accounts, and additionally interested parties would have the right to inspect the accounts and make representations to the auditor.

It was noted that the draft accounts were required to be certified by the responsible finance officer by 30 June 2014. Due however to complications presented by the change in accounting requirements for the Collection Funds (in respect of the Business Rates Retention Scheme) the certification by the Chief Finance Officer had not been possible until 4 July 2014.

It was reported that the revenue account showed a revenue surplus of £0.267 million. It was noted that the final position was a significant achievement and a reflection both of the successful efforts to maintain services at minimum cost and the robustness of the budgets that were originally set.

The final Housing Revenue Account for 2013/2014 showed a surplus of £1.258 million against a budgeted surplus of £1.059 million. However, a revenue

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contribution to capital expenditure of £1.664 million and an agreed contribution of £2 million meant that the balance on the account had been reduced to £1.969 million.

The final capital expenditure for 2013/2014 was £45.2 million with £5.8 million slipping to future years.

It was noted that the Audit Committee would consider the draft Statement of Accounts on 17 July 2014.

**Decision
number:**

Decision:

117/2014 **The Cabinet noted the revenue and capital outturns as reported and recommended to the Audit Committee that it approves the draft statement of accounts for 2013/2014 (as amended).**

Reasons:

Good practice recommended that Members approve the Statement of Accounts as soon after 30 June as practicable.

Treasury Management Outturn Annual Report

Background:

This report provided an overview of treasury management activity during 2013/2014. The report covered a number of issues including the Council's treasury position as at 31 March 2014, performance measurement, the strategy for 2013/2014, borrowing and investment rates, the borrowing outturn, compliance with treasury limits and prudential indicators, investment outturn and debt rescheduling.

It was noted that overall the Interest and Financing budget made a surplus over its targeted budget by £0.043 million. In light of the continued historically low bank rate, which continued at 0.5% throughout 2013/2014, the overall rate achieved for investments averaged 0.75% composed of 1.02% from the In-House team and 0.22% from the external fund manager Investec.

The body of the report and the appendices outlined the significant financial implications and it was reported that any transactions undertaken on either investments or borrowings were governed by the London Code of Conduct, the Council's Treasury Policy Statement, and the CIPFA Code of Practice on Treasury Management in Local Authorities.

This report would be referred to Audit Committee on 17 July 2014 for consideration and approval.

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Decision number: **Decision:**

118/2014 **The Cabinet, in accordance with the CIPFA Code of Practice, noted the content and recommended this report to the Audit Committee.**

Reasons:

In line with CIPFA's Code of Treasury Management Practice an annual report must be taken to Cabinet detailing the Council's treasury management outturn within six months of the close of each financial year.

Hot Food Takeaways in Medway: A Guidance Note

Background:

This report provided details of the public consultation process undertaken in relation to the draft Hot Food Takeaways in Medway Guidance Note.

The report gave details of the background to the development of the guidance note, stating that work on its preparation had emerged as part of a holistic package of measures to promote better health in Medway. It sought to manage the location and operation of new hot food takeaways particularly in locations in close proximity to schools.

Public consultation had taken place over a six week period, from 20 March 2014 to 2 May 2014, and it was noted that there had been 20 formal written responses received. In addition, it had been decided to seek the support of the Medway Young Inspectors to directly get the views of young people and it was reported that 147 young people had responded to surveys conducted by the Medway Young Inspectors. Other consultation was also carried out with a variety of stakeholders as detailed in paragraphs 4 and 6 of the report.

Details of a number of amendments to the guidance note, in response to the comments received during the consultation process, were set out.

The Business Support Overview and Scrutiny Committee considered this report on 3 July 2014 and its comments were set out in paragraph 6 of the report. The Portfolio Holder updated Members as to the comments, with regards to section 106 agreements and minimum floorspace. It was noted that the last bullet point under paragraph 6.12 of the report should read: "It was suggested there should be no minimum floor space requirement for new takeaways for the purposes of developer contributions under Section 106 agreements". In addition, paragraph 6.14.8 of the report should read: "The Committee asked for an investigation into the possibility of there being no minimum square metre requirement for developer contributions under Section 106 agreements for all new takeaway premises designated with A5 Use Class".

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The Portfolio Holder further advised Cabinet that she had been informed that the Overview and Scrutiny discussion had referenced Batchelor Street and not Best Street, as set out within section 6 of the report.

A Diversity Impact Assessment had been carried out on the Guidance Note, as set out in Appendix 4 of the report. This noted that there was no direct impact on any protected characteristic group, as all planning applications were subject to a standard assessment process. The guidance note sought to improve the health of people in Medway through promoting a healthier environment, as part of a wider package of public health interventions.

Appendices 1-4 to the report were set out in Supplementary Agenda No.1 to the report.

Decision number: **Decision:**

119/2014 The Cabinet approved the changes as set out in paragraph 4.27 of the report and in the amended guidance note (attached as Appendix 1 to the report) with adoption of the document as a material consideration in the determination of planning applications for hot food takeaways in Medway.

Reasons:

Implementation of the guidance note is likely to help reduce the levels of childhood obesity in Medway in combination with other initiatives introduced by the Public Health Directorate.

Review of the Guide to Developer Contributions

Background:

This report provided details of the public consultation process undertaken on the draft Guide to Developer Contributions. It was noted that the latest version of the Guide had been approved by Cabinet on 30 October 2012 and that the new draft, as attached to the report, included up to date contact details and the inclusion of sport facilities and public realm sections.

A schedule of representations and responses was set out in Appendix 2 to the report and the draft Guide updated, where appropriate, to address issues raised by consultees.

The Regeneration, Community and Culture Overview and Scrutiny Committee considered the outcome of consultation on 26 June 2014 and its comments were set out in paragraph 7 of the report.

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A Diversity Impact Assessment had been carried out on the proposals and this indicated that no further assessment was required, as set out in Appendix 3 to the report.

Appendices 1-3 to the report were set out in Supplementary Agenda No.1.

Decision number:

Decision:

120/2014 **The Cabinet agreed to adopt the updated 2014 draft Guide to Developer Contributions, as set out in Appendix 1 to the report subject to 4.1 (page 19 of the guide) being amended to read:**

“The Council’s target is up to 25% of homes to be affordable homes on any site meeting the Council’s size thresholds.”

121/2014 **The Cabinet agreed to delegate authority to the Director of Regeneration, Community and Culture, in consultation with the Portfolio Holder for Strategic Development and Economic Growth, to make any minor amendments needed to the draft Guide to Developer Contributions, prior to adoption.**

Reasons:

The updated Guide to Developer Contributions (2014) will provide up to date information on Medway Council’s policy on developer contributions. This will benefit all stakeholders, including developers and Medway Council services.

Outcomes of Consultation for the Proposed alterations at Danecourt Special School

Background:

This report provided details of the outcome of consultation regarding the proposals to increase pupil numbers and extend the range of SEN designation at Danecourt Special School, by way of statutory prescribed alterations. The report provided detailed information of the informal public consultation, where proposals were published and made available to interested parties, for a period of six weeks from 24 February to 6 April 2014. This included a public meeting, details of which were set out in Appendix 3 to the report. In addition, 45 written responses were received to this consultation, of which 41 (91%) supported the proposal, with four (9%) objections.

The comments of the Children and Young People Overview and Scrutiny Committee were set out in paragraph 8 of the report.

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A Diversity Impact Assessment (DIA) screening form was set out in Appendix 4 to the report. The DIA looked at how the proposed changes could impact upon various groups. This showed that there could potentially be some impact upon certain groups, however it showed that any impacts were expected to be positive.

Decision number:

Decision:

- 122/2014** **The Cabinet noted the responses to the informal consultation process together with the comments of the Children and Young People Overview and Scrutiny Committee and instructed the Director of Children and Adults Services to commence the period of statutory representation of the proposals for the expansion of Danecourt Special School as set out in section 11.2 of the report, when statutory notices and full proposals will be published.**
- 123/2014** **The Cabinet agreed to delegate authority to the Director of Children and Adults Services, in consultation with the Portfolio Holder for Children's Services (Lead Member), to determine whether to approve the proposals at the end of the statutory consultation period if no objections are received. However, if any objections are received during that time then a report will be prepared and presented to Cabinet for determination.**

Reasons:

Approval to proceed to a period of statutory representation will ensure the Council complies with its duty to follow the full consultation process when proposing changes to school organisation.

Expansion and Relocation of Rivermead Community Special School by way of Prescribed Alterations

Background:

This report provided details of a proposal to expand and relocate Rivermead Community Special School to an additional site, by way of statutory prescribed alterations. This would enable an increase in the number of pupils, by up to 60 primary aged pupils, and the expansion of age limits, which would formally increase the age range to include children from 4 to 19.

The report provided details of the rationale for the proposals, namely that there was an increase in the number of primary age pupils with statements requiring specialist provision in Medway. The proposals, subject to the outcome of the consultation period, would be implemented in readiness for 1 September 2016.

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The report noted that proposals for any physical building or adaptation works at the current Abbey Court Rainham site to make it suitable for the pupils attending Rivermead would follow the Council's procurement and financial approval processes at the appropriate time.

Decision number: **Decision:**

124/2014 **The Cabinet agreed to instruct the Director of Children and Adults Services, in consultation with the Portfolio Holder for Children's Services (Lead Member), to commence the recommended period of public consultation to allow views to be expressed on the proposal to make prescribed alterations to Rivermead Community Special School, which would result in an increase in the number of pupils provided for and the transfer to an additional site on or before 1 September 2016.**

Reasons:

To consult on the proposals in accordance with the School Organisation (Prescribed Alterations to Maintained Schools) (England) Regulations 2013.

Rochester Riverside Retail Unit

Background:

This report sought delegated authority to acquire the vacant retail unit on Rochester Riverside.

Rochester Riverside is a flagship project in the Council's regeneration programme and it was reported that the first phase of development – the Southern Gateway - had already been delivered through the completion of 73 affordable housing units by Hyde Housing and the creation of the 'Southern Gateway' public square.

It was noted that Block 1 of the Hyde Housing scheme (Royal Oak House) included a ground floor retail unit. The intention was for the unit to provide an amenity for local residents, in accordance with the principles of mixed-use development at Rochester Riverside including housing, retail, commercial and public open spaces. The unit had however remained vacant and, given its location in a key strategic gateway to the site, it was proposed that it be acquired to enable its letting to a tenant who would meet the Council's aspirations for the regeneration site.

It was proposed that the unit be purchased using Growing Places Funding allocated to the Rochester Riverside project, in the Council's approved capital programme.

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**Decision
number:**

Decision:

125/2014

The Cabinet agreed to delegate authority to the Assistant Director, Legal and Corporate Services, in consultation with the Leader, to:

- a) Acquire the shell and core of the vacant retail unit together with any ancillary areas (for example parking and forecourts etc) on Rochester Riverside.**
- b) Enter into a deed of variation of the head-lease granted to Hyde.**
- c) Sub let the unit to an occupier(s).**

Reasons:

To ensure the continued regeneration of a key strategic gateway to the Council priority development site.

Relocation of Services Provided at Riverside One, Chatham

Background:

This report sought authority to take a lease or leases of new premises to relocate the services currently provided at the Riverside One building in Chatham (Revenue and Benefits, Customer Contact, Housing Solutions and Client Financial Services).

The report considered the implications of retaining Riverside One, which was not considered to be either cost effective or desirable. It was reported that the proposed relocation would overcome the need to rectify the structural subsidence associated with the building and allow its demolition to facilitate the future restoration of the Great Barrier Ditch.

**Decision
number:**

Decision:

126/2014

The Cabinet agreed to:

- a) Delegate authority to the Assistant Director of Legal and Corporate Services, in consultation with the Portfolio Holder for Finance, to acquire a lease of alternative premises and ancillary parking on the best terms reasonably obtainable;**
- b) recommend to Full Council that it makes an addition of £800,000 to the capital programme to fund the**

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adaptation and fit-out of new premises, associated relocation costs and the demolition of the Riverside One building.

Reasons:

To improve service delivery, reduce the council's maintenance requirement and to facilitate the demolition of Riverside 1 and the restoration of the Great Barrier Ditch.

Strood Sports Centre

Background:

This report sought permission for an additional £1.4m funding to be added to the capital programme in order to proceed with the proposed redevelopment of Strood Sports Centre. Redevelopment of the centre will create a facility that reflects the needs of customers and provides opportunities to increase revenues helping to make the operation of Medway Council sports centres more cost effective.

It was noted that in March 2013 a Gateway 1 report for the £1.9m refurbishment of Strood Sports Centre had been approved, and since then a project team had been developing proposals for its redevelopment. Council approved the addition of the Strood Sports Centre redevelopment to the capital programme in April 2014, with funding of £500,000 at that stage, pending Gateway 3 approval of the substantive works.

It was reported that Gateway 3 approval had been granted at Procurement Board on 19 June 2014, with the award of the successful tender demonstrating that the original budget projection of £1.9m was robust.

Approval of the additional £1.4m funding (financed through Prudential Borrowing) for the project would allow the contract for the substantive works to be issued.

Decision number: Decision:

127/2014 The Cabinet recommended to Council the approval of the additional works to Strood Sports Centre redevelopment to the capital programme, with funding of £1.4m to be funded by Prudential Borrowing.

Reasons:

Approval of funding will allow the redevelopment of Strood Sports Centre to proceed, with the award of the contract for the substantive development works.

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2013/2014 Year End Performance Monitoring

Background:

This report summarised the performance of the Council's Key Measures of Success for 2013/2014 as set out in the Council Plan 2013/2015.

The report also summarised the feedback from service users, as recorded within the quarterly tracker phone survey, the Citizens Panel and the Customer satisfaction measurement at point of contact (GovMetric). The report also included a summary of how the council's performance compared to other authorities.

Successful achievements as well as areas for improvement were highlighted within the report. This included, in relation to overall Council wide performance, 50% of 78 Council Plan key measures of success being on target; whilst 31% were significantly below target.

Detailed background information supporting the report had been circulated within Supplementary Agenda No. 1.

Members discussed the performance report in detail and it was noted that for 2014/2015, aspiring to excellence in performance across all services was at the core of the Council's work programme.

Decision number:

Decision:

128/2014

The Cabinet noted the 2013/2014 performance against the Key Measures of Success used to monitor progress against the Council Plan 2013/2015 and agreed that Cabinet Members would continue to work with officers to improve performance.

Reasons:

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

Update on Medway Norse

Background:

This report reviewed the first trading year of Medway Norse and the plans for its second year of trading.

It was explained that Medway Norse is a joint venture company that was originally established in 2013 for the provision of facilities management services. The aim in establishing the joint venture was, and remained, that it would be considered as a potential delivery mechanism as part of any options appraisal for the delivery of

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Council services. It was also intended that financial growth would be achieved through winning external contracts and support for the local economy.

This review set out details of the governance arrangements, as well as details of how the scope of the operation had expanded over the year. This included additional grounds maintenance activities and Medway Norse taking responsibility for managing all Special Educational Needs transport.

It was noted that for the eight months of trading in 2013/2014 the Council had received a rebate of £285,000, which exceeded the target set by Council.

The agreed rebate target set for Medway Norse for the second year of trading was £263,000 and it was reported that the plan focused on winning business from other public bodies such as schools and health care providers.

It was noted that the Business Support Overview and Scrutiny Committee had considered this report on 3 July 2014 and details of that discussion were set out in section 5 of the report.

Decision number: **Decision:**

The Cabinet noted the report.

Reasons:

When Cabinet agreed to establish the joint venture company it was also agreed that regular monitoring reports would be brought back to Cabinet.

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.

Decision number: **Decision:**

129/2014 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 Directorate

- a) Electoral Services Officer**
- b) Electoral Services Assistants (Temporary) X 5**
- c) Business Administration Support Service/Meeting Support Officers X 2**

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Children and Adults

- d) DOLS Assistant
- e) DOLS Officer

Regeneration, Community & Culture

- f) Community Recycling Assistant
- g) Customer Services Officer
- h) WORK Programme Job Broker Advisors X 2.

Reasons:

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

Gateway 1 Procurement Commencement: Alternative Delivery Model for the Complete Management of the Medway Control Centre Service

Background:

This report provided details of the proposed procurement process to procure an alternative delivery model for the management of the entire Medway Control Centre service, including the CCTV Partnership, out-of-hours and associated personal safety services such as telehealthcare and lone-working.

It was noted that this Gateway 1 Report had been approved for submission to Cabinet after review and discussion at Regeneration, Community and Culture Directorate Management Team on 19 December 2013 and Procurement Board on 20 May 2014.

An exempt appendix contained key financial analysis information.

Decision number:

Decision:

130/2014

The Cabinet agreed to the alternative delivery model for CCTV and telehealthcare services being the subject of a procurement exercise and agreed to delegate authority to the Assistant Director, Legal and Corporate Services, in consultation with the Portfolio Holders for Finance and Customer Contact & Community Safety, to commence the procurement of the provision of the CCTV service.

131/2014

The Cabinet noted that a Project Board would be established that would enable Finance, Legal, ICT, HR, Adult Social Care Partnership Commissioning representative and a representative from the CCTV Partnership executive board to contribute to developing the tender documentation and evaluation criteria.

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Reasons:

As per the option analysis in appendix one to the report, an alternative delivery model for CCTV and telehealthcare services is more likely to safeguard the future of this non-statutory but highly valued service.

Gateway 1 Procurement Commencement: Danecourt Community Special School - Expansion Works

Background:

This report provided details of the proposed procurement process for the expansion works at Danecourt Community Special School.

It was noted that this Gateway 1 Report had been approved for submission to Cabinet after review and discussion at Children and Adults Directorate Management Team and Procurement Board on 18 June 2014.

An exempt appendix contained key financial analysis information.

Decision number: ***Decision:***

132/2014 **The Cabinet agreed that this Gateway 1 high risk report progress to Gateway 2 of the procurement process and tenders for the extension and remodelling of Danecourt School be invited.**

Reasons:

The new accommodation is required to enable an additional 40 spaces to be available from September 2015.

Gateway 4 Report: Local Welfare Provision

Background:

This report reviewed progress of the contract with West Kent Extra for the delivery of Medway's Local Welfare Provision, following Cabinet approval to award the contract on 9 July 2013.

It was noted that this Gateway 4 Report had been approved for submission to Cabinet after review and discussion at Children and Adults Directorate Management Team and Procurement Board on 18 June 2014.

An exempt appendix contained key financial analysis information.

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**Decision
number:**

Decision:

133/2014

The Cabinet noted the positive performance of the contract during its first year and agree to a Gateway 5 report being submitted at the next anniversary of the contract in 2015.

Reasons:

The contract continues to meet the aims and objectives set out by Medway Council as outlined in the Gateway 3 report and has delivered to the quality and financial requirements of the contract.

Gateway 4 Report: Platters Farm Lodge

Background:

This report reviewed progress of the contract with Strode Park Foundation for the services provided at Platters Farm Lodge.

The contract had originally been approved by Cabinet on 15 January 2013. It was for two services: respite and rehabilitation residential-based care and day care services.

It was noted that this Gateway 4 Report had been approved for submission to Cabinet after review and discussion at Children and Adults Directorate Management Team and Procurement Board.

An exempt appendix contained key financial analysis information.

**Decision
number:**

Decision:

134/2014

The Cabinet noted the performance of the contract during its first year and agreed to a Gateway 5 report being submitted at the next anniversary of the contract in 2015, with subsequent gateway 5 reports only being brought back to review in advance of the 5 year break dates.

Reasons:

The contract continues to meet the strategic aims and statutory obligations of Medway Council and service users as outlined in the Gateway 3 report and has delivered to the quality requirements of the contract.

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Leader of the Council

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Date

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