

Record of Cabinet decisions

Tuesday, 24 November 2015

4.30pm to 6.20pm

Date of publication: 25 November 2015

**Subject to call-in these decisions will be effective from 3 December 2015.
The record of decisions is subject to approval at the next meeting of the Cabinet**

Present:	Councillor Alan Jarrett	Leader of the Council
	Councillor Howard Doe	Deputy Leader and Portfolio Holder for Housing and Community Services
	Councillor David Brake	Portfolio Holder for Adult Services
	Councillor Rodney Chambers, OBE	Portfolio Holder for Inward Investment, Strategic Regeneration and Partnerships
	Councillor Jane Chitty	Portfolio Holder for Planning, Economic Growth and Regulation
	Councillor Phil Filmer	Portfolio Holder for Front Line Services
	Councillor Adrian Gulvin	Portfolio Holder for Resources
	Councillor Andrew Mackness	Portfolio Holder for Corporate Services
	Councillor Mike O'Brien	Portfolio Holder for Children's Services
	Councillor Rupert Turpin	Portfolio Holder for Business Management

In Attendance:	Dr Alison Barnett, Director of Public Health
	Neil Davies, Chief Executive
	Richard Hicks, Director of Regeneration, Community and Culture
	Perry Holmes, Assistant Director, Legal and Corporate Services/Monitoring Officer
	Julie Keith, Head of Democratic Services
	Anthony Law, Democratic Services Officer
	Ian Sutherland, Deputy Director, Children and Adults Services
	Phil Watts, Chief Finance Officer
	Councillor Vince Maple, Leader of the Labour Group

Apologies for absence

There were none.

Record of decisions

The record of the meeting held on 27 October 2015 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

There were none.

Draft Capital and Revenue Budget 2016/2017

Background:

This report provided an update on progress towards setting the Council's draft capital and revenue budgets for 2016/2017.

It was noted that the draft budget was based on the principles contained in the Medium Term Financial Plan (MTFP) 2016/2020, which had been approved by Cabinet on 29 September 2015 and reflected the latest formula grant assumptions. A summary of the Medium Term Financial Plan was set out in Appendix 1 to the report, with draft budget requirements for the directorates in 2016/2017 set out in Appendices 2a-d to the report.

It was reported that officers had been working with the Cabinet to formulate savings proposals to address the projected revenue budget deficit (£13.8m in 2016/2017) and the broad measures being considered were outlined in the report. It was noted that the budget agreed by Council for 2016/2017 would have to balance to available resources and that the Council's transformation agenda would be fundamental to closing the gap. Members were advised that the resources available to the Council remained subject to some uncertainty, with the scale of the challenge not being known until after the Autumn Statement on 25 November 2015. However, it was clear that the Council would need to seek to maximise the council tax base and exploit opportunities for business rate growth over the medium and longer term.

In relation to the capital programme it was reported that the existing programme, totalling £122,327,000 for the next three years, reflected planned capital expenditure over the medium term and incorporated everything currently known about capital grant allocations.

It was further noted that recent government announcements to reduce rent charges by 1% year on year for a four year period would need to be factored into the Housing Revenue Account (HRA) financial strategy, and that work had commenced on a review of the impact on the 30 year business plan.

In accordance with the Constitution, this report was the first stage of the budget consultation process leading to further consideration by Cabinet on 9 February 2016 and formal budget and council tax setting by Council on 25 February 2016. Budget proposals would now be submitted to the Council's overview and scrutiny committees.

Cabinet, 24 November 2015

Decision number: **Decision:**

149/2015 **The Cabinet agreed to instruct officers to continue to work with Portfolio Holders in formulating robust proposals to balance the budget for 2016/2017 and beyond.**

150/2015 **The Cabinet agreed to refer the provisional draft budget to overview and scrutiny committees as work in progress inviting them to offer comments on the proposals outlined.**

Reasons:

It is the responsibility of Cabinet to develop draft budget proposals for consideration by overview and scrutiny committees. These draft proposals are the first stage of the budget consultation process leading to further consideration by Cabinet on 9 February 2016 and formal council tax setting by Council on 25 February 2016.

The timetable for consideration by overview and scrutiny is as follows:

Business Support	3 December 2015
Children and Young People	8 December 2015
Regeneration, Community and Culture	10 December 2015
Health and Adult Social Care	17 December 2015
Business Support	2 February 2016
Cabinet	9 February 2016
Council	25 February 2016

Medway Local Plan

Background:

This report presented an Issues and Options consultation document, which had been produced to undertake the initial formal consultation stage in the preparation of the new Medway Local Plan.

It was explained that the new Local Plan would cover the period up to 2035 and set the strategic direction for development in Medway through updated land allocations and policies. In developing the new plan, it was essential that the Council assembled a comprehensive evidence base and demonstrated clearly that it had assessed all realistic alternative options for meeting Medway's development needs over the plan period. The aim at this stage, therefore, was to gather information from local communities and wider stakeholders on their views of what the new plan should contain.

The Issues and Options consultation document did not set out detailed policies or identify specific sites for development. Rather, it presented the key contextual matters that would be the drivers for the new Local Plan and was structured around the key themes of Housing, Economy, Environment, Natural Resources, Infrastructure and Delivery.

Cabinet, 24 November 2015

The proposed consultation period would run for 8 weeks from 4 January to 29 February 2016.

The report also considered establishing a strategic approach to managing and mitigating the potential of damage to the protected habitats of the North Kent estuaries and marshes, resulting from population increases. It was noted that, in line with Natural England advice, the Council was seeking to establish an interim policy position and applying the tariff on consented residential development. It was reported that the other affected Local Planning Authorities, namely Gravesham, Swale and Canterbury had agreed to this strategic approach and were putting the appropriate policies and arrangements in place.

A number of appendices accompanied the report and the Issues and Options consultation document (Appendix 1 to the report) and were set out in Supplementary Agenda No. 1:

- Appendix 2 - Integrated Growth Needs Assessment – Technical Paper;
- Appendix 3 - Objectively Assessed Need for Housing;
- Appendix 4 - Strategic Land Availability Assessment – overview map of sites;
- Appendix 5 - Medway Local Development Scheme, 2015;
- Appendix 6 - Strategic Access Management and Mitigation Scheme – Interim Policy Statement
- Appendix 7 - Diversity Impact Assessments.

Decision number:

Decision:

- | | |
|-----------------|--|
| 151/2015 | The Cabinet approved an eight week period of statutory consultation on the Issues and Options document (as presented at Appendix 1 to the report) for the purpose of preparing a new Local Plan for Medway. |
| 152/2015 | The Cabinet approved the implementation of a strategic access scheme as set out in the interim policy statement at Appendix 6 of the report for the purpose of addressing the potential of damage to the Special Protection Areas and Ramsar sites on the Thames, Medway and Swale estuaries. |
| 153/2015 | The Cabinet approved the authority's collection of a tariff of £223.58 (index linked) per dwelling on development consents to fund the strategic access management and mitigation scheme, and to participate in the governance, coordination and implementation of the scheme. |
| 154/2015 | The Cabinet delegated authority to the Director of Regeneration, Community and Culture, in consultation with the Portfolio Holder for Planning, Economic Growth and Regulation, to allow minor changes to the Issues and Options document prior to consultation for the purpose of presentation or improving clarity. |

Reasons:

To progress the preparation of the new Medway Local Plan, and to satisfy the requirements of the Conservation of Habitat and Species Regulations, 2010 on the Council as a competent body.

Alternative Delivery Model for Medway Control Centre Service

Background:

This report provided details of proposals for the Alternative Delivery Model for the Medway Council Control Centre Service.

It was explained that the control centre had distinct functions including, CCTV Partnership, Telehealthcare and Out-of-Hours and the current delivery model had reduced its cost to the Council year on year. It was now considered that any further reductions to the cost subsidy must come from growth through winning new business.

The report set out and explored the options available for the future of the Medway Council Control Centre, with the recommended Alternative Delivery Model requiring the establishment of a commercial Local Authority Trading Company (LATC), with Medway Council being the Majority Shareholder.

Details of the new model were set out in section 3.4 of the report and Exempt Appendix 2. It was considered that the proposal of creating a commercial legal entity would benefit taxpayers both in terms of the service that will continue to be provided and the income that it would generate for Medway Council.

A number of exempt appendices accompanied the report, which set out details of:

- Financial summary 2015-16;
- New Company structure;
- Commercially sensitive information;
- Five Year Financial Forecast.

The report stated that the Councils making up the CCTV partnership would sign off the proposal prior to the presentation of this report to Cabinet. It was reported that although there had been good progress in achieving this, all three partners would need to follow their own internal approval processes to agree their final position and this was not likely to be achieved until after Christmas 2015. Members were advised that failure to achieve agreement with any particular Council would not preclude the other Councils or any other Council from procuring the services from Medway Council's Alternative Delivery Model under the new arrangements. Members were assured that it did not therefore affect the recommendations contained in the report.

Cabinet, 24 November 2015

**Decision
number:**

Decision:

- 155/2015** The Cabinet agreed that Medway Council creates a new Local Authority Parent Trading Company (LATC), named as Medway Commercial Group (MCG) Limited and in addition create three trading vehicles, as set out in paragraph 3.5.1 of the report.
- 156/2015** The Cabinet agreed the following timetable, and its associated activities:
- **December 2015 – March 2016: Transitional Period, Company Formation, Novation of Contracts**
 - **1 April 2016: Trading Commences.**
- 157/2015** The Cabinet agreed to:
- a) **delegate authority to the Monitoring Officer, in consultation with the Portfolio Holder for Corporate Services, to finalise the governance arrangements as set out in paragraph 3.6 of the report.**
 - b) **delegate authority to the Chief Executive, in consultation with the Leader, to make appointments to the Board of Directors as set out in paragraph 3.6 of the report.**
- 158/2015** The Cabinet agreed that on the legal establishment of MCG Limited, that initially the Medway Council Control Centre Service be transferred into the new entity.

Reasons:

This ownership model allowed for any surplus or dividend arising from its success to be paid back to a Council for further investment in services or to facilitate savings. This dual element of control (through contract and through governance) allows flexibility, but lowers risk in terms of strategic alignment.

Within the initial 5 year (2016-2021) trading period, the Alternative Delivery Model, in the initial 5 years (2016-2021) is forecasting to deliver an accumulative savings, profit (before tax) and re-investment in the existing CCTV infrastructure.

Shared Service - Internal Audit and Counter Fraud

Background:

This report asked the Cabinet to agree to assume responsibility for the discharge of Gravesham Borough Council's Internal Audit and Counter Fraud functions. The report explained that these proposals were permitted under the Local Authorities (Arrangements for the Discharge of Functions) (England) Regulations 2012.

With the agreement of the Cabinet, Councillor Maple addressed the meeting. He spoke in support of the proposed shared Internal Audit and Fraud Service subject to the development of governance and operational arrangements, which would safeguard the Council's position and sustain the high quality service currently provided at Medway.

It was noted that Gravesham's Cabinet had considered these proposals on 7 September and had delegated authority to its officers to enable the new arrangements for a shared Internal Audit and Fraud Service to be put into effect. It was further noted that a report had been submitted to Medway Council's Audit Committee on 24 September 2015 regarding the proposals.

The report explained how Medway's Chief Finance Officer would assume responsibility for the management and delivery of audit and counter fraud services for both Medway and Gravesham and the recommendations sought permission to enter into the necessary agreements with Gravesham.

It was explained that Article 10 of Medway Council's Constitution stated that a decision whether or not to accept a delegation of a function from another authority shall be reserved to the Council. In light of this the recommendations in the report were revised to ensure compliance with Constitutional requirements. In view of the timescales, with a proposed go live date of 1 December 2015, it was not considered to be in the Council's interest to delay and wait for consideration at the next Full Council on 21 January 2016. It was therefore proposed to use the Urgency Procedures in the Constitution to enable the Chief Executive to act on behalf of the Council. A report of this use of urgency provisions would be made to the Council meeting in January 2016.

It was further noted that in line with rule 16.11 of Chapter 4, Part 5 of the Constitution, call-in can 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. In this case, the shared service was intended to go live on 1 December 2015, with all of the Gravesham staff transferring to Medway under TUPE on that date. Therefore, the Chairman of the Business Support Overview and Scrutiny Committee had agreed that the executive decisions proposed were reasonable in all the circumstances and to them being treated as a matter of urgency and to waive call-in.

Cabinet, 24 November 2015

**Decision
number:**

Decision:

- 159/2015** The Cabinet recommended to the Leader to agree to assume responsibility for the discharge of Gravesham Borough Council's Audit and Counter Fraud functions as permitted under the Local Authorities (Arrangements for the Discharge of Functions) (England) Regulations 2012 which provide for the executive of one local authority to arrange for a function for which it is responsible to be discharged by the executive of another local authority.
- 160/2015** The Cabinet recommended Full Council to accept the delegation by Gravesham Borough Council of its Audit and Counter Fraud functions to Medway Council as set out in 159/2015 above, noting that this together with Council side agreement to the delegated authority recommended in 161/2015 and 162/2015 will be agreed by the Chief Executive on behalf of Full Council using urgency procedures, as the next Council meeting is not until 21 January 2016.
- 161/2015** The Cabinet agreed, subject to 160/2015 above, to delegate authority to the Chief Finance Officer of Medway Council, in consultation with the Monitoring Officers of Medway and Gravesham to enter into a legally binding contract between both local authorities setting out the detail of the arrangements for a fully shared Audit and Counter Fraud Service, including a governance framework.
- 162/2015** The Cabinet agreed, subject to 160/2015 above, to delegate authority to Medway's Chief Finance Officer to assume responsibility for the management and delivery of audit and counter fraud services for Gravesham Borough Council jointly with the services provided for Medway Council and for this to be reflected in the Council's Scheme of Delegation.
- 163/2015** The Cabinet
- (i)** noted that the Chairman of the Business Support Overview and Scrutiny Committee had agreed that decisions 159/2015 – 164/2015 are reasonable in all the circumstances and to them being treated as a matter of urgency and to waive call-in .
 - (ii)** agreed that decisions 159/2015 – 164/2015 are considered urgent and therefore should not be subject to call in.

164/2015 **The Leader agreed to assume responsibility for the discharge of Gravesham Borough Council's Audit and Counter Fraud functions as permitted under the Local Authorities (Arrangements for the Discharge of Functions) (England) Regulations 2012 which provide for the executive of one local authority to arrange for a function for which it is responsible to be discharged by the executive of another local authority.**

Reasons:

The actions will enable the internal audit and counter fraud services of Medway and Gravesham councils to be delivered through a fully shared service, delivering cost savings to both authorities compared to existing arrangements.

Health Protection Annual Report 2014/2015

Background:

This report provided an overview of health protection arrangements within Medway in 2014/2015 and highlighted areas where arrangements should be strengthened.

It was noted that Health Protection involved planning and responding to incidents which may impact on the public's health. These included outbreaks of communicable disease and environmental hazards such as chemicals and radiation. It also included the delivery of national screening and immunisation programmes.

A copy of the Health Protection Annual Report 2014/2015 was attached at Appendix 1 to the report, which provided an overview of the current health protection activities and highlighted that the health protection challenges in Medway were similar to other areas and the performance indicators were generally above the England average. However, further improvements could be made as outlined in the Annual Report and of particular importance were the need to:

- Complete the plans for mobilisation of NHS resources in response to health protection incidents
- Improve the accuracy of immunisation data, particularly childhood immunisations) and improve uptake in groups with low uptake rates.
- Improve the coverage of cancer screening programmes, particularly for colorectal cancer.

Decision number:

Decision:

The Cabinet considered and noted the Health Protection Annual Report 2014/15 and the assurance given on the adequacy of the local health protection arrangements.

Reasons:

Health Protection was a statutory function. Production of an annual report enabled Public Health to provide an overview of health protection arrangements within Medway.

Child and Adolescent Mental Health Services Local Transformation Plan

Background:

This report presented the Local Transformation Plan (LTP) for Child and Adolescent Mental Health Services, which was set out in Appendix 1 within Supplementary Agenda No.1.

It was noted that a report to Cabinet and the Health and Wellbeing Board in September 2015 had detailed the background to and development of an LTP for Child and Adolescent Mental Health Services, and it was agreed that the final version of the Medway LTP would be circulated to Cabinet and Health and Wellbeing Board Members in November.

Members were advised that the LTP had been submitted to NHS England's Regional Team on 16 October 2015, following reviews undertaken by local NHS England colleagues. Medway's LTP was rated as 'successful with amendments' prior to final submission, meaning that the plan was considered robust and comprehensive and that Medway CCG would receive its funding allocation in full. It was noted that the final minor adjustments had now been made.

It was reported that NHS England had noted in particular, that the Medway LTP had been designed and built upon need and this was seen as a strength. They also noted the evidence of strong input into plans from children and young people and their families.

The LTP provided a one-off assurance framework for additional funding (£516,000) in 2015/16. Thereafter, this recurrent annual funding would be allocated to CCGs in conjunction with established annual planning rounds.

It was noted that the LTP would now be taken forward by the Emotional Health and Wellbeing Task Group, reporting to a Project Board as set out in the governance structure detailed within the document. Regular progress reports would be brought to the Health and Wellbeing Board.

The Health and Wellbeing Board had considered this report and accompanying Local Transformation Plan on 3 November 2015 and details of the discussion were set out within the report. It was also reported that the LTP had been presented to the Medway Youth Parliament on Tuesday 10 November; where it had been well received.

Cabinet, 24 November 2015

Decision number: **Decision:**

The Cabinet noted the comments of the Health and Wellbeing Board, as set out in section 4 of the report.

The Cabinet noted the update report and the Local Transformation Plan for Child and Adolescent Mental Health Services, as set out at Appendix 1 to the report.

Reasons:

The CAMHS Local Transformation Plan was developed to meet the explicit requirements of the NHS England guidance and adequately reflected the extensive consultation and engagement that had taken place in the preparation of Medway's Emotional Health and Wellbeing Strategy.

Revenue Budget Monitoring 2015/2016 - Quarter 2

Background:

This report detailed the revenue budget forecasts as at the end of September 2015. Table 1 within the report contained a summary of the forecast position, which reflected the individual directorate monitoring summaries attached at Appendices 1 – 4 to the report.

It was noted that after agreed management action, the forecast overspend for 2015/2016 was estimated at £5.9m. This represented a £1.2m adverse movement relative to the position reported to Cabinet on 25 August 2015 and could be explained by increasing pressures within the Children and Adults directorate, primarily in relation to the number of 'Looked After Children'.

The report explained the pressures being faced and the corrective management action proposed by directorate management teams. It was noted that the Chief Executive and Chief Finance Officer had instructed officers to stop incurring all non-essential spend, including the freezing of all vacant posts, where these were not essential in fulfilling direct statutory responsibilities or would not result in a loss of external income.

Decision number: **Decision:**

165/2015 The Cabinet noted the round 2 revenue monitoring for 2015/2016 and agreed the forecast position and proposed management action.

166/2015 The Cabinet agreed that Portfolio Holders work with officers to bring forward further management action to remove the potential deficit reported in table 1 of the report.

Cabinet, 24 November 2015

Reasons:

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

Capital Budget Monitoring 2015/2016 - Quarter 2

Background:

This report detailed the capital monitoring forecasts as at the end of September 2015.

It was noted that the approved capital programme for 2015/16, and future years, was £122.3m, being £48.5m of brought forward schemes and £73.8m of new approvals. It was reported that since the first quarter's monitoring £982,000 had been added to fund the increase in the estimated cost of the multi-storey car park on Rochester Riverside and this had been agreed by Council on 12 August 2015.

The report consolidated the capital expenditure forecasts prepared by each directorate and more detailed information was provided in the appendix to the report. The accompanying narrative provided a brief description of each scheme, describing the progress of each and the outputs achieved.

Decision number:

Decision:

The Cabinet noted the spending forecasts summarised at Table 1 of the report.

Reasons:

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

Council Plan Q2 2015/2016 Performance Monitoring Report

Background:

This report summarised the performance of the Council's Key Measures of Success for July - September (Quarter 2) 2015/2016 as set out in the Council Plan.

The report and accompanying appendix included progress reports on performance against 58 Key Measures of Success and 26 Key Projects. It also included feedback from the Council's customers using GovMetric, a customer satisfaction measurement at the point of contact.

Cabinet, 24 November 2015

The report highlighted the following for the key measures of success:

- 65.79% (25 out of 38) were on target.
- 13.16% (5 out of 38) were just below target
- 21.05% (8 out of 38) were significantly below target.

Performance results and associated service comments were set out within the report.

It was noted that the report would be considered by the four Overview and Scrutiny Committees.

Decision number: **Decision:**

The Cabinet considered and noted the Quarter 2 2015/16 performance against the Key Measures of Success used to monitor progress against the Council Plan 2015/16.

Reasons:

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

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).

Details of the post was set out within Appendix 1 to the report.

Decision number: **Decision:**

167/2015 The Cabinet agreed to unfreeze the following post, as detailed in Appendix 1 to the report:

Regeneration, Community and Culture

a) Senior Supervisor.

Reasons:

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

Cabinet, 24 November 2015

.....
Leader of the Council

.....
Date

Wayne Hemingway/Anthony Law, Democratic Services Officers

Telephone: 01634 332509/332008

Email: democratic.services@medway.gov.uk