

COUNCIL

21 JANUARY 2016

LEADER'S REPORT

Councillor Alan Jarrett, Leader of the Council, will give a report on key developments since the last ordinary Council meeting on 15 October 2015.

He will include:

- Finance
- Regeneration
- Children and adults
- Decisions made by the Cabinet on 27 October 2015, 24 November 2015, 15 December 2015 and 12 January 2016.

Record of Cabinet decisions

Tuesday, 27 October 2015

3.00pm to 3.30pm

Date of publication: 28 October 2015

**Subject to call-in these decisions will be effective from 5 November 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 Mike O'Brien	Portfolio Holder for Children's Services
In Attendance:	Neil Davies, Chief Executive	
	Dr Alison Barnett, Director of Public Health	
	Wayne Hemingway, Democratic Services Officer	
	Richard Hicks, Director of Regeneration, Community and Culture	
	Perry Holmes, Assistant Director, Legal and Corporate Services/Monitoring Officer	
	Julie Keith, Head of Democratic Services	
	Barbara Peacock, Director of Children and Adults Services	
	Phil Watts, Chief Finance Officer	

Apologies for absence

Apologies for absence were received from Councillors Andrew Mackness (Corporate Services) and Rupert Turpin (Business Management)

Record of decisions

The record of the meeting held on 29 September 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.

Consultation on Changes to the Senior Management Structure

Background:

This report provided details of a proposal a change to the senior management of the Council, responding to unprecedented financial challenges over the next few years as detailed in the Medium Term Financial Plan and the recent appointment of a new Director of Regeneration, Community and Culture.

This report proposed a slimmer senior management structure that was considered more effective and fit for purpose, reflecting the priorities and shape of the organisation today but, more importantly, the demands of the future. It was noted that the recommended proposal for consultation estimating an annual revenue cost saving of approximately £300,000.

It was noted that the Chief Executive as Head of Paid Service must share proposals such as these with all Members of the Council and that a minimum of 30 days consultation with affected staff should take place.

Decision number: ***Decision:***

132/2015

The Cabinet agreed to commence consultation on the proposal to delete the following posts:

- **Deputy Director, Regeneration, Community and Culture**
- **Assistant Director, Customer Contact, Democracy and Governance**
- **Assistant Director, Communications, Performance and Partnerships**
- **Assistant Director, Organisational Services**
- **Assistant Director ,Housing and Regeneration**
- **Head of Greenspaces, Heritage and Libraries**
- **Head of Safer Communities**
- **Head of Regeneration and Economic Development**
- **Head of LGF Projects.**

Cabinet, 27 October 2015

133/2015 **The Cabinet agreed to commence consultation on the proposal to create a new Regeneration, Culture and Transformation directorate which includes the creation of the following posts:**

- **Assistant Director, Transformation**
- **Assistant Director, Physical and Cultural Regeneration**
- **Head of Transformation**
- **Head of Regeneration Delivery**
- **Head of Safer Communities and Greenspaces.**

The Cabinet noted the transfer of the management responsibility for Elections and Members' Services and Democratic Services to the Monitoring Officer, as an interim proposal, as explained in paragraph 4.2.2 of the report.

Reasons:

To accord with our constitution and policies, where restructuring of this nature is proposed, it is necessary for Cabinet to approve commencement of the consultation process with a subsequent report back to Cabinet with the outcome of the consultation exercise and ultimately a report to Council for the final decision.

Gambling Act 2005 - Review of Council Statement of Gambling Policy

Background:

This report provided details of proposed amendments to the current Council Statement of Gambling Policy, which was approved at Full Council on 24 January 2013 for a period of 3 years. It was noted that Medway's draft policy took into account the Gambling Commission's draft guidance to Licensing Authorities (5th Edition) consulted on earlier this year, but yet to be confirmed, that set out the principle guidance to local Councils on gambling related matters.

The report provided details of the consultation process which had been undertaken on the draft policy and that whilst a favourable response had been received from Coral, no responses had been received which required or requested any further amendments.

The draft policy had been considered by the Licensing and Safety Committee (2 September 2015) and the Business Support Overview and Scrutiny Committee (8 October 2015) in accordance with the policy framework rules, details of which were set out in paragraphs 6 and 7 of the report.

A Diversity Impact Assessment was set out in Appendix C to the report, this indicated that there were no actions required, alternatives proposed or adverse effects to be addressed.

Decision number: **Decision:**

The Cabinet noted the comments of the Licensing and Safety Committee and the Business Support Overview and Scrutiny Committee.

134/2015 The Cabinet endorsed the amendments made and recommended the amended policy, as set out in Appendix A to the report, to Council in accordance with the policy framework rules.

Reasons:

The proposed Gambling Policy sets out how the Council will regulate licensable activities, as required by the Gambling Act 2005.

**2015 Review and Update of the School Organisation Plan 2011 - 2016
Incorporating Outcomes of the Options Appraisal for the Sufficient Supply of
Secondary School Places**

Background:

This report provided details of an update on the progress made against the School Organisation Plan 2011-16 action plan, highlighting areas of emerging need and made recommendations to ensure that a sufficient supply of good quality school places would be maintained.

The report gave details of progress made on the action plan, as set out in Appendix 1 to the report and that as a consequence, for the reception intake in September 2015, there were 289 more places available than in September 2012.

The report provided a detailed analysis of where additional primary school places were required for the future in Medway with particular regard to Halling, Chatham/Rochester and Gillingham.

The report also provided a detailed analysis of the outcome of the options appraisal for the sufficient supply of Secondary School places and Special Educational Needs provision.

Decision number: **Decision:**

The Cabinet noted the positive progress made against the action plan.

Cabinet, 27 October 2015

- 135/2015** The Cabinet approved detailed feasibility studies of the options outlined in the report to provide sufficient additional primary accommodation in the area of Halling.
- 136/2015** The Cabinet approved the temporary expansion of a Chatham School to provide a reception bulge class within the current capacity, for September 2016, which will progress through the school and provide sufficient places in the Chatham and Rochester area to cater for the forecast spike in numbers, should the Delce Academy's request to expand be refused by the Regional Schools Commissioner, and that the Director of Children and Adults Services, in consultation with the Portfolio Holder for Children's Services, be granted delegated authority to finalise the arrangements for the temporary expansion of a Chatham School if necessary.

The Cabinet noted the temporary expansion initially of St Thomas of Canterbury to provide a reception bulge class within the current capacity, for September 2016, which will progress through the school and provide sufficient places in the Gillingham area to cater for a spike in numbers. The Cabinet further noted that it had formerly approved the expansion of St Thomas of Canterbury under decision 8/2015 and forecasts will be monitored to assess whether, and if so when, a permanent expansion here is required.

The Cabinet noted sections 5.7 and 5.8 of the report for the secondary sector and to approve the commencement of detailed design work to ascertain the extent of work and the indicative costings to ensure that sufficient places are available to meet demand, subject to the availability of sufficient funding.

Reasons:

The Cabinet is ensuring that the Council meets its statutory duty to ensure sufficient good school places.

Placing Objects on Highways

Background:

This report provided details of a proposal for an all-inclusive policy for dealing with shop front displays, tables and chairs and A-boards on the highway, to ensure parity amongst traders and the public, which responded to comments received from both the public and traders.

Cabinet, 27 October 2015

The report provided details of the legislative background to the proposals and the draft policy, together with a review of current activity in Chatham High Street. It was noted that there would be a period of public consultation on the draft policy following which the outcome of public consultation would be reported to the Regeneration, Community and Culture Overview and Scrutiny Committee and Cabinet. Whilst the approval of the policy would be a matter for Cabinet, some ancillary matters would be reported to Full Council for consideration and decision.

A Diversity Impact Assessment (Appendix 3 to the report) had been carried out on the proposals and its findings suggested that the Policy would have a positive impact for all members of the public.

Decision number: **Decision:**

137/2015 The Cabinet agreed that the Placing Objects on Highways Policy attached at Appendix 2 to the report be approved for public consultation.

Reasons:

The introduction of a Placing Objects on Highways Policy would enhance the aesthetics of the public realm, promoting quality and reinforce necessary safety measures. In addition a clear policy would give traders certainty over what was acceptable or unacceptable; this should address the complaints and enquiries received from traders and the public. Public consultation will help inform the development of the policy.

Transport (Highways) Asset Management Policy and Plan

Background:

This report provided details of the Transport (Highways) Asset Management Policy and Plan (TAMP) as required by the Department for Transport (DfT). The Policy and Plan indicated how officers would manage the highway assets and how they could demonstrate effective and efficient asset management, in what was the most expensive asset the Council owned (gross replacement costs of some £1.5bn).

The TAMP contained the overarching policy on asset management and then developed into the operational service delivery plan which set out how the specific details on how each individual set of assets would be managed and the regime associated with its maintenance.

It was noted that one of the Government's objectives was to move away from annualised budgets for such an important asset and that Councils should have a medium to long term financial commitment.

Cabinet, 27 October 2015

A Diversity Impact Assessment had been undertaken on the proposals which highlighted that there was likely to be no adverse impact on any of the protected characteristic groups (Appendix 3 to the report).

Decision number: ***Decision:***

138/2015 **The Cabinet approved the Transport Asset Management Plan and the Transport Asset Management Policy, as set out in Appendices 1 and 2 to the report.**

Reasons:

To document the way Medway manages its Highway assets and to ensure where possible the maximum level of funding is achieved from the DfT over the next 5 years.

Transfer of Delegation of Responsibilities for Adult Drug and Alcohol Treatment Services from KCC to Medway Council

Background:

This report provided details of the delegation of the commissioning of adult drug and alcohol treatment services for Medway residents to Kent County Council (KCC) originally agreed by the Leader in July 2013 in accordance with Article 10 of the Constitution and the recently announced in year cut to the Public Health grant, following which it was proposed to remove these delegated powers and transfer the commissioning post to the Public Health Directorate.

The report noted that to end the delegation agreement and bring the commissioning responsibilities back into Medway Council would save approximately £50,000 a year whilst maintaining a commissioning post in Medway and giving a more dedicated focus to local performance and practice.

Decision number: ***Decision:***

139/2015 **The Cabinet recommended to the Leader to end the delegation agreement with Kent County Council for adult drug and alcohol services and to bring the commissioning responsibilities for this service back to Medway Council.**

140/2015 **The Leader agreed to end the delegation agreement with Kent County Council for adult drug and alcohol services and to bring the commissioning responsibilities for this service back to Medway Council.**

Cabinet, 27 October 2015

Reasons:

This will realise a saving of around £50,000 on commissioning costs.

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

Background:

This report provided details of the 6 monthly review of the Council's Corporate Business Risk Register and the annual review of the strategic risk framework.

It was noted that no significant changes were proposed for the Risk Management Strategy, whilst the Corporate Risk Register contained some amendments for consideration. The Risk Management Audit 2014/2015 identified two recommendations which had been addressed through Performance and Intelligence managers issuing service planning guidance.

The Audit Committee and Business Support Overview and Scrutiny Committee's consideration of risk management on 24 September 2015 and 8 October 2015 respectively was set out in paragraphs 5 and 6 of the report with specific recommendations for Cabinet set out in paragraph 6.7 (d-g) of the report.

Decision number:

Decision:

141/2015 **The Cabinet approved recommendations 6.7(d), 6.7(f) and 6.7(g) from the Business Support Overview and Scrutiny Committee of 8 October 2015 subject to 6.7(f) referring to 20,000 new homes instead of 17,000 new homes.**

142/2015 **The Cabinet approved the Risk Management Strategy, as set out in Appendix A to the report.**

143/2015 **The Cabinet approved Management Team's recommendations on amendments to the Council's Risk Register as detailed in section 3 of the report.**

The Cabinet noted the progress of the recommendations from the Risk Management Audit 2014/2015 as detailed in paragraph 3.10 of the report.

Reasons:

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

Provisional Funding Formula for Mainstream Schools and Academies 2016-2017

Background:

This report provided details of the formula used to distribute Dedicated Schools Grant (DSG) funds to Medway schools and academies which was a ring-fenced fund. It was noted that regulations prevented the DSG being spent on anything other than schools or academies.

The report set out the timetable for the development of the funding formula for 2016/2017, with a final decision scheduled to be taken by Cabinet in February 2016.

Decision number:

Decision:

144/2015

The Cabinet instructed officers to implement the 2016-17 funding formula for schools and academies as follows:

- a) **To continue to cap the gains from the funding formula at 1.5% per pupil, as set out in paragraph 2.9 of the report.**
- b) **To use the funding factors listed to balance the total allocated through the funding formula back to the funding actually received from government via the Dedicated Schools Grant (DSG), as set out in paragraphs 3.4 and 3.5 of the report.**

Reasons:

The Local Authority is required to implement the funding formula changes from 2016-17 in accordance with the regulations and to inform the Education Funding Agency of the formula by 30 October 2015.

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).

Details of the posts were set out within Appendix 1 to the report.

Cabinet, 27 October 2015

***Decision
number:***

Decision:

145/2015

The Cabinet agreed to unfreeze the following posts, as detailed in Appendix 1 to the report:

Business Support Directorate

- a) PA to the Mayor**
- b) Legal Support Assistant**

Children and Adults

- c) Admin Support Officer (Post 12172) x 3**
- d) Admin Support Officer (Post 12169) x 3**
- e) Admin Support Officer (Post 12173)**
- f) Team Leader x 2**
- g) Performance and Improvement Analyst x 3**

Regeneration, Community and Culture

- h) Strood Regeneration Project Manager.**

Reasons:

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

Gateway 3 Contract Award Report: Housing Revenue Account 3 Year Capital Programme

Background:

This report provided details of the recent decision made by the Monitoring Officer on 9 September 2015, in consultation with the Procurement Board, to award a series of contracts to the service providers to deliver the various elements of the HRA Housing Capital Programme.

An exempt appendix contained key information in respect of the financial analysis, evaluation and award.

***Decision
number:***

Decision:

The Cabinet noted the contents of the report.

Cabinet, 27 October 2015

Reasons:

To ensure that Cabinet is informed of the outcome of the tender process for these works.

Gateway 5 Report: Home Care and Flexi Care Services in Medway

Background:

This report provided details of the proposal to extend the current contract to 31 March 2016, whilst a procurement exercise for the re-provision of home care and flexi care services with effect from 1 April 2016 was undertaken.

The report provided details of the current provision and service providers for home care services and flexi care services together with details of the procurement process to be undertaken for the new contracts.

The Procurement Board considered this report on 9 September 2015 and supported the recommendations as set out in paragraph 12 of the report.

The Portfolio Holder for Adult Services referred to paragraph 4.1.1 of the report (risk management) and provided clarification on the equalities risk category. He noted that this particular risk took into account the need to provide reassurances that packages of care were delivered in a timely manner by home care providers. Currently, there were issues of sufficiency in the home care market in certain areas due to staff shortages and staff retention although officers were putting packages of care in place.

An exempt appendix contained key information in respect of the financial analysis.

Decision number:

Decision:

- | | |
|-----------------|---|
| 146/2015 | The Cabinet agreed to the proposed four month contract extension from 1 December 2015 for home care services delivered within the community and flexi-care services delivered within Bellerophon House and Montgomery Court. |
| 147/2015 | The Cabinet agreed to the commencement of a procurement exercise to re-commission home care services as set out in paragraph 7 of the report. |
| 148/2015 | The Cabinet agreed to the commencement of a procurement exercise to re-commission flexi-care services within three flexi-care schemes across Medway: Bellerophon House, Montgomery Court and Prospect Place as set out in paragraph 7 of the report. |

Cabinet, 27 October 2015

Reasons:

A four month contract extension will allow the Council to continue to allocate referrals to home care providers. However, the Authority has immediate issues to address in terms of capacity within the home care sector across Medway. Changing the way in which home care is modelled and commissioned should help address this in the long term. A four month extension to the contracts will give the Partnership Commissioning Team sufficient time to consider external factors which impact on the Council's budgets; complete financial modelling and tender services for the future.

A four month extension to the contract for flexi-care provision will allow the Council sufficient time to establish a new framework with effect from 1 April 2016 and undertake a tender exercise to establish new contracts.

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Leader of the Council

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Date

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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.

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

Record of Cabinet decisions

Tuesday, 15 December 2015

3.00pm to 4.00pm

Date of publication: 16 December 2015

**Subject to call-in these decisions will be effective from 29 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 Rupert Turpin	Portfolio Holder for Business Management
In Attendance:	Neil Davies, Chief Executive	
	Dr Alison Barnett, Director of Public Health	
	Wayne Hemingway, Democratic Services Officer	
	Richard Hicks, Director of Regeneration, Community and Culture	
	Perry Holmes, Assistant Director, Legal and Corporate Services/Monitoring Officer	
	Julie Keith, Head of Democratic Services	
	Phil Watts, Chief Finance Officer	

Apologies for absence

An apology for absence was received from Councillor Mike O'Brien (Children's Services).

Record of decisions

The record of the meeting held on 24 November 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.

Ofsted Inspection of Children's Social Care Services

Background:

This report provided details of the recent Ofsted inspection of children's safeguarding and services for looked after children in Medway. The service was inspected by Ofsted over a four week period starting in September 2015 under a Single Inspection Framework (SIF) which incorporates safeguarding services, services for looked after children, care leavers and adoption services.

The report of the recent inspection was published on 27 November 2015 and found Medway Council's Children's Services "require improvement to be good". The independent inspectors had stated in the report that there were "no widespread or serious failures that leave children being harmed or at risk of harm".

It was noted that the Ofsted report included a set of recommendations which would support the Council in its aim to continue to improve services and become a good to outstanding Authority over the next two years.

Decision number: ***Decision:***

The Cabinet noted the Ofsted report and its findings.

Reasons:

To formally report the Ofsted findings to Cabinet.

Council Tax Reduction Scheme

Background:

This report provided details of the outcome of the consultation process regarding proposed changes to the Council Tax Reduction Scheme (CTRS). This followed Cabinet's agreement in August 2015 to the commencement of a twelve week consultation in relation to proposals to reduce the maximum CTRS discount from 75% to 65% (decision number 113/2015) and enhance the extended payments period from four to eight weeks (decision number 114/2015).

Cabinet, 15 December 2015

The report provided details of and analysed the outcome of the consultation process, which took place between 8 September 2015 to 30 November 2015. It was noted that there were 920 responses received during the consultation period out of the 5,560 surveys sent and that there were 626 responses to the randomly selected residents across Medway out of a population of 263,925; this was considered sufficient to provide a representative sample of the residents' views on the CTRS proposals with a confidence interval of +/-3.9%.

A Diversity Impact Assessment (DIA) had been undertaken on the proposals, as set out in Appendix B to the report. Details of the outcome of the DIA were set out in paragraph 3.3 of the report.

A copy of the survey questionnaire was attached at Appendix A to the report.

The Cabinet agreed to accept this report as urgent to enable the outcome of consultation on the proposals to be reported to Members at the earliest opportunity given it has major budgetary implications.

Decision number: ***Decision:***

168/2015 **The Cabinet recommended an amended Council Tax Reduction Scheme (CTRS) to Council for adoption on 21 January 2016 reducing the maximum discount from 75% to 65% and enhancing the extended payments period from four to eight weeks.**

Reasons:

The amended scheme continues to balance the need for supporting those currently in receipt of CTRS and the ability of the Council to fund the scheme within the current budgetary constraints.

The majority of respondents to the consultation were in agreement with the amendments to the scheme.

Air Quality Action Plan

Background:

This report provided details of the Air Quality Action Plan which had been developed in accordance with the Environment Act 1995 and the Council's Local Transport Plan.

A public consultation on the draft Air Quality Action Plan was undertaken between 8 June and 30 August 2015, and included consultations with internal departments and the Department for the Environment, Food and Rural Areas (DEFRA). As a result of the consultation exercise 108 surveys were completed and 19 individual letter responses were received. The analysis that had been undertaken on the data

Cabinet, 15 December 2015

confirmed that the priorities the Council had identified within the plan were appropriate.

The Regeneration, Community and Culture Overview and Scrutiny Committee considered this report on 10 December 2015 and its views were set out in an addendum report.

A Diversity Impact Assessment had been undertaken on the proposals and this had highlighted that there was not likely to be any negative impact on any of the protected characteristic groups, as set out in Appendix 2 of the report.

Decision number: **Decision:**

The Cabinet noted the comments of the Regeneration, Community and Culture Overview and Scrutiny Committee.

169/2015 The Cabinet approved the Air Quality Action Plan as set out in Appendix 1 to the report, to fulfil the Council's statutory duty under the requirements of the Environment Act 1995, subject to the following amendments:

- i) Section 1.5 Reduction in NOx (Nitrogen Oxides) emission required – deletion of references to numbers of vehicles in High Street, Strood and Luton Arches (page 44 of the Cabinet agenda).**
- ii) Section 2.1 Action Plan Workshops – deletion of reference to bypasses (pages 45-46 of the Cabinet agenda).**

The Cabinet noted that the Action Plan identified 12 actions to improve air quality, which range from transport/highway actions through to public education and advice. Some of these measures were already being implemented or progressed by the Council, so would not cause any additional burden on services.

Reasons:

Medway has a statutory duty under the requirements of the Environment Act 1995 to produce an Air Quality Action Plan and work towards implementing the measures within the Action Plan.

Approval of the plan was a positive step towards supporting the most vulnerable in our community as those groups are more adversely affected by poor air quality across Medway.

Approval of the Action Plan also provides Medway with some protection against infraction fines being passed down to the local authority by Central Government.

School Admission Arrangements 2017

Background:

This report provided details of the consultation on the co-ordinated admission schemes and arrangements for primary and secondary schools for September 2017. The schemes set out how the Local Authority will co-ordinate the processing of applications to schools. The Arrangements set out the relevant entry arrangements (oversubscription criteria and published admission numbers) for Community and Voluntary Controlled primary, infant and junior schools.

The report detailed the proposed changes for 2017 admissions, which consisted of minimal changes to the oversubscription criteria and an increase of the Published Admission Numbers of Bligh Infant School.

The report noted that the consultation period opened on Thursday 1 October 2015 and closed on Friday 13 November 2015 in accordance with the requirements of the School Admissions Code 2014 to consult for a minimum of 6 weeks. No consultation responses were received.

The Leader stated that although no formal responses were received, the Council had received some recent correspondence regarding the arrangements for summer born children. As a result of this correspondence, some further changes to the wording of the scheme on page 104 of the Cabinet agenda were proposed, as tabled at the meeting. These changes, which were consistent with the Schools Admissions Code and other ministerial guidance, would ensure that the arrangements were clear about parental rights.

The Children and Young People Overview and Scrutiny Committee considered this report on 8 December 2015 and its views were set out in an addendum report.

A Diversity Impact Assessment had been undertaken on the proposals, as set out in Appendix 1 to the report.

Decision number: **Decision:**

The Cabinet noted the outcome of the consultation process and the comments of the Children and Young People Overview and Scrutiny Committee.

170/2015 The Cabinet approved the proposed 2017 admissions arrangements and schemes as set out in Appendix 1 to the report subject to the following amendments to the arrangements as set out in page 104 of the Cabinet Agenda:

Deferred start (second paragraph):

“Parents/carers who have been offered a September place may ask to defer their child’s admission until later in the

school year or until the child reaches compulsory school age in that school year without losing the offer of a place.”

Part-time attendance:

“Parents/carers can also choose ~~request~~ that their child attends part-time until the child reaches compulsory school age.

Similarly, parents can choose ~~request~~ that their child starts full time from the start of the academic year, even if the school would prefer phased part-time attendance to begin with.”

Delayed start to the next academic year (within the second paragraph):

“...If parents/carers wish to apply to do this they must should submit a written request along with evidence information clearly stating why this is in the best interest of their child. This may be on the basis of academic, medical, social, emotional or behavioural need or if the child is a premature child who would have fallen into a lower year group had they gone to full term...”

Reasons:

The Council is required to undertake a detailed consultation exercise prior to the determination of its school admission arrangements and schemes. The decisions take into account the responses from consultation.

Local Plan: Authority Monitoring Report

Background:

This report provided details of the annual Medway Authority Monitoring Report (MAMR) and included an assessment of development trends and wider social, economic and environmental indicators, together with progress on the preparation of a new Medway Local Plan.

The report provided highlights of the MAMR, further detail of which was set out in Volume 1 (Appendix 1 to the report).

An addendum report provided clarification of migration information set out in Volume 1 (page 143 of the Cabinet agenda). This corrected the international migration to Medway figure to “+1.5”.

Cabinet, 15 December 2015

**Decision
number:**

Decision:

171/2015

The Cabinet approved the 2015 Authority Monitoring Report for publication.

Reasons:

To comply with the duty to compile and publish a planning monitoring report.

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:

172/2015

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

Business Support

a) Legal Support Assistant.

Reasons:

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

.....
Leader of the Council

.....
Date

Wayne Hemingway/Anthony Law, Democratic Services Officers

Telephone: 01634 332509/332008

Email: democratic.services@medway.gov.uk

Cabinet, 15 December 2015

Record of Cabinet decisions

Tuesday, 12 January 2016

3.00pm to 4.00pm

Date of publication: 13 January 2016

**Subject to call-in these decisions will be effective from 21 January 2016
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	
Barbara Peacock, Director of Children and Adults Services		
Phil Watts, Chief Finance Officer		

Apologies for absence

There were none.

Record of decisions

The record of the meeting held on 15 December 2015 was agreed and signed by the Leader as correct.

Cabinet, 12 January 2016

Declarations of Disclosable Pecuniary Interests and Other Interests

Disclosable pecuniary interests

Councillor Filmer declared an interest in agenda item 10 (Update on Medway Norse) because he was a Director of Medway Norse. He left the room during consideration of this item.

Other interests

Councillor Adrian Gulvin declared an interest in agenda item 7 (Integrated Youth Support Service) because his brother worked for the Youth Offending Team. He remained in the room during consideration and determination of this item.

Provisional Local Government Settlement 2016/2017

Background:

This report provided Cabinet with details of the provisional Local Government settlement announced by Government on 17 December 2015.

The provisional settlement was an important step in the process for setting the 2016/2017 budget, in that it gave a firmer base to the resource assumptions underpinning the draft budget.

It was noted that the overall settlement figure, announced as the 'Settlement Funding Assessment' (SLA), was some £11.733 million less than the adjusted figure for 2015/2016. This represented a cut of 14% compared to the national figure of 12.5%.

The Revenue Support Grant, an important component of the SFA, was provisionally set to decrease in 2016/2017 by £12.097m to £28.031m, a 30.1% cut. This was £1.241 million less than the estimate used within the Medium Term Financial Plan reported to Cabinet in September 2015 and the draft budget reported in November 2015.

The report also gave information as to the Council's Core Spending Power, Business Rates and other grants. The potential impact of the provisional settlement on the Medium Term Financial Plan was summarised in the report.

Decision number: **Decision:**

The Cabinet noted the implications of the provisional settlement in formulating its 2016/2017 budget proposals.

Reasons:

These provisional levels of grant are a fundamental component of the 2016/2017 budget, and their announcement is a further stage in the process of preparing a balanced budget.

Changes to the Senior Management Structure

Background:

This report provided a summary of the responses received to the consultation process, approved by Cabinet on 27 October 2015, on proposals for a slimmer senior management structure.

The report outlined the principles guiding the review, which included a commitment to front line services, the delivery of savings and efficiencies and a structure that was fit for purpose. It was also noted that responding to the financial challenges confronting the Council was a key driver in proposing a reduced senior management structure.

The existing and proposed structure charts were attached at Appendices 2 – 5 to the report.

It was noted that in total 13 responses had been received during the 30 day consultation period. These had been reviewed by the Chief Executive and the Director of Regeneration, Community and Culture and the report set out the themes from across the consultation responses, together with an outline of the consideration and outcome. A summary of the anonymised responses was set out in Appendix 1 to the report.

A Diversity Impact Assessment was attached at Appendix 6 to the report and based on the evidence available it was recommended to proceed with the proposed changes to the senior management structure.

As changes to the senior management structure were a matter for Full Council, Cabinet was asked to consider the consultation responses and make recommendations to Full Council on 21 January 2016. The constitutional changes required as a consequence of proposed changes to the senior management structure would also be reported to the Council meeting.

Decision number: ***Decision:***

1/2016 **The Cabinet, having carefully and fully considered the consultation responses using the principles for reviewing senior management outlined the report, recommended Full Council:**

- a) to delete the following posts:**
- i. Deputy Director Regeneration Community and Culture**
 - ii. Assistant Director Customer Contact, Democracy and Governance**
 - iii. Assistant Director Communications, Performance and Partnerships**

Cabinet, 12 January 2016

- iv. Assistant Director Organisational Services**
 - v. Assistant Director Housing and Regeneration**
 - vi. Head of Greenspaces, Heritage and Libraries**
 - vii. Head of Regeneration and Economic Development**
 - viii. Head of LGF Projects.**
- b) to agree that the new directorate be named Regeneration, Culture, Environment and Transformation, in order to capture the importance of environmental services for residents and to reflect the priorities of the Administration.**
- c) to agree that the following new posts should be created in the Regeneration, Culture, Environment and Transformation directorate:**
- i. Assistant Director Transformation**
 - ii. Assistant Director Physical and Cultural Regeneration**
 - iii. Head of Transformation**
 - iv. Head of Regeneration Delivery.**
- d) to agree to change the job title of Assistant Director Legal and Corporate Services to Chief Legal Officer.**
- e) to agree to transfer responsibility for Elections and Members' Services and Democratic Services to the Chief Legal Officer.**
- f) to note the proposals laid out in 4.3.1 of the report regarding the transfer of Grounds Maintenance to Norse and taking account of the budget set on 25 February 2016.**
- g) to agree to continue to integrate public health services across the Council noting that the Director of Public Health (DPH) was a joint appointment with Public Health England and there would be a vacancy from March 2016, the Chief Executive would make recommendations to Members in due course on options for filling this post.**
- h) to agree that the organisational change will be undertaken, creating the new Regeneration, Culture, Environment and Transformation directorate (Appendix 4 to the report) and revised Chief Executive and Business Support Department (Appendix 5 to the report) on 1 April 2016.**

Cabinet, 12 January 2016

Reasons:

To accord with the Council's Constitution and policies, where restructuring of this nature is proposed, a report back to Cabinet with the outcome of the consultation exercise and ultimately a report to Council for the final decision is required.

Review of Early Years and Sure Start Children's Centre Services

Background:

This report proposed a reconfiguration of Council services for very young children and their families and recommended that Cabinet approve the commencement of consultation on proposals.

It was explained that the overriding purpose of this review was to ensure that local services reflected the changing statutory duties required by Government; to maintain and improve further the strong performance of services; and to provide a sustainable future within the reduced public finances available over the next four years.

The report gave details and considered a number of options. This included, in summary, an option to retain existing arrangements and spread budget savings across services and the option to close children's centres across all or part of Medway. The third and recommended option was that Medway's 19 Sure Start Children's Centres should all be retained but with staff reconfigured into a smaller number of clusters, strategically led and managed by the Council, with a defined offer of front line services focusing on statutory safeguarding and early help, school readiness and attainment, and alignment with child health services.

To ensure that the views of all stakeholders were considered and understood, an informal consultation was proposed with findings reported to Cabinet in April 2016 prior to a final decision being taken. Consultation would engage with the headteachers and governing bodies of those schools, and relevant Academy Trusts, that were currently responsible for leading and employing children's centre staff; partner agencies from the health service, public health, adult learning, training and employment; and relevant voluntary and community organisations. Additionally, information on the proposals would be made available for parents and other service users, and a range of opportunities would be provided to collect views and respond to questions. Formal consultation with affected staff would take place following the decisions that would be made by Cabinet in April.

It was noted that a Diversity Impact Assessment would form part of the report to Cabinet following the consultation period.

Cabinet, 12 January 2016

Decision number:

Decision:

2/2016

The Cabinet instructed officers to commence consultation on reconfiguring services, including the proposal for significant changes to the management and staffing of Medway's 19 Sure Start Children's Centres, and a reorganisation of the authority's early years services, as described in Option 3 of the report.

Reasons:

Compliance with statutory duties, whilst setting a balanced budget with very reduced resources, requires consideration of how to reorganise services within available means.

A report on the outcomes of the consultation to be considered by Cabinet on 5 April 2016, with full implementation by 1 January 2017.

Future Integrated Youth Support Services Delivery

Background:

This report sought Cabinet approval to prepare Medway Integrated Youth Support Services (IYSS) for future outsourcing. It requested Cabinet approval to commission out these services and commence the development of a specification of an IYSS delivery model, which would provide the Council with savings when outsourced to an appropriate third party provider early in 2017.

The report explained and considered the national position and the need for discretionary youth services to be delivered and resourced differently in the context of reduced national funding to local government. It was noted that several models of delivery had been considered and discussed, with visits made to a number of other authorities.

The report proposed to package the Youth Service and the Youth Offending Service with the YES IAG (Connexions) contract into a commissioning package that was offered out to the voluntary and community sector to an organisation with charitable status. This would provide an opportunity for a new provider to access additional grants and funds which would not be available to the local authority. Details of the work programmes proposed for inclusion in the commissioned model was set out in the report and it was noted that under these proposals, the Duke of Edinburgh award scheme would be retained centrally.

The report explained that the possible models of future delivery had been discussed with IYSS staff and there was general recognition that the outsourced model would provide the opportunities for greater security of service delivery. Details of discussions with chairs of voluntary management committees of Youth Centres, the Youth Justice Board and Youth Offending Team Board were also set out. It was also noted that the Medway Youth Parliament had been informed of the possible model and the proposal was that detailed discussions be held with young people and local

Cabinet, 12 January 2016

residents on the proposals to ensure that their views were considered in the development of the specification for the new service. This consultation would take place in January and early February and reported back to Cabinet in March 2016 at the first stage of the procurement exercise.

The report explained that a concern around the timing of the proposed outsourcing was the expiry of the YES (Connexions) contract in September 2017 and it was noted that discussions would be organised with Medway Youth Trust about the early termination of the YES contract.

A Diversity Impact Assessment on outsourced delivery was attached at Appendix 1 to the report. This considered the impact of the proposed change and actions to mitigate any impact. An exempt appendix provided details of a possible delivery model and information relating to the proposed procurement process.

The Cabinet agreed to consider this as an urgent report. It was noted that it had not been possible to circulate this report earlier, as the proposal to reconfigure and outsource the IYSS with effect from 2017 had been formulated in the context of work to develop 2016/2017 Revenue Budget proposals during late December. Submission to this meeting of the Cabinet would enable the completion of the commissioning process and implementation by January 2017. Given the inclusion of an exempt appendix, and in accordance with The Local Authorities (Executive Arrangements)(Meetings and Access to Information)(England) Regulations 2012, the Chairman of the Children and Young People Overview and Scrutiny Committee had also agreed to the submission of this matter (detailed within the Exclusion of the Press and Public report elsewhere on the agenda).

***Decision
number:***

Decision:

- | | |
|---------------|--|
| 3/2016 | The Cabinet approved the three Medway young people's services, Youth Service, Youth Offending Service and YES IAG service being commissioned out in a package from January 2017. |
| 4/2016 | The Cabinet delegated to the Director of Children and Adults Services, in consultation with the Portfolio Holder for Children's Services, the commencement of a consultation process with young people and local residents to inform the specification of this new service. |
| 5/2016 | The Cabinet delegated to the Director of Children and Adults Services, in consultation with the Portfolio Holder for Children's Services and the Monitoring Officer, to hold discussions with Medway Youth Trust about the early termination of the YES contract. |

6/2016 **The Cabinet agreed to receive a report in March 2016 on the outcomes of consultation with young people and local residents and the outline specification in accordance with procurement arrangements.**

Reasons:

The outsourcing will provide security and continuity for these young people's services for the next 5 years.

Proposal for Social Impact Bond

Background:

This report outlined a possible Social Impact Bond (SIB) for Children's Social Care and the potential efficiencies that could be realised for the Council.

It was noted that increased demand on Children's Social Care and the subsequent budget pressures had resulted in officers identifying how children's social care services could be delivered differently with low to no investment. Officers had researched the potential of SIBs as a means to transform the delivery of early intervention services with children either on the edge of care or who have recently come into care. It was noted that there were currently 23 SIBs operating in the UK, with three focussed on children in/on the end of care.

The report explained that officers had developed a service specification to tender for a Family Functional Therapy (FFT) service model funded through a SIB. The SIB model would cover all aspects of design and delivery including:

- FFT interventions
- Ready investment
- Performance management and reporting
- Outcome and payment metrics.

The report set out details of the proposed model for Medway and recommended that Cabinet agree to officers submitting an application and going out to tender for a SIB partner.

Cabinet, 12 January 2016

**Decision
number:**

Decision:

7/2016

The Cabinet:

- a) agreed that officers continue to develop the Social Impact Bond (SIB) model and submit an application for £1.2m from the Cabinet Office.**
- b) agreed for a procurement process to start for a SIB partner.**
- c) requested officers to bring a report to Cabinet following the procurement process (if agreed) to give next steps for implementation.**

Reasons:

Should the Council's application for the Social Impact Bond be successful, it would improve outcomes for children and generate savings for the Council.

Acquisition and Disposal of Land and Property

Background:

This report advised the Cabinet that the acquisition and disposal of property were executive functions and as such must be dealt with by the Leader and Cabinet, subject to budget and policy framework rules. The Council's Constitution therefore needed to be revised to reflect this and a report would be submitted to Full Council on 21 January 2016 accordingly.

This report also notified the Cabinet that the Leader intended to confirm and extend the authority delegated to the Assistant Director, Legal and Corporate Services at the Council meeting on 15 October 2015, which would enable the disposal (in addition to acquisition, management and letting) of suitable non-operational investment properties funded by a £2million sum added to the Capital Programme.

It was further clarified that the intention was to exempt any investment property transactions from the £100,000 threshold, which required a report to Cabinet. This would enable action to be taken quickly in terms of the Council's portfolio of investment properties. The threshold would remain in relation to any other property and land acquisitions and disposals.

Cabinet, 12 January 2016

**Decision
number:**

Decision:

The Cabinet noted advice that, in law, the acquisition and disposal of land and property were executive functions and as such must be dealt with by the Leader and Cabinet unless contrary to the policy framework or contrary to or not wholly in accordance with the budget approved by Full Council.

The Cabinet noted that the Council would be advised at its meeting on 21 January 2016 to approve amendments to the Constitution as set out in Appendix A to this report to reflect the fact that decisions on the acquisition, or disposal of land and property are a matter for the Cabinet and cannot be taken by the Council with the exception of any decision which would be contrary to the policy framework or contrary to or not wholly in accordance with the budget approved by Full Council.

The Cabinet noted that the Leader of the Council intended to formally agree to:

- a) delegate authority to the Assistant Director Legal and Corporate Services (in consultation with the Leader, Portfolio Holder for Resources and Chief Finance Officer) to agree a strategy and robust set of criteria for future investment in non-operational property to be funded from provision made for this purpose in the Council's Capital Programme and
- b) delegate authority to the Assistant Director Legal and Corporate Services, in consultation with the Leader, Portfolio Holder for Resources and Chief Finance Officer to acquire, manage, let and dispose of suitable investment properties where funded from provision and that the requirement to seek a Cabinet decision on any transactions exceeding £100,000 is waived only in respect of non-operational investment property transactions covered by this delegation.

Reasons:

This report advises the Cabinet of decisions which must be taken by the Council and Leader of the Council to reflect the fact that the acquisition of land and property are executive functions which must not be exercised by the Council.

Update on Medway Norse

Background:

This report outlined the achievements and performance of Medway Norse up to the second quarter in its third year of trading. It also detailed its plans for future growth and development.

It was noted that Medway Norse now provided services to the Council in three main areas: facilities management, grounds maintenance and SEN transport. The report gave details of these areas of operation, together with information relating to governance, local business participation, the corporate client function and the rebate (£338,733) for the Council in 2014/2015.

The Business Support Overview and Scrutiny Committee was considering monitoring reports on a quarterly basis and it was noted that the Committee had considered a report on 3 December 2015. Details of this discussion were set out in section 4 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 provided to Cabinet.

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 posts were set out within Appendix 1 to the report and two additional forms were tabled at the meeting.

Cabinet, 12 January 2016

Decision number:

Decision:

8/2016

The Cabinet agreed to unfreeze the following post, as detailed in Appendix 1 to the report and tabled at the meeting:

Business Support Department

- a) **Category Manager x2**
- b) **Investigation Assistant**
- c) **Finance Assistant x 1.5**

Children & Adults

- d) **Occupational Therapist – Community Equipment and Technology Enabled Care Services**
- e) **Programme Lead – Accommodation and Registered Services.**
- f) **Senior Commissioning Officer – Community Equipment and Technology Enabled Care Services.**

Reasons:

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

Gateway 3 Contract Award: Short Breaks for Disabled Children and their Carers

Background:

This report provided details of the procurement process undertaken to establish a Framework Agreement for the provision of Short Breaks for disabled children and their carers.

The report explained that a strategic review had been carried out in 2014 of the Short Breaks provision and the key findings were set out. Approval to recommission short breaks was granted by Cabinet in December 2014 and the report set out the procurement process undertaken.

A Diversity Impact Assessment (attached at Appendix 1 to the report) had been undertaken in relation to Short Breaks to ensure that the provision being procured had considered the diversity issues within the scope of the service and that the needs of children who access the services would be met irrespective of their backgrounds.

Cabinet, 12 January 2016

The Procurement Board considered this report in December 2015 and supported the recommendations set out in paragraph 7 of the report.

An exempt appendix contained key information in respect of the financial analysis, evaluation stages and the results of evaluation.

**Decision
number:**

Decision:

9/2016

The Cabinet agreed to appoint the successful applicants as follows to the Framework Agreement for Short Breaks:

- 1. Arethusa**
- 2. Carers First**
- 3. Demelza**
- 4. KASBAH**
- 5. KIDS**
- 6. Kent Friendz**
- 7. MAGIC**
- 8. Rivermead School**
- 9. Supported Fostering**
- 10. National Autistic Society**
- 11. Parents Consortium**
- 12. Voluntary Action**
- 13. Young Kent.**

Reasons:

All successful providers have, through their submissions and the subsequent evaluation process, demonstrated their ability to provide a service in line with the standards and expectations of the Council as set out in the service specification. All applicants have demonstrated their willingness to work in partnership with Medway Council to deliver this new model of short breaks.

All successful providers are aware of the terms and conditions in relation to their being on the Framework Agreement; they are accepting of these conditions.

Cabinet, 12 January 2016

Gateway 3 Contract Award: Medway Integrated Community Equipment Service (MICES)

Background:

This report provided details of the procurement process for the award of a contract to deliver a fully integrated community equipment service for Medway Council and NHS Medway CCG for 5 years (on a 3 +1 +1 basis). This was a jointly commissioned service, managed as part of the Better Care Fund through a Section 75 Partnership Agreement between Medway Council and Medway Clinical Commissioning Group.

The Procurement Board considered this report in December 2015 and supported the recommendations set out in paragraph 7 of the report.

An exempt appendix contained key information in respect of the financial analysis and the results of evaluation.

Decision number:

10/2016 **The Cabinet agreed to award the contract for the Medway Integrated Community Equipment Service (MICES) to Medway Community Healthcare.**

Reasons:

The tenderer scored the highest overall score in the evaluation process.

.....
Leader of the Council

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Date

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