

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.

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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**

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- 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.**

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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.

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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

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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:

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|---------------|--|
| 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.

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**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.

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**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.

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**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.

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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.

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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.

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Leader of the Council

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Date

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