

Record of Cabinet decisions

Tuesday, 7 February 2017

3.00pm to 4.45pm

Date of publication: 8 February 2017

**Subject to call-in these decisions will be effective from 16 February 2017
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 Children's Services - Lead Member (statutory responsibility, including education)
	Councillor Martin Potter	Portfolio Holder for Educational Attainment and Improvement
	Councillor Rupert Turpin	Portfolio Holder for Business Management
In Attendance:	Neil Davies, Chief Executive	
	Wayne Hemingway, Democratic Services Officer	
	Richard Hicks, Director of Regeneration, Culture, Environment and Transformation	
	Perry Holmes, Chief Legal Officer/Monitoring Officer	
	Julie Keith, Head of Democratic Services	
	Phil Watts, Chief Finance Officer	

Apologies for absence

There were none.

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Record of decisions

The record of the meeting held on 17 January 2017 was agreed and signed by the Leader as a correct record.

The record of the urgent decision taken by the Leader on 26 January 2017 was agreed and signed by the Leader as a correct record.

Declarations of disclosable pecuniary interests and other interests

Disclosable pecuniary interests

There were none.

Other interests

There were none.

Revenue Budget Monitoring 2016/2017 - Quarter 3

Background:

This report detailed the revenue budget forecasts as at the end of November 2016. The report noted that after management action, the forecast outturn for 2016/17 was a potential overspend of £1.8m.

The report stated that the third round of monitoring broadly reflected the management action agreed during quarters 1 and 2, however not all of the management action agreed by the Children and Adults directorate had delivered the targeted savings and there was now a requirement for urgent and drastic management action to address the £1.8m pressure which had been forecast this quarter.

It was noted that urgent action was being considered by directorate management teams and it was anticipated that this forecast would be reduced further by year end.

Decision number: ***Decision:***

1/2017	The Cabinet noted the forecasts reported in the third quarter's revenue monitoring for 2016/17 and instructed officers to identify further management action to ensure a breakeven position is achieved by year end.
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Reasons:

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

Capital Budget Monitoring 2016/2017 - Quarter 3

Background:

This report presented the capital monitoring information for the third quarter of the financial year, including outturn forecasts. The approved capital programme for 2016/17, and future years, currently stood at £112m.

The report also provided details of a proposed addition to the Capital Programme in respect of Eastgate House to address an overspend of £164,000.

Decision number:

Decision:
The Cabinet noted the forecasts reported for 2016/2017 in the quarter 3 capital monitoring.

2/2017 The Cabinet recommended to Council to approve the addition of £164,000 to the capital programme, as outlined in paragraph 4.2 of the report.

Reasons:

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

Housing Revenue Account Capital and Revenue Budgets 2017/2018

Background:

This report provided details of the proposed Housing Revenue Account (HRA) capital and revenue budgets for 2017/2018 including rent, garage rent and service charge levels. The report gave a breakdown of the factors taken into account in terms of formulating the budgets for 2017/2018.

The report provided an update on the HRA Business Plan in accordance with the requirement to ensure it met the Government's fit for purpose criteria.

The report also stated that tenants had been informed of the proposals, as set out in section 13 of the report.

It was noted that the figures set out in the tables in paragraphs 8.6.3 and 8.6.4 of the report should have used the following convention "£x.xxx million".

The Business Support Overview and Scrutiny Committee considered this report on 31 January 2017 and its comments were set out in an addendum report.

A Diversity Impact Assessment had been carried out on the proposed budgets as set out in Appendix D to the report.

**Decision
number:**

Decision:

The Cabinet noted the comments of the Business Support Overview and Scrutiny Committee, in particular:

- a) To note that officers will explore whether equalising garage rents for council tenants and non-council tenants would lead to an increase in income.
- b) To note that officers will clarify the wording in the HRA business plan about bad debt assumptions due to the roll out of Universal Credit.

3/2017

The Cabinet recommended to Council:

- a) A proposed rent decrease of 1% for the housing stock as set out in Appendix A (based upon 52 collection weeks).
- b) A rent increase of 5% for garages.
- c) That the current policy of charging higher rent where a tenant has a taxable income per annum of £60,000 be retained and no change to the threshold.
- d) That the service charges and increases as set out in Appendix B to the report for 2017/18 be approved.
- e) That the revenue budget for the HRA Service for 2017/18 as set out in Appendix C to the report be approved.
- f) That the future provision for the repayment debt be based on annuity based payment as opposed to minimum revenue payment of 2% on the HRA opening outstanding debt.
- g) To use remaining allowable balance of 1-4-1 capital receipts (for the capital receipts received during 2017/18 from Right to Buy (RTB) sales) to be used to fund towards the 2017/18 HRA planned capital programme.
- h) That Members approve the revised 30 year HRA Business Plan model as attached at appendix E to the report.

Reasons:

The Council is required to carry out a review of rents and notify tenants not less than 28 days prior to the proposed date of change. The Council is required under the

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Local Government and Housing Act 1989 to ensure that the Housing Revenue Account does not fall into a deficit position.

Council Plan Refresh 2017/18

Background:

This report provided details of the review of the Council Plan 2016/2021 including respective key projects, key measures of success and targets to ensure the delivery of the Plan remained focused, informative and relevant.

The report stated that the review had identified:

- 1 new programme
- 6 additional new council plan measures of success (from 38 in 2016/17 to 44 in 2017/18)
- 3 deferred council plan measures
- 7 changes to targets.

The Business Support Overview and Scrutiny Committee had considered this report on 31 January 2017 and its comments were set out in an addendum report.

A Diversity Impact Assessment (DIA) had been completed as part of the refresh process, as set out in Appendix B to the report. It had concluded that it was unlikely that there would be any adverse impact on protected characteristic groups as a result of the proposals.

Decision number: **Decision:**

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

4/2017 The Cabinet recommended to Full Council the proposed changes to programmes, key measures of success and targets as summarised in Appendix A to the report subject to the target level set for NI154 (Net additional homes provided) being removed for 2017/2018 on the basis set out in paragraph 2.2 of the addendum report.

Reasons:

To ensure the delivery of the Plan remains focused, informative and relevant.

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Capital and Revenue Budgets 2017/18

Background:

This report presented proposals for the capital and revenue budgets for 2017/2018.

It was noted that the Cabinet had considered initial budget proposals on 22 November 2016, which had been developed in accordance with the principles set out in the Medium Term Financial Plan which had identified a potential revenue shortfall of some £11.7m for 2017/2018.

The report stated that local authorities such as Medway would also be able to continue to apply the social care precept. However such local authorities would now be able to increase Council Tax by up to an additional 3.0% per annum in 2017/18 and 2018/19. Local authorities that took advantage of this further flexibility would not be able make a further increase in 2019/20, as the total allowable increase over the three-year period would remain at 6.0%. The budget proposed by Cabinet would be based upon the Council availing itself of this additional flexibility and raising Council Tax by 4.994% in 2017/18.

The report stated that the proposed revenue budget requirement of £293.044m (as set out in Appendix 2 to the report) exceeded the estimated available resources by £958,400. However, options were being considered to address this prior to the Council's budget setting meeting on 23 February 2017.

The proposed capital programme for 2017/2018, incorporating existing schemes and anticipated funding allocations, was £74.621m. An overall summary and a summary by directorate of the proposed capital programme were attached at Appendix 4 to the report.

It was noted that budget proposals had been referred to all the Overview and Scrutiny Committees for consideration. The Overview and Scrutiny Committees' views together with the recommendations of the Business Support Overview and Scrutiny Committee set out for Cabinet in an addendum report.

The schedule of fees and charges was set out in Appendix 6 to the report.

The report set out the requirements under equality legislation and it was noted that an overarching Diversity Impact Assessment would be included in the budget report to Full Council on 23 February 2017.

Decision number: **Decision:**

The Cabinet noted the recommendations from overview and scrutiny committees as summarised in the Addendum Report.

5/2017 The Cabinet agreed to recommend to Council that the net revenue budget summarised at Appendix 2 to the report,

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amounting to £293.044 million, should be adopted and that this be funded by a 4.994% increase in Council Tax for 2017/18 with the equivalent Band D figure at £1,296.56. Final proposals to address the £958,400 deficit would be reported to Council on 23 February 2017.

- 6/2017** The Cabinet agreed to recommend to Council the capital budget proposals, as set out in Appendix 4 to the report.
- 7/2017** The Cabinet agreed to recommend to Council the fees and charges set out in Appendix 6 to the report.
- 8/2017** The Cabinet agreed that the Chief Finance Officer be requested to calculate the formal requirements under Sections 30 to 36 of the Local Government Finance Act 1992 for resolution by Special Council on 23 February 2017.

Reasons:

The constitution requires that Cabinet's budget proposals must be forwarded to Council for consideration and approval.

The Council is required by statute to set a budget and council tax levels by 11 March each year.

Treasury Management Strategy 2017/2018

Background:

This report provided details of the Council's Treasury Management Strategy for 2017/2018. The report provided details of the Minimum Revenue Provision (MRP) and the Policy Statement for 2017/2018 as set out in Appendix 1 to the report. It was noted that the Treasury Management Strategy for 2017/2018 covered the following issues:

- Capital plans and the prudential indicators
- The MRP policy
- The current treasury position
- Treasury indicators which will limit the treasury risk and activities of the Council
- Prospects for interest rates
- The borrowing strategy
- Policy on borrowing in advance of need
- Debt rescheduling
- The investment strategy
- Creditworthiness policy
- Policy on use of external service providers.

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Proposed amendments to Treasury Management Practices were set out in Appendix 7 to the report.

The Audit Committee considered this report on 10 January 2017 and its comments were set out in paragraph 16 of the report.

A Diversity Impact Assessment had been undertaken on the Treasury Management Strategy, as set out in Appendix 6 to the report.

Decision number: **Decision:**

The Cabinet noted the comments of the Audit Committee, as set out in paragraph 16 of the report.

9/2017 The Cabinet recommended to Full Council the Treasury Management Strategy as set out in the report and Appendices 1-5 to the report including the proposed revisions:

- a) The change in borrowing strategy to enable the Council to borrow in advance of need.**
- b) The use of Money Market Funds as part of the Council's investment portfolio.**
- c) The removal of the £5m counter party limit and the imposition of a maximum of 40% of total investments in Property Funds.**

10/2017 The Cabinet approved the amendments to the Treasury Management Practices as set out in Appendices 7-8 to the report.

Reasons:

Cabinet has the responsibility to make recommendations to Full Council on the approval of the Council's Treasury Management, Investment Strategy and Minimum Revenue Provision Policy Statement and has responsibility for the implementation of the Treasury Management Practices and associated schedules.

Youth Offending Team Strategic Plan 2016-17

Background:

This report provided details of the Medway Youth Offending Team Strategic Plan 2016-17 (Youth Justice Plan), which had been developed following discussions and consultations with partner agencies. It also reflected the requirements of the Youth Offending Team (YOT) to submit a costed plan in respect of their Youth Justice Board grant 2016-17.

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A Youth Justice Plan was required under the provisions of the Crime and Disorder Act 1998 and as a policy framework document was required to be considered by the Children and Young People Overview and Scrutiny Committee, details of which were set out in paragraph 6 of the report.

A Diversity Impact Assessment (DIA) was included at Appendix B to the report.

Decision number: **Decision:**

The Cabinet noted the comments of the Children and Young People Overview and Scrutiny Committee as set out in paragraph 6 of the report.

11/2017 The Cabinet recommended approval of the Youth Offending Team Strategic Plan 2016-17 to Full Council on 23 February 2017.

Reasons:

To ensure that Medway Council and other agencies have effective strategies for addressing youth offending behaviour and delivers outcomes that have positive benefits for our communities.

South Thames Gateway Building Control Business Plan and Partnership Third Term

Background:

This report provided details of the South Thames Gateway Building Control Partnership Business Plan for 2017/2020 and Delivery Plan and the proposal for Medway Council to continue in the partnership for a third term.

The Business Plan, as set out in the exempt appendix, outlined how the building control function would be delivered on behalf of the three partnership Councils (Medway, Gravesham and Swale) up until 2020 and indicated the reduced contributions for each partner.

In addition, the report stated that the second term of the partnership was due to end on 30 September 2017 and that approval was sought to continue with the partnership for a further five years to September 2022, in accordance with the existing agreed Memorandum of Understanding.

Decision number: **Decision:**

12/2017 The Cabinet approved the proposed Business Plan for 2017/2020 and Delivery Plan for the South Thames Gateway Building Control Partnership, as set out in the

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exempt appendix, and noted the proposed contribution of £141,432 for 2017/2018.

13/2017 The Cabinet agreed to a further extension of the South Thames Gateway Building Control Partnership from 1 October 2017 to 30 September 2022.

Reasons:

The constitution of the Joint Committee requires approval of the Business Plan for the following year by the Cabinet of each Partner Authority.

Supermarket Premises, Britton Farm Shopping Centre, High Street, Gillingham

Background:

This report provided details of the proposal to let the Britton Farm Shopping Centre supermarket premises which were likely to become vacant in the near future owing to circumstances beyond the Council's control.

The report also referred to an urgent decision taken by the Leader on 26 January 2017 to authorise the Chief Legal Officer to vote in favour of the Company Voluntary Agreement (CVA) in respect of these premises at the creditors' meeting to be held on 27 January 2017, and to take any other necessary steps to mitigate the Council's financial exposure in this matter (decision no. 187/2017).

Decision number: ***Decision:***

14/2017 The Cabinet agreed to delegate authority to the Chief Legal Officer, in consultation with the Portfolio Holder for Resources, to let the supermarket premises, at Britton Farm Shopping Centre, High Street, Gillingham, on the best terms reasonably obtainable.

Reasons:

To mitigate the Council's losses as a result of the premises becoming vacant.

Recruitment Freeze

Background:

This report presented information on a number of 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.

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Decision number: Decision:

15/2016

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

Business Support

- a) Project Manager**
- b) Building Maintenance Project Manager**
- c) Democratic Services Officer**
- d) Political Assistant to the Conservative Group**
- e) Political Assistant to the Labour Group**

Children and Adults Services

- f) Performance and Intelligence Graduate x 1**
- g) Performance and Intelligence Officer x 2**
- h) Senior Partnership Commissioner – Specialist Adults' Services**
- i) Safeguarding Social Worker**
- j) Administration Support Officer.**

Reasons:

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

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Leader of the Council

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Date

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