

Record of Cabinet decisions

Tuesday, 6 February 2018

5.00pm to 7.54pm

Date of publication: 7 February 2018

**Subject to call-in these decisions will be effective from 15 February 2018
The record of decisions is subject to approval at the next meeting of the Cabinet**

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|-----------------|---------------------------------|--|
| 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 Adults' 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 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 Regeneration, Culture, Environment and Transformation and Deputy Chief Executive
Perry Holmes, Chief Legal Officer/Monitoring Officer
Julie Keith, Head of Democratic Services
Ian Sutherland, Director of Children and Adults Services
Phil Watts, Chief Finance Officer
James Williams, Director of Public Health

Apologies for absence

An apology for absence was received from Councillor Adrian Gulvin (Resources).

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Record of decisions

The record of the meeting held on 16 January 2018 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 significant interests

There were none.

Other interests

Councillor Filmer stated that in relation to agenda item 10 (Deangate Ridge), he had resigned as a Director of Medway Norse on 5 February 2018. He further stated that he had not been remunerated, had not received any expenses and had not been involved in the day to day running of Medway Norse. His role as a Director was to oversee the Council's 50% interest in the Joint Venture.

Revenue Budget Monitoring 2017/18 - Quarter 3

Background:

This report detailed the revenue budget forecasts as at the end of quarter 3 (December 2017). The report noted that, after management action, the forecast outturn for 2017/18 was a potential overspend of £653,000, with an expectation that this figure would be reduced further as the financial year progressed.

The report set out an explanation of the pressures being faced and the corrective management action proposed by directorate management teams.

Decision number: ***Decision:***

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| 13/2018 | The Cabinet noted the result of the third round of revenue monitoring for 2017/18 and agreed the forecast position and proposed management action. |
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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 2017/18 - 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 2017/18, and future years, was £92.002m.

The report provided details of new schemes and virements, as set out in section 4 of the report.

Decision number: **Decision:**

The Cabinet noted the spending forecasts summarised at table 1 in 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 2018/2019

Background:

This report provided details of the proposed Housing Revenue Account (HRA) capital and revenue budgets for 2018/2019 including rent, garage rent and service charge levels. The report gave a breakdown of the factors taken into account formulating the budgets for 2018/2019.

The report provided an update on the HRA Business Plan in accordance with the requirement to ensure the Plan 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 14 of the report.

The Business Support Overview and Scrutiny Committee considered this report on 30 January 2018 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 E to the report.

Decision number: **Decision:**

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

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14/2018

The Cabinet recommended the following to Full Council on 22 February 2018 for approval:

- a) A proposed rent decrease of 1% for the housing stock as set out in Appendix A to the report (based upon 52 collection weeks) with effect from 2 April 2018.
- b) The baseline garage rent for Council tenants be increased by £1 from £6.73 to £7.73 with effect from 2 April 2018 per week.
- c) A rent increase for all garage tenure types of 5% will be applied with effect from 2 April 2018 per week.
- d) With effect from 2 April 2018 it is proposed that all new void garage lettings will be charged the same baseline rent regardless of residential tenure type (this will be £9.41 per week) for 2018/19.
- e) To approve the service charges and increases as set out in Appendix B to the report for 2018/19.
- f) To approve the revenue budget for the HRA Service for 2018/19 as per Appendix C to the report.
- g) To approve the provision for the repayment debt based on annuity based payment on the HRA outstanding debt to be £0.313 million for 2018/19.
- h) To approve the proposed three year Planned Maintenance Capital Programme as set out in paragraph 8.6.3 of the report.
- i) To approve the use of 30% of allowable expenditure of small third phase of new build programme from the retained 1-4-1RTB capital receipts as set out in section 8.6.4 of the report.
- j) To approve the use of funds for a further small third phase of new build programme from revenue reserves as set out in section 8.6.4 of the report.
- k) To approve the revised 30 year HRA Business Plan model as attached at appendix D 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 2018/19

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 Business Support Overview and Scrutiny Committee had considered this report on 30 January 2018 and its comments were set out in an addendum report, which included a recommendation to add some text to the jobs, skills and employability programme.

A Diversity Impact Assessment (DIA) had been completed as part of the refresh process, as set out in Appendix B to the report.

Decision number: **Decision:**

15/2018 **The Cabinet noted the comments of the Business Support Overview and Scrutiny Committee and accepted the recommendation set out in paragraph 2.2 of the addendum report.**

16/2018 **The Cabinet recommended to Full Council to approve the proposed changes to programmes summarised in table A at paragraph 3.2 of the report, as amended by decision no. 15/2018 above, and key measures of success and targets as detailed in Appendix A of the report.**

Reasons:

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

Revenue and Capital Budgets 2018/19

Background:

This report presented proposals for the capital and revenue budgets for 2018/2019.

It was noted that the Cabinet had considered initial budget proposals on 21 November 2017, which had been developed in accordance with the principles set out in the Medium Term Financial Strategy (MTFS). The MTFS had identified a potential revenue shortfall of £4.101 million in 2018/2019 rising to £17.715 million by 2021/2022.

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The report stated that Medway's joint submission to pilot 100% business rate retention, in a pooled arrangement with Kent County Council, Kent Fire and Rescue Service and the twelve lower tier Kent authorities, had been one of only ten successful bids.

The report stated that the proposed revenue budget requirement of £290.052 million (as set out in Appendix 2 to the report) exceeded the estimated available resources by £49,100. However, options were being considered to address this prior to the Council's budget setting meeting on 22 February 2018.

The proposed capital programme for 2018/2019, incorporating existing schemes and anticipated funding allocations, was £100.466 million. 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 (30 January 2018) were 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 22 February 2018.

Decision number: ***Decision:***

The Cabinet noted the comments from overview and scrutiny committees as summarised in Appendix 1 of this report.

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| 17/2018 | The Cabinet recommended to Council that the net revenue budget summarised at Appendix 2 to the report, amounting to £290.003 million, should be adopted and that this be funded by a 5.994% increase in Council Tax for 2018/19 with the equivalent Band D figure at £1,374.28. Final proposals to address the £114,700 deficit would be reported to Council on 22 February 2018. |
| 18/2018 | The Cabinet recommended to Council the capital budget proposals, as set out in Appendix 4 to the report. |
| 19/2018 | The Cabinet recommended to Council the fees and charges set out at Appendix 6 to this report. |
| 20/2018 | 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 |

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1992 for resolution by Special Council on 22 February 2018.

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 2018/2019

Background:

This report provided details of the Council's Treasury Management Strategy for 2018/2019. The Strategy had been prepared in line with CIPFA's Local Authority Treasury Management Code, and set out the Council's borrowing requirement and strategy and its strategy in respect of investments. It also provided details of the Council's current portfolio position and set out the prudential and treasury indicators that would be used to monitor and measure treasury performance.

The Audit Committee considered this report on 9 January 2018 and its comments were set out in paragraph 6 of the report.

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

Preamble

Decision number:

Decision:

The Cabinet noted the comments of the Audit Committee, as set out in section 6 of the report.

21/2018 The Cabinet recommended approval of the Treasury Management Strategy 2018/2019, as set out in Appendix A to the report, to Full Council.

22/2018 The Cabinet approved the Treasury Management Practices, as set out in Appendix C 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.

Deangate Ridge

Background:

This report provided details of a proposal to close Deangate Ridge golf course on the basis of ongoing financial instability. The report also set out a proposal to begin detailed planning for the development of a new sports centre on the Hoo Peninsula to meet the modern needs of residents.

The report gave details of the annual total net budget costs for operating Deangate Ridge golf course in the past seven completed financial years and concluded that given the income generated at Deangate Ridge golf course currently compared to the running costs of the course and the national decline in golf participation, it was not possible to project a scenario where the annual net cost situation for the Council would improve materially.

The report stated that the Bowls Club would be unaffected by the proposal to close the golf course and would continue to operate from its current location. The remainder of the sports facilities at Deangate Ridge would also remain open.

A Diversity Impact Assessment had been carried out on this proposal and was set out in Appendix 1 to the report.

Councillor Filmer made representations on behalf of local residents and requested that the consideration of the matter be deferred to enable consultation with the local community.

Decision number: **Decision:**

23/2018 **The Cabinet approved the closure of Deangate Ridge Golf Course and associated golf facilities on the basis of ongoing substantial financial loss, which is unsustainable, on 31 March 2018.**

24/2018 **The Cabinet instructed officers to begin detailed planning for consultation and development of a new sports centre for the Hoo Peninsula.**

Note: In accordance with Council Rule 12.6, Councillor Filmer requested that his vote against decisions 23/2018 and 24/2018 be recorded in the record of decisions.

Reasons:

Currently, there is a need for an annual Council subsidy to operate the facility against a backdrop of a decline in the number of golf participants. On this basis, it is not possible to project a time when the centre will be self-sustaining.

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It is the Council's intention to provide a modern sports centre for the Hoo Peninsula, which reflects the needs of present and future residents.

Employment Opportunities for 18-25 Year Olds (Including Apprenticeships)

Background:

This report provided details of the in-depth Task Group review on Employment Opportunities for 18-25 Year Olds (including apprenticeships).

The report provided details of the scope of the review, including the key lines of enquiry, the methodology together with the conclusions and recommendations of the Task Group.

The Children and Young People (11 January 2018) and the Regeneration, Culture and Environment (23 January 2018) Overview and Scrutiny Committees both considered the report and their comments were set out in sections 6 and 7 of the report respectively.

A Diversity Impact Assessment had been undertaken as part of the Task Group's work, as set out in Appendix A to the report.

Decision number:

Decision:

The Cabinet noted the comments from the Children and Young People Overview and Scrutiny Committee and the comments from the Regeneration, Culture and Environment Overview and Scrutiny Committee as set out in sections 6 and 7 of the report respectively.

25/2018 The Cabinet agreed the recommendations made by the Employment Opportunities Task Group set out in Appendix A to the report and that these be referred to the Council's Skills Board for consideration.

Reasons:

The decisions aim to bring together the wide range of national policy initiatives and activities undertaken across the Council and with regional and local partners to develop a more cohesive and collaborative approach to ensure the intended outcomes are achieved.

This includes securing closer links between education providers and business, supporting young people in the transition from education to employment and to developing effective interventions to bring down the number young people who are not in education, employment or training (NEETS).

Shared Human Resources (HR) Service Between Medway Council and Gravesham Borough Council

Background:

This report provided details of a proposal that Medway Council assumes responsibility for the discharge of Gravesham Borough Council's HR functions as permitted under Section 101(1) of the Local Government Act 1972 which allows local authorities to delegate non-executive functions to other local authorities.

A Business Case had been prepared by officers from Gravesham and Medway to provide further information to their respective Cabinets. A copy of the draft Medway Business Case was set out in Appendix B to the report.

The Business Support Overview and Scrutiny Committee considered these proposals on 30 January 2018 and its comments were set out in an addendum report.

Decision number: ***Decision:***

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|----------------|--|
| 26/2018 | The Cabinet recommended to Full Council that option two set out in paragraph 4.2 of the report be agreed whereby Medway Council shall assume responsibility for the discharge of Gravesham Borough Council's HR Services functions under Section 101(1) of the Local Government Act 1972 which allows local authorities to delegate non-executive functions to other local authorities. |
| 27/2018 | The Cabinet recommended to Full Council to accept the delegation by Gravesham Borough Council of its HR Services functions to Medway Council. |
| 28/2018 | The Cabinet agreed to delegate authority to the Assistant Director - Transformation of Medway Council to enter into a legally binding contract between both local authorities setting out the detail of the arrangements for a fully shared HR Services. |
| 29/2018 | The Cabinet agreed to recommend Full Council to delegate authority to Medway's Assistant Director - Transformation to assume responsibility for the management and delivery of HR 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. |

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Reasons:

It is anticipated that the shared service arrangement will deliver some initial savings and further opportunities to realise savings will be explored as the arrangement progresses.

South Thames Gateway Building Control Business Plan

Background:

This report provided details of the South Thames Gateway Building Control Partnership Business Plan for 2018/2021 and Delivery Plan.

The Business Plan, as set out in the exempt appendix, outlined how the building control function would be delivered on behalf of the partnership Councils (currently Medway, Gravesham and Swale) up until 2021 and indicated the reduced contributions for each partner. The report also provided an update on Canterbury City Council's intention to join the Partnership on 1 April 2018. As such, the Plan included two scenarios in the financial plan to cover both a three partner and four partner arrangement.

A Diversity Impact Assessment had been undertaken on the proposal for Canterbury City Council to join the Partnership, as set out in Appendix A to the report.

Decision number: **Decision:**

30/2018 **The Cabinet approved the proposed Business Plan for 2018/2021 and Delivery Plan for the South Thames Gateway Building Control Partnership, as set out in the Exempt Appendix, and noted the proposed contribution of £134,763 for 2018/2019.**

Reasons:

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

Options for the Reprovisioning of the Property Previously Accommodating the Aut Even Service

Background:

The Cabinet accepted this report as urgent for the reasons specified in paragraph 1.4 of the report.

The Cabinet had agreed on 19 December 2017 to receive a further report on the future use of Aut Even. This report provided details of three options considered for the use of the property, namely using it as Supported Accommodation for young people in care (option 1), using it as provision for parent and child placements

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(option 2), and disposing of the property (option 3). It was noted that consultation would be undertaken, as set out in section 7 of the report.

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

Decision number: **Decision:**

31/2018 **The Cabinet agreed Option 1 to change the use of Aut Even to a supported accommodation unit to increase the pool of available homes for Young People/Care Leavers in Medway, as set out in section 3 of the report, subject to suitable capital financing being identified.**

32/2018 **The Cabinet agreed to delegate authority to the Director of Children and Adults Services, in consultation with the Chief Finance Officer and the Portfolio Holder for Children's Services (Lead Member), to determine the exact specification of the Supported Accommodation service within the agreed budget for the service and following consultation with service users.**

Reasons:

The other options explored, bar disposal of Aut Even, are not cost effective, would add ongoing revenue liabilities to the Local Authority, be potentially against best practice and not provide the best environment for the needs of the individual and/or young person.

Utilising the Aut Even building as Supported Accommodation will, in part, assist the Council to fulfil its legislative duties for Care Leavers by providing good quality accommodation which is fit for purpose and will help maintain local young people in a local resource where they can easily access leaving care services and sustain their links to the local community.

Loan to Delce Academy

Background:

This report provided details of a proposal for the loan of £400,000 to Delce Academy to fund capital expenditure on the installation of a four classroom block of modular buildings.

The report stated that the school had requested funding from the Council on several occasions and had been refused on the basis that this was not considered a priority project when allocating limited funding for the provision of school places. However, provision of the loan would allow the school to provide the additional classroom space it required in the short term and, over the longer term, this additional capacity would become necessary for the wider area.

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The report also stated that the loan would have to be made on commercial terms and at an interest rate commensurate with those available in the private sector in order to have no adverse effect on the Council's budget and to avoid breaching 'state aid' rules.

Decision number: **Decision:**

33/2018 **The Cabinet agreed in principle to the making of a loan to Delce Academy (option 2) and to delegate authority to the Chief Finance Officer, in consultation with the Chief Legal Officer and Leader, to agree the interest rate, repayment terms and terms of the loan agreement, following all due diligence, on the basis set out in paragraph 4.2 of the report.**

Reasons:

The making of a loan to Delce Academy would allow the school to provide the additional classroom space it requires in the short term and there is little doubt that over the longer term, as Medway grows, this additional capacity will become necessary for the wider area.

Outcomes of Statutory Consultation for the Proposed Prescribed Alterations at Halling Primary School

Background:

This report provided details of the outcomes of the formal consultation (statutory representation) period on the Council's proposal to enlarge the premises at Halling Primary School, by way of statutory prescribed alteration. The Cabinet had previously authorised (4 April 2017) the Director of Children and Adults Services to commence the formal consultation stage of the statutory process. This took place over a four-week period between 13 November and 10 December 2017, details of which were set out in section 4 of the report.

The report stated that there had been one response to the formal consultation. This had raised concerns about the impact of the expansion on other schools in the area. This was addressed in paragraph 5.10 of the report.

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

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**Decision
number:**

Decision:

34/2018

The Cabinet noted the responses to the formal and informal consultations, together with the advice and analysis from officers and approved the proposal for the enlargement of the Premises at Halling Primary School to provide adequate accommodation for the additional children who will attend the school as a result of an increase in the Published Admission number (PAN) from 40 to 60 for implementation from 1 September 2018.

Reasons:

Where an objection has been made during formal consultation to the proposals for prescribed alterations to a School, the Cabinet must consider the objection(s) and decide whether to approve the proposals.

Approval to proceed with the proposals would ensure that the Council meets its statutory duty to provide sufficient school places.

The Future Administration of In-Year (Casual) Admissions for Medway Community and Voluntary Controlled Schools

Background:

This report provided details of consultation which sought views on proposals to delegate the administration of in-year admissions for community and voluntary controlled schools (whereby Medway Council was the admission authority) with effect from 16 April 2018.

The report stated that public consultation took place between 7 November 2017 and 18 December 2017, the outcome of which was set out in paragraph 4.1 of the report.

A Diversity Impact Assessment had been undertaken on the proposals, as set out in Appendix 2 to the report.

**Decision
number:**

Decision:

35/2018

The Cabinet agreed the proposal to delegate the administration of in-year admissions for community and voluntary controlled schools to those schools with effect from 16 April 2018 (beginning of Term 5).

Reasons:

The Council is required to undertake a consultation exercise prior to such delegation. The decision takes into account the responses from consultation and, as provided for

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under the School Admissions Code 2014, there is no statutory requirement for the Council to co-ordinate or administer the processes. In delegating the administration of in-year admissions to community and voluntary Controlled schools, the Council will benefit from a financial saving.

Annual Adoption Report

Background:

This report provided details of the Adoption Agency's Annual Report (September 2016 to September 2017). This annual report covered adoption performance during this period and provides an update on the work of the team.

This report also included information about the progress made towards Medway forming a Regional Adoption Agency (RAA) with Kent County Council and the London Borough of Bexley.

The Children and Young People Overview and Scrutiny Committee considered this report on 11 January 2018 and its comments were set out in section 6 of the report.

Decision number:

Decision:

The Cabinet noted the comments of the Children and Young People Overview and Scrutiny Committee, as set out at section 6 of the report.

The Cabinet noted the Annual Adoption Report as set out in the report.

Reasons:

Statutory guidance requires adoption agencies to report on adoption agency activity in the last year.

Systemic Social Work Practice

Background:

This report provided details of the recent agreement by the Partners in Practice Board and the Department of Education to partner with Medway Children's Services during the course of 2018.

The report stated that a comprehensive package of support would be provided by the Centre for Systemic Social Work practice (CfSSW), based in the original tri-borough of Westminster, Hammersmith and Fulham and Kensington and Chelsea.

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Decision number: **Decision:**

The Cabinet noted the report.

Reasons:

This initiative is likely to make a significant contribution to improvements in children's social work practice in Medway.

Recruitment Freeze

Background:

This report presented information on vacancies that officers had requested approval to commence recruitment for, following the process agreed by the Cabinet on 7 January 2003 (decision number 9/2003).

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

Decision number: **Decision:**

36/2018 **The Cabinet agreed to unfreeze the following posts, as detailed in Appendix 1 to the report.**

Business Support Department

- a) **Accounting Technician Systems**
- b) **Accounting Technician Control Team**

Children and Adults

- c) **Admin Support Officer**
- d) **Administrative/Data Support Assistant**
- e) **Data and Claims Monitoring Officer X 2.**

Reasons:

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

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Leader of the Council

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Date

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