

## **CABINET**

### **Minutes of the meeting held on 10 December 2014**

**In the Shrewsbury Room, Shirehall, Abbey Foregate, Shrewsbury, Shropshire, SY2 6ND**

**12.30 pm - 2.00 pm**

**Responsible Officer:** Penny Chamberlain

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### **Present**

Councillor Keith Barrow (Chairman)

Councillors Ann Hartley (Deputy Leader), Tim Barker, Karen Calder, Lee Chapman, Steve Charmley, Mike Owen, Malcolm Price and Claire Wild

### **55 Apologies for Absence**

55.1 There were no apologies for absence.

### **56 Disclosable Pecuniary Interests**

56.1 Members were reminded that they must not participate in the discussion or voting on any matter in which they had a Disclosable Pecuniary Interest and should leave the room prior to the commencement of the debate.

### **57 Minutes**

#### **57.1 RESOLVED:**

That the Minutes of the Cabinet meeting held on 15 October 2014 be confirmed as a correct record and be signed by the Leader.

### **58 Public Questions**

58.1 No public questions, petitions or statements had been received.

### **59 Matters Referred from Scrutiny/Council**

59.1 There were no matters referred from Scrutiny/Council.

### **60 Reports of Scrutiny Committee**

60.1 The Chairman of the Public Services Network Task and Finish Group presented its final report – copy attached to the signed Minutes – on investigations into understanding the Council's approach to meeting the Cabinet Office's PSN framework requirements. The Group had also looked at how the authority was addressing PSN and any impact and/or implications of this both currently and in future years. In turn the Chairman of the Performance Management Scrutiny

Committee reported on the committee's consideration of the matter during which he confirmed their endorsement of the recommendations by the Group on 5 November 2014.

60.2 The Portfolio Holder for Resources, Finance and Support also reported on the significant amount of work being undertaken to address 2015 requirements and commended acceptance of the Group's recommendations to Cabinet.

60.3 **RESOLVED:**

That the recommendations set out in the report of the Public Services Network Task and Finish Group be approved (Appendix A).

**61 Reports of Scrutiny Committees**

61.1 The Chairman of the Performance Management Scrutiny Committee presented a report – copy attached to the signed Minutes – which summarised the feedback from the scrutiny committees following their consideration of progress in delivering the Council's Business Plan and financial Strategy during 2014/15. He drew particular attention to the overarching comments from the Performance Management Scrutiny Committee and also a minority report which he indicated had not been supported by the Committee as a whole.

61.2 During the ensuing discussion a Member referred to the minority report and expressed his concern at the number of red areas identified where savings had not been found, and that one-off savings were still being found and used by the Council to make financial savings. In response the Chairman drew attention to a number of areas of concern raised by Opposition Members and accepted by the Committee for inclusion in paragraph 5.1 of the report.

61.3 **RESOLVED:**

That the feedback from the Scrutiny Committees be considered and taken into account in the revision and any refocusing of the Business Plan and Financial Strategy.

**62 Local Joint Committees - Update on Youth Commissioning and Boundaries**

62.1 Cabinet considered a report by the Director of Commissioning – copy attached to the signed Minutes – on proposed changes to the geographies of the Local Joint Committees in order to better align them to Place Plan areas and to better reflect the available staffing support resources. The report also updated Members on the proposed commissioning of youth activities by the LJC's from April 2015 with the outcomes achieved being evaluated in 2015/2016 and the learning used to shape the approach within the following year.

62.2 **RESOLVED:**

(a) That in support of the commissioning of youth activities in 2015/16, the funding formula based on an analysis of need within individual LJC areas as outlined in Appendix 1 of the report be approved.

- (b) That the learning from the local commissioning of youth activities in 2015/16 be taken, and in the light of this, the model, funding and outcomes to be achieved for young people in 2016/17 be reviewed through scrutiny at the Children's and Young People's Scrutiny Committee.
- (c) That Council be recommended as follows:
- i) changes to the geographies of LJsCs as set out in Appendix 2 to this report:
    - Local governance within Shrewsbury will continue to be supported by the Shrewsbury wide LJC; however, the six individual area based Shrewsbury LJsCs will no longer meet as formally constituted LJsCs, although this does not prevent them continuing to meet as "Neighbourhood Forums" in response to local circumstances.
    - Loton & Tern, Burnell & Severn Valley, Longden, Ford & Rea Valley, and Strettondale LJsCs are consolidated into three new LJsCs:
      - a. Pontesbury, Minsterley, Longden, Ford, Rea Valley & Loton
      - b. Tern & Severn Valley
      - c. Strettondale
    - Highley LJC is joined by Chelmarsh Parish to align with the Highley Place Plan area
    - Bridgnorth, Worfield, Alveley & Claverley, LJC merges with Brown Clee LJC to form the Bridgnorth, Worfield, Alveley, Claverley & Brown Clee LJC Zone to more closely align with the Bridgnorth Place Plan area.
  - ii) that the ability to make changes to the LJC constitution including further boundary changes is delegated to the Chief Executive in consultation with the relevant Portfolio Holder and local members.

### **63 Financial Strategy 2015/16 to 2017/18**

- 63.1 The Portfolio Holder for Finance and Resources and Support presented a report by the Head of Finance, Governance and Assurance – copy attached to the signed minutes – on the refresh undertaken of the Council's Business Plan and Financial Strategy 2014/2015 to 2016/2017 which was attached as Appendix 1 and included the Council's three year Medium Term Financial Plan covering the same period.
- 63.2 During the ensuing discussion a Member expressed concern at the proposed removal of any allocation of council tax support grant to Town and Parish Councils for 2015/2016 and future year's council tax reduction scheme. He referred to comments from Central Government on the need to pass the funds downwards to the parishes and asked for the reasons why the Council was proposing not to do so, particularly at a time when the Local Joint Committees and parishes were being asked to take on additional services, and indicated that no consultation had been undertaken with the parishes on the matter.
- 63.3 In response the Leader referred to the challenges facing the Council in meeting the £80m overall funding gap over the three year period and specifically to the demands upon and pressures being felt within Adult and Children's Services. He commented on the need for all levels of local authorities to make savings and work together to help deliver services in different ways with better outcomes for the customers. In the event of the proposal being approved, consultation would then

commence on the matter, with everyone having the right to submit their views on the issue. He indicated, however, that should the proposal not be agreed then equivalent savings would need to be found from other sources.

- 63.4 A further Member referred to proposed savings to be made through the re-negotiation of contracts and sought clarification regarding the likely areas to be affected by the action. He also queried the way in which additional staffing reductions would be implemented and whether these would be through voluntary or compulsory means. In response the Leader indicated that ideally the reductions would be by voluntary means but that discussions would need to be carried out with the persons concerned in due course, in order to achieve the required necessary savings arising from the pressures, particularly in Adult Services. The Portfolio Holder for Adult Services also confirmed that the commissioning of services was undertaken both through the voluntary and private sector in order to provide support to vulnerable persons and the Council would endeavour to continue working in co-operation with them.
- 63.5 The same Member then indicated his support for more local delivery of services and suggested that his Town Council would welcome the opportunity to work more closely with Shropshire Council subject to greater consultation and to it being a two way process. In response the Leader made an offer to the Member for him to join the working party set up to progress the matter, and indicated that he would speak further with him after the meeting.
- 63.6 The Chief Executive confirmed that following agreement at this Cabinet meeting adjustments would be made and the financial strategy would then go out to consultation in order for the Council to receive views on their proposals, with much discussion to take place, prior to agreement being reached on the final document.
- 63.7 **RESOLVED:**
- (a) That it be noted that the funding gap of £80m for the period 2014/2017 identified in the Council Business Plan and Financial Strategy agreed by Council in February 2014 had been reviewed and retained for planning purposes.
  - (b) That the progress made in achieving the agreed savings be noted and the amendments and alternative savings identified within the Business Plan and Financial Strategy be agreed.
  - (c) That approval be given to remove any allocation of council tax support grant to Town and Parish Councils for 2015/16 and future year's council tax reduction scheme.

#### **64 Treasury Management Update - Quarter 2 2014/2015**

- 64.1 The Portfolio Holder for Finance, Resources and Support presented a report by the Head of Finance, Governance and Assurance – copy attached to the signed Minutes – on the treasury management activities of the Council in the last quarter. It highlighted the economic environment in which treasury management decisions had been made and the interest rate forecasts of the Council's Treasury Advisor, Capita Asset Services. It also updated Members on the internal treasury team's performance.

**64.2 RESOLVED:**

That the position set out in the report by the Head of Finance, Governance and Assurance be accepted.

**65 Treasury Strategy 2014/2015 - Mid Year Review**

65.1 The Portfolio Holder for Finance, Resources and Support presented a report by the Head of Finance, Governance and Assurance – copy attached to the signed Minutes – on the Council's mid-year Treasury Strategy report which had been prepared in compliance with CIPFA's Code of Practice on Treasury Management 2011.

**65.2 RESOLVED:**

- (a) That the position set out in the report of the Head of Finance, Governance and Assurance be accepted.
- (b) That it be noted that any capital schemes brought forward that would impact on the current strategy would need to be approved by Council.

**66 Setting the Council Tax Taxbase for 2015/2016**

66.1 The Portfolio Holder for Finance, Resources and Support presented a report by the Head of Finance, Governance and Assurance – copy attached to the signed Minutes – on the setting of the Council Tax taxbase for 2015/2016. The budget requirements of the various precepting authorities were divided by this figure to arrive at the Band D Council Tax.

**66.2 RESOLVED:**

- (a) That in accordance with the Local Authorities (Calculation of Tax Base) (England) Regulations 2012, the amount calculated by Shropshire Council as its Council Tax taxbase for the year 2015/16, as detailed in Appendix A, totalling 102,411.33 Band D equivalents be approved.
- (b) That it be noted that there will be some minor changes to the Council's localised Council Tax Support (CTS) scheme in 2015/16 to reflect minor legislative changes. The scheme is attached at Appendix B with the proposed changes detailed on page 5.
- (c) That the exclusion of 11,601.95 Band D equivalents from the taxbase as a result of localised Council Tax Support be noted.
- (d) That the continuation of the discretionary Council Tax discount policy of 0% in respect of second homes (other than those that retain a 50% discount through regulation as a result of job related protection) be noted and the inclusion of 649.83 Band D equivalents in the Council Tax taxbase as a result of this discount policy be also noted.
- (e) That the continuation of the discretionary Council Tax discount policy of 50% for up to 12 months in respect of vacant dwellings undergoing major repair, i.e. former Class A exempt properties, and the resulting exclusion of 109.33 Band D equivalents from the Council Tax taxbase be noted.
- (f) That the continuation of the discretionary Council Tax discount policy in respect of vacant dwellings, i.e. former Class C exempt properties, of 100% for one

month, i.e. effectively reinstating the exemption, and then a 25% discount for the remaining five months and the resulting exclusion of 266.39 Band D equivalents from the Council Tax taxbase be noted.

- (g) That the continuation of the “six week rule” in respect of vacant dwellings, i.e. former Class C exempt properties be noted.
- (h) That the continuation of the discretionary Council Tax discount policy of 0% in respect of long-term empty properties be noted.
- (i) That the continuation of the discretionary power to levy a Council Tax premium of 50% in relation to dwellings which have been empty for more than two years and the resulting inclusion of 209.56 Band D equivalents in the Council Tax taxbase be noted.
- (j) That a collection rate for the year 2015/16 of 98% be approved.

## **67 Quarter 2 Performance Report 2014/2015**

67.1 The Portfolio Holder for Performance presented a report by the Performance Manager – copy attached to the signed Minutes – on the performance of the Council during the second quarter of 2014/2015 which had been based on the new performance management framework and reporting methodology. He asked Cabinet to consider any underlying and emerging issues in the report and whether there were any performance areas which they felt should be considered in greater detail or referred to the appropriate scrutiny committee.

67.2 During the ensuing discussion the Portfolio Holder for Children’s Services referred to the challenges facing the authority in relation to the increasing number of looked after children and referrals to children’s social care. She confirmed that measures were being taken to address these issues early on with work being undertaken at the edge of care and with families to prevent children coming into care, or staying in care for the least time possible, especially given that in many cases this was not the best outcome for the child.

### **67.3 RESOLVED:**

That the key underlying and emerging issues in the report and appendices be noted.

## **68 Shropshire Schools Funding Formula 2015/2016**

68.1 The Portfolio Holder and Deputy Portfolio Holder for Children’s Services presented a report by the Director of Children’s Services – copy attached to the signed Minutes – on the funding formula for Shropshire maintained schools and academies for the financial year 2015/2016 which had been drawn up by the Shropshire Schools Forum. The wider school community of Shropshire had been consulted on the proposed funding formula during the early autumn.

### **68.2 RESOLVED:**

That the recommendation of the Shropshire Schools Forum on the funding formula for Shropshire schools for the financial year 2015/2016 be ratified, as required by the Dedicated Schools Grant financial regulations and conditions of grant.

## **69 Shropshire Council Adult Social Care - Local Account 2013/14**

69.1 The Portfolio Holder for Adult Services presented a report by the Director of Adult Services – copy attached to the signed Minutes – on the Local Account for Shropshire for 2013/2014. This was the fourth year of producing a local account in this format and it was both a retrospective review of the achievements during 2013/2-14 and also the aspirations, challenges and direction of travel for 2014/2015.

### **69.2 RESOLVED:**

That the Adult Social Care Local Account for 2013/14 be approved.

## **70 Connecting Shropshire - Phase 2 Procurement**

70.1 The Portfolio Holder for Business, ip&e, Culture and Commissioning (North) presented a report by the Head of Economic Growth and Prosperity – copy attached to the signed Minutes – on the various options available to the Council to provide fibre broadband to those areas that were currently not projected to get access to superfast broadband speeds (24Mbps+) as part of the Connecting Shropshire programme. By the end of Phase 1 of the programme in 2016 approximately 87% of premises would have superfast broadband, with 93% estimated to obtain access to fibre based broadband. Phase 2 of the BDUK programme aimed to cover 95% of premises in the UK by 2017 and provide 90% of premises in the Shropshire Council area with access to superfast broadband speeds.

### **70.2 RESOLVED:**

- (a) That approval be given to the commencement of the Phase 2 procurement process using the BDUK Framework, to extend the coverage of fibre broadband in the Shropshire Council area (Option 3 set out in the report).
- (b) That authority be delegated to the Head of Economic Growth and Prosperity (Programme Executive), in consultation with the Portfolio Holder for Business Growth, ip&e, Culture and Commissioning (North) to define the value for money criteria to be used in evaluating the tender submission.

## **71 Exclusion of Press and Public**

### **71.1 RESOLVED:**

That in accordance with the provisions of Schedule 12A of the Local Government Act 1972, Section 5 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations and Paragraph 10.2 of the Council's Access to Information Rules, the public and press be excluded during consideration of the following items.

## **72 Shropshire Council Small Holding Estate**

72.1 The Portfolio for Finance, Resources and Support presented an exempt report – copy attached to the signed exempt Minutes – on the Council's smallholding estate.

### **72.2 RESOLVED:**

- (a) That approval be given to an extension to the Council's current policy in response to the consultation feedback, to provide for existing tenants to be compensated for the surrender of their tenancies.
- (b) That negotiations commence with those tenants requesting to purchase their holding and the Head of Commercial Services be given delegated authority to settle terms and conclude such sales, in consultation with the Portfolio Holder where the value exceeds £500,000.
- (c) That negotiations commence with the tenants requesting compensation to surrender their tenancies to allow vacant possession and that if acceptable terms are agreed, that these surrenders take place.
- (d) That Cabinet note that subject to the outcome of the first two recommendations, work commences to prepare a report for full Council for a decision on the potential disposal of the remaining estate following further consultation once the six months period has expired.

### 73 **Marches Local Enterprise Partnership Local Growth Fund and Priority Projects**

73.1 The Portfolio Holder for Business Growth, ip&e, Culture and Commissioning (North) presented an exempt report by the Head of Economic Growth and Prosperity – copy attached to the signed exempt Minutes – on the infrastructure projects being promoted by the Council as part of the Marches Strategic Economic Plan and use of the Local Growth Fund allocation. The report highlighted potential funding and delivery solutions, including a timetable for the individual projects.

#### 73.2 **RESOLVED:**

That the three recommendations set out in the exempt report be approved.

*(The full version of Minutes 72 and 73 constitutes exempt information under category 3 of paragraph 10.4 of the Council's Access to Information Rules and have accordingly been with-held from publication.)*

Signed ..... (Leader)

Date: .....