



Committee and Date

Cabinet

27 February 2019

CABINET

Minutes of the meeting held on 13 February 2019

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

11.00 am - 12.07 pm

Responsible Officer: Amanda Holyoak

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Present

Councillor Peter Nutting (Chairman)

Councillors Steve Charmley (Deputy Leader), Nicholas Bardsley, Gwilym Butler, Lee Chapman, Steve Davenport, Robert Macey and Lezley Picton

136 Apologies for Absence

Apologies were received from Councillor David Minnery, Portfolio Holder for Finance.

137 Disclosable Pecuniary Interests

None were declared.

138 Minutes

RESOLVED:

That the minutes of the Cabinet meeting held on 16 January 2019 be approved as a correct record and signed by the Leader.

139 Public Question Time

There were no questions from members of the public.

140 Member Questions

A Member question was submitted by Councillor A Boddington relating to the Car Parking Strategy and parking permit regime. A copy of the question and the response provided by the Portfolio Holder for Transport and Highways is attached to the signed minutes.

141 Scrutiny Items

Report from Health and Adult Social Care Overview and Scrutiny Committee on Smoking Cessation Services

The Chair of the Health and Adult Social Care Overview and Scrutiny Committee outlined the significant adverse impact that would be caused by the loss of the smoking cessation

service. The number of people living with disabling illness was likely to increase and add to social care costs and it would increase the risk of harm to babies born to mothers who smoke. The Committee asked that Cabinet consider and ensure that all alternative means of delivering smoking cessation services be explored.

The Portfolio Holder for Adult Services, Health and Social Housing, thanked the Committee for its work, and said he shared its concerns around the inequity of public health funding for Shropshire. He reported that the Director of Public Health was doing everything he could to fulfil statutory functions and confirmed that Cabinet would explore every opportunity to look at alternative means of delivering smoking cessation support.

Report from Performance Management Scrutiny Committee – Final Report of Financial Strategy Task and Finish Group

The Chair of the Performance Management Scrutiny Committee thanked Portfolio Holders and Directors for attending meetings of the Task and Finish Group and for providing the information requested. She presented the report and drew attention to the pressures of delivering services in a large rural county and the need to make some very hard decisions and prioritise mandatory services. The Group had expressed concerns that some decisions being made now to balance the budget would lead to greater costs in future.

In response to a question, the Leader of the Council said that the additional £2m received in the budget settlement would be placed in reserves as this would be prudent pending the uncertain results of the Comprehensive Spending Review and Fairer Funding Review.

In response to questions regarding savings from Digital Transformation, the Deputy Leader confirmed that implementation had taken longer than expected, but it was better to get things right first time. Savings would be the same but over an elongated timescale that would match the budget.

RESOLVED:

- A. That the recommendation of the Health and Adult Social Care Overview and Scrutiny Committee be supported as follows:

Cabinet considers and ensure that all alternative means of delivering smoking cessation services are explored

- B. That the recommendations of the Financial Strategy Task and Finish Group be supported as follows:

Cabinet consider the issues and observations set out within the report.

That a Financial Strategy Task and Finish Group should be in place for 2019/20 for the development of the Financial Strategy 2020-2023.

142 Financial Monitoring Report Quarter 3 2018/2019

The Leader introduced a report from the Director of Finance, Governance and Assurance detailing the projected revenue expenditure for the whole of 2018/19 as at Quarter 3.

Responding to a Member's comment about the need for the spending and recruitment freeze to achieve a balanced budget, the Leader observed that the very nature of local government had led to this action being necessary. He congratulated members and officers for achieving a neutral budget, which was an excellent achievement in view of the circumstances.

RESOLVED:

- A. That it be noted that at the end of Quarter 3 (31st December 2018), the full year revenue forecast is a potential overspend of £0.072m;
- B. To consider the impact of this on the Council's General Fund balance.
- C. To approve net budget variations of £6.866m to the 2018/19 capital programme, detailed in Appendix 3/Table 6, and the re-profiled 2018/19 capital budget of £65.856m.
- D. To accept the capital expenditure to date of £28.961m, representing 44% of the revised capital budget for 2018/19, with 75% of the year having elapsed.
- E. To approve that Shropshire Council act as accountable body on behalf of the Shropshire & Telford & Wrekin One Public Estate programme.

143 Financial Strategy 2019/20 to 2023/24

The Leader introduced a report from the Head of Finance, Governance and Assurance setting out the Council's Financial Strategy over the next five years, with a key focus of setting the 2019/20 budget. The Director explained the considerable uncertainty surrounding the 2020/21 Financial Year and beyond, due to changes in local government finance as set out in the report. The budget consultation remained open until 18 February 2019 and an updated position would be included in the report to Council.

RESOLVED:

- A. To agree and recommend to Council the 2019/20 budget of £592.696m outlined in the Budget Book at Appendix 7, including the savings proposals outlined at Appendix 4.
- B. To note the changes required to the 2019/20 budget as a result of the Provisional and Final Local Government Settlement and revised business rates and collection fund estimates.
- C. To note the revised funding gap for the years 2020/21 to 2023/34.
- D. To note the continued use of the Policy for Flexibility around the use of Capital Receipts.

144 Capital Strategy 2019/20 To 2023/24

The Leader introduced the report of the Director of Finance, Governance and Assurance who explained that this was the first year that the Council has been required to prepare a Capital Strategy. It was very much a live document which would evolve and change over

time and be considered at least annually by Cabinet. In response to questions, the Leader referred to plans to expand schools to meet the requirements of house building. The Portfolio Holder Transport and Highways provided an update on plans to upgrade street lighting to LED.

RESOLVED:

- A. To agree and recommend to Council the adoption of the Capital Strategy 2019/20 - 2023/24 attached as Appendix 1.
- B. To agree and recommend to Council the revised Capital Programme as set out in the report and detailed at Section 7 and Appendix B to the Capital Strategy

145 Robustness of Estimates and Adequacy of Reserves

The Leader introduced a technical report from the Head of Finance, Governance and Assurance on the robustness of the estimates made for purposes of the budget calculations and the adequacy of the proposed reserves.

RESOLVED:

- A. To approve the recommended level of general balances to support the 2019/20 revenue budget at £20.400m, noting that the projected balance will be below this for 2019/20;
- B. To note the projected recommended level of general reserves for the following four years at £26.017m in 2020/21, £32.604m in 2021/22, £34.312m in 2022/23 and £34.700m in 2023/24.
- C. To note that further consideration will be made of the implications of figures contained within this report and should there be any material change required, this will be reported to Council on 28 February 2019.

146 Fees and Charges 2019/2020

The Leader introduced a report from the Director of Finance, Governance and Assurance on the level of fees and charges to be applied in 2019/20. In response to a question, the Portfolio Holder for Adult Services, Health and Social Housing clarified that the Minimum Income Guarantee level was set by Central Government and that vulnerable individuals were assessed for needs and financial ability to contribute to services.

RESOLVED:

- 1.1 To note the breakdown of the total income for 2018/19 and 2019/20 and in particular that the proposed 2019/20 charges for discretionary services represent only £39.319m of the £78.860m of income derived from fees and charges.
- 1.2 To approve the charges for 2019/20 as detailed in Appendix 3 to be implemented 1 April 2019, recognising that managers have proposed varying policies for 2019/20.

- 1.3 To note that as previously agreed, any changes to fees and charges proposed by Shropshire Community Leisure Trust Ltd. in relation to the outsourced leisure facilities will only be referred to cabinet and council for approval if the proposed increases exceed consumer price index (cpi) for the preceding November.
- 1.4 To agree that subject to restrictions or exemptions identified in the welfare reform and work bill it is recommended to council that
 - I. social housing rents for 2019/20 are reduced by 1% from 1st April 2019.
 - II. affordable rents for 2019/20 are reduced by 1% from 1st April 2019.
 - III. Shared Ownership rents continue to be set at 2.75% of the outstanding capital value of the home at the time of sale and thereafter increased each April in accordance with the terms specified in the lease agreements.
 - IV. Service charges continue to be set on the basis of actual cost.

147 Estimated Collection Fund Outturn 2018/2019

The Leader introduced a report from the Head of Finance, Governance and Assurance detailing the Estimated Collection Fund surpluses/deficits for 2018/19, calculated at 15 January 2019 for Council tax and as at 31 January 2019 for Non-Domestic Rates, for the year ending 31 March 2019.

RESOLVED:

- A To note the overall Collection Fund estimated surplus of £3.106m for the year ending 31st March 2019, comprised of an estimated surplus of £3.666m for Council Tax and an estimated deficit of £0.560m for Non-Domestic Rates (NDR).
- B To note the distribution of the Collection Fund estimated surplus for Council Tax and deficit for NDR to the major / relevant precepting authorities and the Secretary of State.
- C To note Shropshire Council's share of the overall estimated surplus of £3.367m, comprised of an estimated surplus of £3.031m for Council Tax and an estimated surplus of £0.336m for NDR.
- D To note the inclusion of Shropshire Council's share of the overall estimated surplus in the 2019/20 budget.

148 Treasury Management Update Quarter 3 2018/19

The Leader introduced a report from the Director of Finance, Governance and Assurance, outlining the Treasury Management activities of the Council during the last quarter.

RESOLVED:

To accept the position as set out in the report.

149 Treasury Strategy 2019 - 2020

The Leader introduced a report of the Director of Finance, Governance and Assurance proposing the Treasury Strategy for 2019/20 and recommending the Prudential and Treasury Indicators for 2019/20 to 2021/22.

RESOLVED:

That Cabinet recommends that Council:-

- a) Approve, with any comments, the Treasury Strategy for 2019/20.
- b) Approve, with any comments, the Prudential Indicators, set out in Appendix 1, in accordance with the Local Government Act 2003.
- c) Approve, with any comments, the Investment Strategy, set out in Appendix 2 in accordance with the CLG Guidance on Local Government Investments.
- d) Approve, with any comments, the Minimum Revenue Provision (MRP) Policy Statement, set out in Appendix 3.
- e) Authorise the Section 151 Officer to exercise the borrowing powers contained in Section 3 of the Local Government Act 2003 and to manage the Council's debt portfolio in accordance with the Treasury Strategy.
- f) Authorise the Section 151 Officer to use other Foreign Banks which meet Link's creditworthiness policy as required.

150 Determination of Admission Arrangements

The Portfolio Holder for Children and Young People presented a report of the Director of Children's Services on the determination of Shropshire Council's admission arrangements for 2020/21. He drew attention to the proposal to amend them to give children adopted from outside England the second highest admissions priority in their oversubscription criteria and reported that the consultation on the proposed arrangements had taken place between 12 December 2018 and 25 January 2019.

RESOLVED:

- A. That Cabinet approve the proposal to amend Shropshire Council's admission arrangements, namely:
 - To give children adopted from outside England the second highest admissions priority in their oversubscription criteria.
- B. That Cabinet approves the admission arrangements for 2020/21 without further amendment to those determined in February 2018.

- C. That Cabinet, by agreeing to the above, determines the school admission arrangements for Shropshire Council for the academic year 2020/21 and to the required publication of the arrangements in accordance with the School Admissions Code 2014.
- D. That officers notify the Secretary of State by 28 February 2019 that Shropshire Council has determined its school admissions arrangements for the 2020/21 academic year.

151 **Managing Highway Risk**

The Portfolio Holder for Transport and Highways presented the report of the Interim Head of Infrastructure and Communities on managing Highway Risk.

RESOLVED:

- A. That Cabinet approve the revised skidding resistance policy, attached at appendix A
- B. That Cabinet approve the updated highway safety inspection manual, attached at appendix B

152 **Quarry Pool - Swimming Provision in Shrewsbury**

The Portfolio Holder for Culture and Leisure presented the report of the Director of Place on Future Swimming Provision in Shrewsbury. This set out the outcome of review work which had confirmed that the most suitable location for swimming provision was in Shrewsbury town centre and at the existing Quarry site. She reported on further work needed to determine if a rebuild or major refurbishment would be needed and on the opportunity to integrate other uses beyond purely leisure use. A design competition would be launched to ensure that the facility complimented its location in the Quarry Park.

In response to questions from Members she confirmed that future decisions would be taken in line with the Indoor Leisure Facility Strategy and the Financial Strategy and both she and the Leader were committed to delivery. The Leader agreed that a cross party working group would be a useful way to keep all informed of progress.

RESOLVED:

- A. To acknowledge and approve the findings of the recent review that the most suitable location for any town centre facility is the existing Quarry site.
- B. To authorise Council officers to commence initial discussions with the operator, Shropshire Community Leisure Trust, and their managing agent, Serco Leisure Ltd., to investigate the potential to develop a new facility on the existing Quarry site.

- C. To authorise officers to explore options at Sundorne Sports Village to ensure continuity of public swimming within Shrewsbury whilst works to the Quarry Pool site takes place.

- D. To agree a revenue budget of £500,000 to undertake the full feasibility assessments, due diligence, site investigations and progress to full design of the recommended options above. This will be funded from rescheduled projects within earmarked reserves.

- E. To agree that the detailed implementation of all aspects of the recommendations made within this report are delegated to the Executive Director of Place in consultation with the Portfolio Holder for Culture and Leisure.

Signed (Chairman)

Date: