



Committee and Date

Cabinet

17 October 2018

CABINET

**Minutes of the meeting held on 17 September 2018 in the Shrewsbury Room, Shirehall, Abbey Foregate, Shrewsbury, Shropshire, SY2 6ND
11.00 am - 11.50 am**

Responsible Officer: Jane Palmer
Email: jane.palmer@shropshire.gov.uk Tel: 01743 257712

Present

Councillor Peter Nutting (Leader)
Councillors Steve Charmley (Deputy Leader), Lezley Picton, David Minnery,
Robert Macey, Nic Laurens, Nicholas Bardsley and Lee Chapman

54 Apologies for Absence

Apologies for absence were received from Councillors S Davenport and J Barrow.

55 Disclosable Pecuniary Interests

None were declared.

56 Minutes

RESOLVED:

That the Minutes of the Cabinet meeting held on 5 September 2018 be approved as a correct record and signed by the Leader.

57 Public Question Time

There were no questions received from members of the public.

58 Member Questions

There were no questions received from Members.

59 Scrutiny Items

The Chairman of the People Overview Committee presented the final report from the Looked After Children Task and Finish Group that had been fully supported by the

People Overview Committee. She explained that the Task and Finish Group had investigated the challenges faced by the Council in providing residential care for its looked after children. She added that all Councillors as corporate parents needed to consider ways to provide better outcomes for its looked after children and in-county residential homes were considered to offer a solution and a means of reducing the Council's spend on expensive out of county accommodation that placed children far away from their local environment.

The Portfolio Holder for Children and Young People stated that he was fully supportive of the Task and Finish Group's recommendations to draw up a detailed business case in the first instance. The Portfolio Holder for Finance was also supportive of proceeding to a business case.

Another Member commented that the work of the Task and Finish Group illustrated scrutiny working at its best; children would be better served and the Council would also save money. She added that this internal solution had great merit rather than outsourcing that had in the past been the preferred route taken by the authority. The Leader commented that new ways of working by scrutiny were beginning to bear fruit and illustrated the Council's increasing flexibility in future ways of working.

RESOLVED:

That the recommendations from the Looked After Children Task and Finish Group be approved.

60 Annual Treasury Report 2017/2018

The Portfolio Holder for Finance presented a report from the Head of Finance, Governance and Assurance [Section 151 Officer] detailing the treasury activities for Shropshire Council for 2017/2018 including the investment performance of the internal treasury team up to 31 March 2018.

RESOLVED:

That the position detailed in the report be accepted.

61 Treasury Management Update Quarter 1 2018/19

The Portfolio Holder for Finance presented a report from the Head of Finance, Governance and Assurance [Section 151 Officer] detailing the treasury management activities of the Council in the last quarter and updated Members on the internal treasury team's performance.

RESOLVED:

That the position detailed in the report be accepted.

62 Financial Monitoring Report Quarter 1 2018/19

The Portfolio Holder for Finance presented a report from the Head of Finance, Governance and Assurance [Section 151 Officer] setting out the projected revenue expenditure for the whole of 2018/19 as at Quarter 1, and set out the expenditure up to the end of period Quarter 1 for capital. He voiced disappointment in the projected overspend of £6.79M and stated that a thorough review of the base budget was needed alongside the work of the digital transformation.

A Member stated that he had grave concerns given the highest level of projected overspend being reported and the low level of Council reserves. He queried whether the Council would be able to make ends meet and stated that the report heralded significant problems for the authority. The Leader commented that the end of year figure would be improved and the Council would be able to balance its books over the next two to three years.

Another Member commented on the Council's apparent inertia in making its savings and suggested that some of the savings identified were pure fantasy particularly those relating to Children's Services; a service area that the public expected to be properly funded. The Portfolio Holder for Children and Young People refuted the comments and drew attention to the realistic school transport savings and commented that pressures in other areas, particularly Looked After children, could not have been predicted.

The Leader stated that there were conversations to be had but gave assurances that Children's Services and dealing with potholes in highways would not be neglected. The Portfolio Holder for Finance commented on the need for accurate allocation of funding to ensure optimum value for money.

A Member commented on the ambitious returns anticipated from capital investments, digital transformation and the purchase of shopping centres. The Leader was confident that targets could be met, and pressure would be maintained to keep to target although he accepted that sometimes delivery may take longer than first anticipated. He concluded by re-iterating his earlier comments that the predicted overspend would be reduced.

RESOLVED:

- i) That it be noted that at the end of Quarter 1 (30 June 2017), the full year revenue forecast is a potential overspend of £6.790m;
- ii) That the impact of this on the Council's General Fund balance be considered.
- iii) That it be noted that a budget virement, as detailed in Appendix 2, that had taken place at period 3 to allocate pay award funding had not been distributed at budget setting, due to the value of the pay award not having been agreed at that time.

63 Revised Minimum Revenue Provision [MRP] Statement 2018/19

The Portfolio Holder for Finance presented a technical report from the Head of Finance, Governance and Assurance [s151 Officer] on the revised calculation of

minimum revenue provision [MRP] for the repayment of external debt. He drew attention to option C3 detailed in paragraph 6.3 of the report and stated that this would have a positive impact and could be used towards digital transformation.

In answer to a Member's query, the Portfolio Holder explained stated that this did not illustrate higher than estimated costs for digital transformation but related to its financing and the reduction of the amount borrowed.

Together with the Leader, the Portfolio Holder for Finance believed that the majority of the projected overspend would not come to fruition and savings targets would be met.

RESOLVED:

- i) That all the options modelled for the revision of the calculation of MRP charges in relation to supported borrowing be considered.
- ii) That the use of Option C3 (use a 45-year annuity method and apply Adjustment A from 2018/19) to calculate MRP charges in relation to supported borrowing be approved.
- iii) That the £2.217m saving generated in 2018/19, be ringfenced to fund the Digital Transformation Programme.

64 Quarter 1 Performance Report 2018/19

The Deputy Leader and Portfolio Holder for Corporate and Commercial Support presented a report from the Chief Executive detailing the Council's key outcomes for Quarter 1 2018/2019.

A Member commented on the fact that environmental performance was not measured in the Council's statistics that drew her to the conclusion that the environment did not appear to be a Council priority. She urged that this aspect be included in future performance monitoring given its impact on health, the community, wellbeing, transport etc.

Referring to a Member's comments about the April 2018 increase in referrals to Children's Services, the Director of Children's Services gave assurances that this was reducing and was currently subject to scrutiny attention.

Responding to concerns raised regarding the poor performance on street inspections for debris, the Chief Executive stated that a written response would be provided to the Member concerned.

RESOLVED:

- i) That the key underlying and emerging issues in the report and appendices be considered;

- ii) That the performance portal be reviewed, and any performance areas be identified for consideration in greater detail or referral to the appropriate Overview and Scrutiny Committee.

65 Annual Customer Feedback (Complaints, Comments and Compliments) Report 2017/18

The Deputy Leader and Portfolio Holder for Corporate and Commercial Support presented a report from Head of Human Resources and Development providing an overview of the formal customer feedback the Council received during 2017/2018.

A Member commented that improved communication on the part of the Council could help to reduce the number of complaints received that often related to a lack of information being provided to the Council's customers. The Deputy Leader acknowledged this point and stated that automated responses, to be introduced as part of the Council's digital transformation, should help give a more accurate picture of customer feedback in future.

RESOLVED:

- i) That the Annual Customer Feedback Report 2017/18 [Appendix 1] be approved for publication on the Council's website;
- ii) That the recommendations in the Annual Report [pages 18 and 19] highlighting key issues and areas for improvement, be agreed.

66 Application by Broseley Town Council to be considered as a Neighbourhood Plan Area

The Portfolio Holder for Planning and Housing Development presented a report from the Head of Economic Growth seeking approval for the application by Broseley Town Council for the Parish Council area to be considered appropriate for a potential Neighbourhood Plan to be prepared by the Town Council. He added that the role of Shropshire Council was to designate the area of the Plan only.

Responding to the positive comments and support from two Members, the Portfolio Holder stressed that the process would be a complementary approach between Shropshire Council and Broseley Town Council. He stated that he would be happy to attend a consultation event in the locality.

RESOLVED:

- i) That the Broseley Parish area is an appropriate basis for the development of a Neighbourhood Plan and notifies the Town Council accordingly.
- ii) That Broseley Town Council will be able to prepare a Neighbourhood Plan for that area, which will be subject to public consultation, examination and local referendum as set out in Neighbourhood Planning Regulations 2012 as amended. Assuming any subsequent local referendum is successful,

Shropshire Council's full Council will then be asked to adopt the final version of the Neighbourhood Plan.

Signed (Leader)

Date: