

Cabinet

Tuesday 13 November 2012

PRESENT:

Councillor Peter Smith, Vice Chair in the Chair.
Councillor Lowry, Vice Chair for the meeting.
Councillors Coker, McDonald, Penberthy, Vincent and Williams.

Also in attendance: Tracey Lee (Chief Executive), Adam Broome (Director for Corporate Services), Carole Burgoyne (Director for People), Anthony Payne (Director for Place), Jayne Donovan (Assistant Director for Environmental Services), Phil Heseltine (Head of Transport Strategy), Richard Longford (Head of Communications) and Andy Netherton (Unit Manager, Safety, Health and Licensing Unit).

Apology for absence: Councillor Evans (Chair)

The meeting started at 2.00 pm and finished at 2.50 pm.

Note: At a future meeting, the Cabinet will consider the accuracy of these draft minutes, so they may be subject to change. Please check the minutes of that meeting to confirm whether these minutes have been amended.

79. **DECLARATIONS OF INTEREST**

In accordance with the code of conduct, there were no declarations of interest made by members in relation to items under consideration at the meeting.

80. **MINUTES**

Agreed the minutes of the meeting held on 16 October 2012.

81. **QUESTIONS FROM THE PUBLIC**

There were no questions from the public for this meeting.

CHAIR'S URGENT BUSINESS

82. **Vice Chair for the Meeting**

In the absence of Councillor Evans (Chair), Agreed that Councillor Lowry is appointed Vice Chair for this meeting.

83. **Order of Agenda Business**

Agreed that agenda item 6 (Traded Services for Schools (maintained schools and academies) is considered at the end of part one of the agenda.

(In accordance with Section 100(B)(4)(b) of the Local Government Act, 1972, the Chair brought forward the above items for urgent consideration because of the need to appoint a Vice Chair and so that the Cabinet Member for Children and Young People could present the proposals on traded services for schools).

84. **GAMBLING ACT 2005 - THREE YEAR REVIEW OF THE STATEMENT OF PRINCIPLES**

The Director for Place submitted a written report on the three year review of the City Council's Gambling Act Statement of Licensing Policy and asked the Cabinet to recommend the draft policy to the City Council for adoption.

The report provided a summary of the main changes to the existing policy and proposed a revised three year policy to be effective from 31 January 2013.

The main changes, introduced as a consequence of revised guidance issued by the Gambling Commission and as a result of test purchase operations undertaken by the Public Protection Service, were –

- (a) additional requirements (adequate physical separation, screens and barriers) to limit the sub-division of premises which in turn would control the numbers of high value gaming machines allowed;
- (b) additional measures concerning the layout of individual premises, intended to reduce the risk of children being able to access age-restricted gambling activities; and
- (c) confirmation of the Council's position that non-payment of fees would result in the revocation of the licence.

Councillor Vincent (Cabinet Member for Environment) presented the proposals and indicated that following consultation, two responses were received from the public and further work would be undertaken on how the negative aspects of the policy affected residents.

Cabinet Members were advised that there was currently no evidence linking child poverty to gambling and that the issue would be built into the child poverty strategy.

Alternative options considered and reasons for the decision –

As set out in the report.

The City Council is Recommended to adopt the Gambling Act Statement of Licensing Policy contained in Appendix B to the report.

85. **ROYAL WILLIAM YARD - COAST PATH LINK**

The Director for Place submitted a written report following an offer of a grant from Natural England to facilitate the delivery of a project to re-route the South West Coast Path through Devil's Point Park to connect this area to the Royal William Yard. The project would include the construction of a stairway into the yard and would enable the path to be connected all the way around the peninsula. This would enable better use of the outstanding natural and historic assets of both the park and the yard and promote the economic and cultural vitality of the area. It would also provide a stunning new visitor attraction for the path.

To receive the funding, the access link must be in place by the end of this financial year. It was proposed that Urban Splash was used as the contractor as they had secured planning permission and listed building consent for the coast path link and had produced design work for the project.

The City Council would retain ownership of the new asset (stairway and new section of the path) but these features would be added to the existing lease the Council had with Urban Splash so that they would be responsible for maintenance.

Councillor Vincent (Cabinet Member for Environment) presented the proposals. The Director for Place reported that planning permission had been granted for the scheme.

Alternative options considered and reasons for the decision –

As set out in the report.

Agreed –

- (1) that the capital programme is amended to include the Royal William Yard coast path link project;
- (2) that a grant is accepted from Natural England to the value of £237,000 to enable delivery of the coast path link;
- (3) that the new staircase and section of the South-West Coast Path is included onto the Council's asset register and officers are instructed to add this asset to the existing lease agreement between Plymouth City Council and Urban Splash;
- (4) the procurement strategy for delivering the projects and to delegate authority to the Assistant Director for Place, in consultation with the Portfolio Holder for Environment, to agree the contracts.

86. **LOCAL TRANSPORT BODIES AND MAJOR SCHEME FUNDING**

The Director for Place submitted a written report on the devolution of transport major scheme funding to new Local Transport Bodies and to ask Cabinet to nominate Plymouth City Council's representative on the Heart of the South-West Local Transport Body (HotSW LTB).

The report indicated that –

- (a) the City Council had entered into a Local Transport Board, based on the Heart of the South-West Local Enterprise Partnership geography, together with Devon and Somerset County Councils and Torbay Borough Council;
- (b) the Local Transport Body would be required to provide detail on its governance arrangements and assurance framework by the end of December 2012;
- (c) the terms of reference would propose that one member from each Local Transport Authority together with one from the Local Enterprise Partnership, would have voting rights. The representatives of the Highways Agency and Network Rail would be invited to sit on the Board without voting rights;
- (d) it was proposed that a Local Transport Body Technical Officer Group would be established providing advice and guidance to the board;
- (e) indicative funding allocations for 2015/16 to 2018/19 were expected by mid-October subject to confirmation in the announcements on the Comprehensive Spending Review. It was anticipated that the body would receive approximately £40 million over a four year period;
- (f) a further report would be presented to Cabinet outlining the prioritisation process and detailing the schemes that the Council wished to be considered for major scheme funding between 2015/16 and 2018/19.

Councillor Coker (Cabinet Member for Transport) presented the proposals.

Alternative options considered and reasons for the decision –

As set out in the report.

The update on the devolution of Major Scheme Transport Funding to new Local Transport Bodies was noted.

Agreed that the Portfolio Member for Transport is nominated as Plymouth City Council's member on the Heart of the South-West Local Transport Body.

87. **REVENUES AND BENEFITS PERFORMANCE UPDATE**

The Director for Corporate Services submitted a written report providing an update on the performance of the revenues and benefits service.

Councillor Lowry (Cabinet Member for Finance) presented the update and indicated that there were continuing concerns on the direction of travel of performance with case loads continuing to rise. He stressed the need to the Director for Corporate Services for an improvement in services.

Alternative options considered and reasons for the decision –

As set out in the report.

The progress made by the service since the implementation of a new structure in November 2011 was noted with the service now benchmarking as being 'below average' costs with improving service delivery.

88. **FINANCE - CAPITAL AND REVENUE MONITORING REPORT (INCLUDING ADDITIONS TO THE CAPITAL PROGRAMME TO BE APPROVED AT COUNCIL)**

The Corporate Management Team submitted a written report outlining the financial position of the Council as at the end of September 2012 and recommending further actions to address the projected overspend to achieve a balanced budget at year end.

The report indicated –

- (a) that the estimated revenue overspend was now £3.221m (an increase of £1.432m in the quarter) against a net revenue budget of £203.766m;
- (b) that the overspend within the People Directorate was due to pressures totalling £3.151m in Adult Social Care linked to demographic changes, increased demand for supported living and reduced income from a number of sources. The pressures were similar to those being faced by adult social care services across the country with funding shortages, an ageing population and people living longer with disabilities and illness;
- (c) that the capital programme for the current year was over £60m, rising to £132m by 2015/16. A number of new capital schemes were presented for noting or approval;
- (d) progress on the revenue delivery plans for 2012/13;
- (e) that the latest forecast for the capital programme, as at end of September 2012, was £57.390m assuming approval of the recommendations in this report and in other reports on this Cabinet agenda. The new capital schemes (over £0.500m) set out in Table 14 in the written report would be referred to the City Council for approval and amounted to £11.772m (in the period 2012/13 – 2015/16).

Councillor Lowry (Cabinet Member for Finance) presented the report and proposed two additional recommendations concerning the introduction of a staff incentive scheme and the reintroduction of a voluntary release scheme. He advised that the costs of the voluntary release scheme could be met from provision that had been made for redundancies and that there would be no enhanced packages offered to staff. The Chief Executive and directors were asked to ensure that those staff who left the Council were thanked for their services.

Councillor Lowry also drew Cabinet Members' attention to the provision of £250,000 in the capital programme for road re-surfacing and pot hole repairs.

Alternative options considered and reasons for the decision –

As set out in the report.

Cabinet noted that in the light of the emerging pressure in Adult Social Care, the Chief Executive had commissioned a full review of all demographic pressures across the Council.

Agreed –

- (1) that the forecasted overspend for the year against budget of £3,221m was noted and Portfolio Holders and officers will continue to work closely together to take corrective action to deliver a balanced budget position by March;
- (2) the revenue budget virements as detailed in table 11 of the report;
- (3) the reprofiling and variations (reductions) of (£5.097m) in 2012/13 and £3.422m for future years to capital spend, as detailed in Appendix B to the written report;
- (4) the introduction of a staff incentive scheme, to engage all members of staff to put forward cost saving initiatives;
- (5) the re-introduction of a voluntary release scheme to allow staff to leave during the current financial year.

(See also minute 88a below).

88a Finance - Capital and Revenue Monitoring Report (including additions to the capital programme - Recommendation to the City Council.

Further to minute 88 above, the City Council is Recommended to approve the new capital schemes over £0.500m for investment as detailed in Table 14, amounting to £11.772m.

89. POOLING OF BUSINESS RATES IN DEVON FOR 2013/14

The Director for Corporate Services submitted a written report on the new business rates retention scheme and the business rates pooling proposal for the Devon region.

Councillor Lowry (Cabinet Member for Finance) presented the proposals and the Director for Corporate Services reported that the Council would be reimbursed from the scheme with any costs associated with being the lead authority.

Alternative options considered and reasons for the decision –

As set out in the report.

Agreed that –

- (1) the Council enter the Devon business rate pooling scheme for 2013/14, subject to the Director for Corporate Services and the Chief Executive being satisfied that it is in the Council's financial interests to do so;
- (2) subject to recommendation (1) above, the Council agree to offer to be lead authority for the scheme.

90. **CAPITAL INVESTMENT FOR THE REPLACEMENT OF MINIBUSES**

The Director for Place and the Director for People submitted a written report seeking approval to implement Phase 2 of the Council's Strategic Vehicle, Plant and Specialist Equipment Replacement Programme relating to the purchase of 26 minibuses for adult social care, home to school transport and special schools.

The Chair drew the attention of Cabinet Members to the private report also submitted and referred to in minute 94 below, on the cost benefit analysis.

Councillor Vincent (Cabinet Member for Environment) presented the proposals and indicated that implementation of this phase would start a rolling programme of vehicle replacement. Councillor Williams (Cabinet Member for Children and Young People) reported that all the schools had been consulted on the proposals and Councillor McDonald (Cabinet Member for Public Health and Adult Social Care) advised that the proposals would widen opportunities for access to the service and would support the personalisation agenda for adult social care.

Alternative options considered and reasons for the decision –

As set out in the report.

Agreed the purchase of 26 minibuses, at a cost of £0.98m.

(See also minute 90a below).

90a **Capital Investment for the Replacement of Minibuses -
Recommendation to the City Council**

Further to minute 90 above, the City Council is Recommended to add this £0.98m project to the Capital Programme 2013 – 15.

91. **CAPITAL INVESTMENT FOR THE REPLACEMENT OF PLANT AND EQUIPMENT**

The Director for Place submitted a written report seeking approval to implement Phase 3 of the Council's Strategic Vehicle, Plant and Specialist Equipment Replacement Programme to renew equipment used by the Street Scene Services and cemeteries.

The attention of Cabinet Members was drawn to the private report also submitted and referred to in minute 95 below on the cost benefit analysis and a comparison between whether to purchase or hire plant and vehicles.

Councillor Vincent (Cabinet Member for Environment) presented the proposals.

Alternative options considered and reasons for the decision –

As set out in the report.

Agreed the purchase of the plant, equipment and vehicles as detailed in the report.

(See also minute 91a below).

91a **Capital Investment for the Replacement of Plant and Equipment - Recommendation to the City Council**

Further to minute 91 above, the City Council is Recommended to add this project of £1.707m to the Capital Programme 2013 – 15.

92. **TRADED SERVICES WITH SCHOOLS (MAINTAINED SCHOOLS AND ACADEMIES)**

The Director for People and the Director for Corporate Services submitted a written report on an analysis of the services offered to schools in the light of the changing educational landscape and further delegation of funding to schools directed through national school funding reform. This would inform the prospectus of Service 4 Schools which must be published in December 2012 for the period 2013 to March 2014 and would enable the Authority to enter into an increasingly competitive market.

Councillors Williams (Cabinet Member for Children and Young People) presented the proposals.

Alternative options considered and reasons for the decision –

As set out in the report.

Agreed –

- (1) the principle of continuing to offer services to schools through the Prospectus of Services 4 Schools;
- (2) that the prospectus is simplified to cover a core offer of services which provides value for money, generates significant income and /or has a strategic benefit for the Council. Other services can still be offered direct to schools on a pay as you go basis and will be priced appropriately using a full cost recovery rate according to the work required;
- (3) a charging policy which expects services to cover the marginal cost of selling service to schools and makes a contribution towards the Councils' fixed costs wherever possible. The relevant director will review and approve exceptions to this policy if the service is considered to have a significant strategic benefit to the Council or where a robust business plan indicates that an incremental charging policy is required to support the longer term viability of the service;
- (4) that services which cannot recover cost and do not have a significant strategic benefit will be discontinued;
- (5) that the Council will maximise the value of good quality and efficient services by expanding the offer outside of the City boundary;

(6) that the simplified prospectus of services covering the period April 2013 – March 2014 will be published in December 2012 to enable the Council to fully establish its position in the market;

(7) the proposed core offer, pay as you go options and commercially available services which will be signposted from the prospectus and the services to be removed from the prospectus shown in Appendix A. The risks and mitigating action for each service is noted.

93. **EXEMPT BUSINESS**

Agreed that under Section 100(A)(4) of the Local Government Act, 1972, the press and public are excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A of the Act, as amended by the Freedom of Information Act 2000.

94. **CAPITAL INVESTMENT FOR THE REPLACEMENT OF MINIBUSES (E3)**

The written report of the Director for Place and the Director for People was submitted providing confidential details relating to the cost benefit analysis relating to Phase 2 of the Councils' Strategic Vehicle, Plant and Specialist Equipment Replacement programme relating to the purchase of minibuses for adult social care, home to school transport and special schools.

(See also minute 90 above).

95. **CAPITAL INVESTMENT FOR THE REPLACEMENT OF PLANT AND EQUIPMENT (E3)**

The written report of the Director for Place was submitted providing confidential details relating to the cost benefit analysis and a comparison between whether to purchase or hire plant and vehicles, relating to Phase 3 of the Council's Strategic Vehicle, Plant and Specialist Equipment Replacement Programme to renew equipment used by Street Scene Services and cemeteries.

(See also minute 91 above).

96. **EDUCATION CATERING SERVICE - THE CONTINUED PROVISION OF A CITY-WIDE SCHOOL MEALS SERVICE POST SCHOOL FUNDING REFORM (E3)**

The Director for Place submitted a written report on the options available to the Council in relation to the future provision of a school meals' service in the light of school funding reforms.

Councillor Williams (Cabinet Member for Children and Young People) presented the proposals.

Alternative options considered and reasons for the decision –

As set out in the report.

Agreed that –

- (1) the Education Catering Service continues to work with schools under ‘pooled’ budget arrangements or via a traded service as indicated by schools as a preferred outcome at the recent school consultation event;
- (2) where schools opt to ‘pool’ the budget, a clear strategy of the Education Catering Service and school engagement and partnership working is adopted to increase paid meal take-up (income) thereby improving the viability of the service (City-wide and at individual school level) and reducing the need for the support over the period commencing 1 April 2013 and reducing to nil in 2016/17;
- (3) as a consequence of the current economic climate, the Free School Meal Allowance and the selling price of the Paid for Meal remain at the existing levels across all sectors for the period to 31 March 2013;
- (4) the Education Catering Service explore additional trading options and potential revenue streams.