

CABINET

Minutes of a meeting of the Cabinet held on Thursday, 18 February 2021 at 10.00 am in Remote Meeting

PUBLISHED ON WEDNESDAY, 24 FEBRUARY 2021

(DEADLINE FOR CALL-IN: MONDAY, 1 MARCH 2021)

Present: Councillors R A Overton (Vice-Chair), A J Burford, E M Callear, L D Carter, R C Evans, C Healy, S A W Reynolds, P Watling, D Wright and S Davies (Chair).

Also Present: Cllr W L Tomlinson (Liberal Democrats / Independent Group Leader) and Cllr N A Dugmore (Conservative Group Leader)

CAB-46 Declarations of Interest

None.

CAB-47 Minutes of the Previous Meeting

RESOLVED – that the minutes of the meeting held on 7 January 2021 be confirmed and signed by the Chair.

CAB-48 Leader's Announcements

The Leader thanked NHS partners, council staff and the community for their efforts in the vaccination roll out. The roll out had got off to a slow start, however, the rates in Telford and Wrekin were now above the national average. The Leader stated that there had been reports of thousands of appointments at the Telford International Centre not being filled due to problems with the national booking system. The Leader reiterated the Council's offer to the Government to support the vaccine roll out in any way possible.

CAB-49 2020/21 Financial Monitoring Report

Key Decision identified as **2020/21 Financial Management Report** in the Notice of Key Decisions published on 9 December 2020.

Councillor R C Evans, Cabinet Member: Council Finance & Governance presented the report of the Director: Finance & Human Resources (Chief Financial Officer).

The Service & Financial Planning Strategy, also considered at this meeting, set the context of the continuing and prolonged financial challenges facing the Council. The Council had a long track record of sound financial management, however, the coronavirus pandemic (Covid-19) had a significant impact on the

whole country. The UK entered into a first period of initial lockdown in March 2020 and the Council had immediately moved to an emergency response mode, to safeguard the community and employees.

During the year, the Council had continued to provide all the usual services, except where they have been suspended due to national or local restrictions (for example, leisure centres and libraries during lockdown periods). The Council had also provided additional support to residents and businesses.

This has all been during a period where income streams have been under pressure, as well as following over a decade of severe financial constraints from central Government due to cuts in grants. There had been an increase in demand for many council services, including Social Care provision.

The total projected budget pressure was estimated to be £20.55m (including council tax and business rates shortfalls). The Council received £18.97m of Government National Emergency Response Funding, which left a residual pressure of £1.58m. This was a change to the projected position reported to Cabinet in January 2021, however, there had been a further period of national lockdown, which had impacted on the projected calculations. The Council continued to exercise a high degree of financial control through active budget management by Cabinet Members, Senior Managers and budget holders across the organisation.

The total pressure of £20.55m included an estimate for potential reductions in council tax and business rates income of £6.1m. The Government announced during the Comprehensive Spending Review that they would investigate a tax income guarantee scheme of 75%, the net shortfall could then be collected over a three year period.

There were a number of variations to the approved budget, many of which related to Covid-19. Children's Safeguarding and Family Support continued to be a key area of pressure with additional investment of £0.658m, related to Children in Care Placement costs and £0.311m related to additional staffing costs.

Adult Social Care required additional investment of £3.758m, related to increased costs to support care providers and clients, and a further investment of £5.459m for the costs of short term reablement care.

Education & Corporate Parenting was also under pressure with a projected overspend of £0.37m. This was largely due to additional home to school transport costs.

The capital programme totalled £63m for 2020/21 which included all approvals since the budget was set. At the time that the report was compiled, projected spend was 97% of the budget allocation.

Members thanked the officers for their work in producing this report.

RESOLVED – that:

- a) The 2020/21 revenue budget position, which has been significantly impacted by the Covid-19 pandemic, be noted
- b) The position in relation to capital spend be noted and that authority be delegated to the Executive Director: Housing, Communities & Customer Services, after consultation with the Cabinet Member for Economy, Housing, Transport & Infrastructure to allocate £2m approved Housing allocation to support the council priorities of addressing the issue of stalled sites and empty properties across the Borough and the provision of specialist accommodation
- c) The collection rates for NNDR, council tax and sales ledger be noted.

CAB-50 Service & Financial Planning Strategy 2021/22

Reserved for Council

Councillor R C Evans, Cabinet Member: Council Finance & Governance, presented a series of reports of the Chief Executive and the Chief Financial Officer. The reports, detailed the Revenue Budget, medium term Capital Strategy and Programme, the Investment and Treasury Management Strategies and Prudential Indicators. In October 2020, the Council's Cabinet agreed a refreshed Council Plan to deliver the organisation's vision to "Protect, Care and Invest to Create a Better Borough".

On 5 March 2020 the Council approved a one year service and financial planning strategy for the current financial year. The strategy was set after more than 10 years of severe financial constraint from the Governments austerity programme. During this 10 year period, the Council had made ongoing savings of £126.4m in order to set a balanced budget, at a time where there was a growing demand for services.

The Council agreed a one year budget strategy for 2020/21 as the Government had proposed to make major changes to the local government finance system, however, due to the Covid-19 pandemic, this has been postponed and the spending review announced on 25 November 2020 covered a period of one year.

In view of this significant uncertainty over the future of local government finance and what resources may be available to the Council beyond the following year, and the uncertainties caused by Covid-19, a one year service and financial planning strategy for 2021/22 is again proposed. However, because capital projects needed to be planned over a longer time horizon new capital investment proposals were included for 2021/22 and the following two years.

The report identified key strategies including:-

- Increasing Council Tax for 2021/22 by 1.99% and that the Government's additional 3% "Adult Social Care precept" be applied. This gave a total increase of 4.99%, raising £3.64m in total.
- Doubling the provision of the Council Tax Reduction Hardship Assistance Scheme to help residents who need support during this time.
- The Adult Social Care precept would raise £2.188m which would be fully invested into Adult Social Care Services.
- Extra investment of £1m spread over to 2021/22 and 2022/23 to support crime and anti-social behaviour initiatives.
- A packet of budget savings, including additional income generated by the Council's commercial activities, totalling £5.9m in 2021/22, rising to £7.139m in 2022/23.
- Prudent use of £0.173m of available revenue balances to ensure a balanced budget for 2021/22.
- A programme of capital investments totalling more than £228.532m as set out in the Capital Strategy and Capital Programme reports which included:-
 - £65.3m investment into NuPlace, the Council's wholly owned housing company.
 - £40.7m for highways and transport schemes, including improvements to the A442 and funding for repair of potholes, footways and drainage schemes.
 - £25.7m for education capital projects, including an expansion project for secondary school places in the Borough.
 - £9.95m into the Stronger Communities Programme, focused on bringing brownfield sites back into use, and providing a stimulus for the delivery of the Station Quarter.
 - £9.65m investment into the Council's Property Investment portfolio, which will attract new jobs and retain companies in the Borough.
 - £6.9m for Pride in Your High Street Schemes.
 - £6.5m investment in the Newport Innovation & Enterprise Package
 - £5m for Environment Improvement / Enhancements
 - £4m for climate change initiatives.

The Council needed to be innovative in identifying ways to generate more income to fund key front line services as well as seeking to address key issues for the Borough such as economic regeneration and improving housing standards in the private rented sector. The total revenue benefits to the Council from NuPlace after covering all additional costs in the previous year were £1.176m and made a pre-tax profit of £0.573m in 2019/20. This was expected to be slightly higher in 2020/21. In addition, Council Tax and New Homes Bonus payments were estimated to have generated an additional £2.3m cumulatively to the end of March 2021. The solar farm generated a surplus after paying all costs of £200k pa. The Telford Growth Fund was delivering ahead of expectations and the total revenue benefit net of additional costs was projected to be £2.8m this year and expected to increase to £3.3m

for the schemes currently approved in a full year. Income in the previous year from the Commercial Services teams amounted to £21.2m. The net benefits from these investments were used to support front line services.

Attached to the report were a number of appendices, including a robustness statement from the CFO, analysis of base budget movements, and details of Reserves and Balances.

The Capital Strategy report was a requirement of the Prudential Code for Capital Finance in Local Authorities. The aim of the strategy was to give an overview of the long-term context in which capital expenditure and investment decisions were made and to highlight the consideration given to risks and rewards as well as the achievement of Council priorities.

The report detailed the revised capital programme for 2020/21 and the proposed capital programme for 2021/22 to 2023/24, together with the Planned Building Investment Programme and the Highways and Transport Capital Investment Programme.

The report on the Treasury Management Strategy detailed the Treasury Strategy to be adopted for 2021/22. The Strategy was set within the parameters of relevant statute, guidance and accounting standards. It was expected the Council would borrow up to £60.2m in 2021/22 based on the current capital programme plans and would adopt a flexible approach to borrowing. In consultation with its treasury management advisors consideration would be given to affordability, maturity profile of existing external financing, interest rate and refinancing risk as well as borrowing source. The investment strategy would generally be to reduce investments in order to reduce counter-party risk and to reduce net interest costs. The Council anticipated holding investments equal to the requirements set out under MIFID II, currently £10m.

The report on Prudential Indicators sought approval of the prudential indicators for 2021/22 to 2023/24 required under the Prudential Code of Capital Finance in Local Authorities to approve the indicators for 2021/22.

Recommendations by Cabinet would be considered at full Council on 4 March 2021 as full Council was responsible for setting the overall revenue and capital budget framework. At that meeting full Council would also set the Council Tax for 2021/22.

Cabinet Members thanked the Cabinet Member and Council staff for their hard work in producing this budget. Cabinet Members highlighted that Telford and Wrekin still had one of the lowest Council tax rates in the midlands. Cabinet Members discussed the impact of over ten years of austerity on local government finance and stated that there had not been a comprehensive spending review in at least six years.

The Leader of the Liberal Democrat / Independent Group stated that Council's across the country were being forced to put their council tax rates up, as they had in previous years and would likely need to do again in the future, as this was part of the Government's strategy.

The Leader of the Conservative Group raised concerns regarding the level of borrowing, the Leader of the Council confirmed that if the Council did not borrow some funds, it would need to either cut services or raise council tax further, the Council only borrowed to invest.

In response to a comment from the Leader of the Conservative Group, the Leader of the Council stated that Shropshire Council already had a significantly higher council tax rate than Telford & Wrekin and that a support package was in place to help those who were least able to afford their council tax.

The Leader put forward an offer to the Government that if a grant was allocated to Local Authorities, as had previously been given, then the Council would rework the budget and would freeze the proposed Council Tax rise.

RESOLVED to RECOMMEND TO COUNCIL on 4 March 2021 –

(i) Overview & Revenue Budget Report 2021/22 – 2023/24

- a) The service & financial planning strategy for 2021/22 set out in the set of reports in this agenda be approved
- b) A Council Tax increase of 4.99% (made up of 3% in respect of the Government's Adult Social Care Precept and a general Council Tax increase of 1.99%) in 2021/22 be approved
- c) The investment of a further £2.375m into Adult Social Care in 2021/22 be approved
- d) The investment of £0.5m in crime and anti-social behaviour measures in both 2021/22 and 2022/23 be approved
- e) The budget savings listed in Appendix 13 of the report totalling £5.900m in 2021/22 rising to £7.139m (after 'leakage') in 2022/23 be approved
- f) Taking a measured approach to the use of available one-off resources of £0.173m in 2021/22 be approved
- g) The continuation of work with partner organisations, including Town & Parish councils and Voluntary Sector and Community Groups to seek to identify ways to mitigate the impact of some of the cuts to services that we can no longer afford be approved and the availability of the £1.1m Invest to Save & Capacity Fund which is available to support partnership working be noted
- h) The base budget, as set out in Appendix 6 of the report, be approved
- i) The policy framework for Reserves and Balances outlined in Appendix 9 of this report, be approved
- j) The CFO's robustness statement on Appendix 10 of the report be noted

- k) The Risk Register included at Appendix 3 of the report be approved**
- l) The Council Tax Reduction Scheme included within Appendix 14 of the report, for adoption by Full Council on 4 March 2021, ready for implementation from 1 April 2021 be endorsed**
- m) The continuation of the Council Tax Reduction Hardship Assistance Policy, including an addendum for 2021/22, contained within Appendix 14 of the report be approved by Cabinet**
- n) The revenue implications of the medium term capital programme for the period 2020/21 – 2023/24 set out in the Capital Strategy and Programme reports also included in the agenda pack be approved**
- o) That authority be delegated to the Director: Finance & Human Resources, after consultation with the Cabinet Member for Finance and Governance, to action any virements required following the final allocation of the Dedicated Schools Grant and other related Grants and following completion of NNDR1 and final estimates of Business Rates Income as long as they are within the budget and policy framework**
- p) The allocation of £9.65m from the Regeneration and Investment Fund to support the Property Investment Portfolio's Growth Fund be approved and that authority be delegated to the Director: Prosperity and Investment, after consultation with the Director: Finance & HR and the Cabinet Member for Finance & Governance to consider business cases through this fund**
- q) The temporary re-purposing of £3m of the capital borrowing approved for Nuplace, to finance the acquisition and refurbishment of accommodation for vulnerable groups by the Council, with authority delegated to Director: Housing, Employment & Infrastructure after consultation with the Cabinet Member: Economy, Housing, Transport & Infrastructure be approved**
- r) That authority be delegated to the Executive Director: Adult Social Care, Health Integration & Wellbeing after consultation with the Cabinet Member: Health & Social Care, to enter into the appropriate Section 256 and Section 75 Agreements under the NHS Act 2006 (as amended)**
- s) That the Director: Policy & Governance be authorised to execute all necessary contact documentation including the affixing of the common seal of the council as appropriate to enable the council to enter into appropriate Section 256 and Section 75 Agreements under the NHS Act 2006.**
- t) The option to extend the IGMT loan repayment period as outlined in section 27.1 of the report be approved, with terms delegated to the Director: Finance & HR and the Director: Prosperity & Investment after consultation with the Cabinet Member: Finance & Governance**
- u) The suite of service & financial planning reports as the Council's Efficiency Strategy for 2021/22, including the summary document at Appendix 16 of the report, to enable new capital receipts generated in the six year period starting 1 April 2016 to be used to**

fund the revenue costs of reform as assumed throughout the reports be approved

- v) The initial projections for the potential budget gap through to 2023/24 be noted and to start work in order to identify options for how this could potentially be bridged.
- w) That authority be delegated to the Director: Finance & HR after consultation with the Cabinet Member for Finance & Governance to amend the use of balances in 2021/22 to accommodate any difference in funding between that currently assumed and the final grant allocations, once all final outstanding grant allocations are received
- x) The Pay Policy for 2021/22 included as Annex 2 of Appendix 15 of the report be approved

(ii) 2021/22 Capital Strategy

The capital strategy for 2021/22 be approved

(iii) Capital Programme

- a) that the report and associated capital estimates for 2020/21 and 2021/22 to 2023/24, which incorporates the Capital Programme (Annex I), the Planned Building Maintenance Programme (Annex II) and the two year Highways and Transport capital investment programme (Annex III) be approved;
- b) that the following delegations, in line with the approved budgets and any variations or changes to schemes in these programmes which must remain within overall approved budgets, after consultation with the appropriate Cabinet Members be approved
 - i) that the Director: Prosperity & Investment be authorised to deliver the planned programme of works within the 'Asset Management Plan' and Planned Building Maintenance Programme (Annex II)
 - ii) that the Director: Neighbourhood and Enforcement Services be authorised to deliver the Highways and Transport Capital Investment Programme
 - iii) that the Director: Communities, Customer and Commercial Services be authorised to allocate the block approvals for climate change initiatives

(ii) 2021/22 Investment Strategy

that the Investment Strategy for 2021/22 be approved;

(v) Treasury Management Strategy and Update 2020/21

- a) The treasury management activities for the first half year be noted

- b) **The Treasury Management Policy Statement (Appendix A of the report) be noted**
- c) **that the Treasury Strategy, including the Annual Investment Strategy for 2021/22 together with the associated treasury Prudential Indicators and the Minimum Revenue Provision Statement, which will apply from 2020/21 onwards be approved;**

(vi) **2021/22 Prudential Indicators**

that the prudential indicators proposed in the report be approved.

CAB-51 Procurement Update

Key Decision identified as **Procurement Update** in the Notice of Key Decisions published on 20 January 2021.

The Cabinet Member for Council Finance and Governance presented the procurement update report. The report highlighted the work of officers in relation to the Procurement Policy Notice and supplier relief throughout the COVID pandemic. The report outlined changes to public procurement rules following the UK's exit from the European Union.

The Leader of the Conservative Group asked if the proposed procurement of fleet buses would be hybrid or electric vehicles, it was confirmed that these were being looked into, however, the Council needed to ensure that the vehicles procured functioned correctly and met the needs of the service.

RESOLVED that:

- a) **The procurement updates in this report be noted**
- b) **The Procurement Intentions Document (Attached as Appendix A to the report) be noted**

CAB-52 Creating a Better Borough - The Telford Land Deal

The Cabinet Member: Economy, Housing, Transport & Infrastructure presented the report of the Director: Prosperity and Investment. The report set out the achievements of the Telford Land Deal, which delivered local jobs and created growth in the Borough.

The Council entered into a 10 year land deal with Homes England in April 2015. The Deal had now been in place for 5 years and had seen the development of:

- 24 new commercial sites
- 14 sites for residential development delivering 753 new homes
- Enabled 1389 new jobs.
- Cumulatively had brought forward 23 hectares of brownfield land for development

- Delivered gross sales income of £31.4m
- Attracted private sector investment of over £254m.
- The developments would generate business rates of c £2.5m and council tax of c £0.94m.

Cabinet Members praised the Land Deal as a success story, bringing jobs and homes into the Borough.

The Leader of the Conservative Group stated that, due to the economic uncertainties around Brexit and the pandemic, the Council should tread cautiously to ensure the units were not a liability. It was noted that there was a significant level of demand for units and that a mix of units were being brought forward.

RESOLVED that the outcomes achieved since the Land Deal commenced as set out in section 4 of the report be noted

CAB-53 Creating a Better Borough - The Telford Growth Fund

The Cabinet Member: Neighbourhood, Commercial Services and Regeneration presented the report of the Director: Prosperity and Investment. The report outlined the achievements of the Council's Growth Fund investments, supporting economic growth.

The fund supported a range of developments, including Southwater and companies at Hortonwood West and T54. Cumulatively, the Fund had delivered a gross return of 7.2%, 4.6% after borrowing, with over 50% linked to long term lettings of up to 15 years. The Fund was supporting the delivery of employment space at Ni-Park in Newport.

RESOLVED that:

- a) The outcomes of the Growth Fund investments to date as set out in section 4 of this report be noted**
- b) the allocation of £9.65m from the Growth Fund and Regeneration and Investment Fund to support the developments set out at paragraph 6.0 of the report be noted and authority be delegated to the Director: Prosperity & Investment, in consultation with the Director: Finance & HR and the Cabinet Member: Council Finance & Governance, to consider business cases through the Fund**

CAB-54 Telford & Wrekin Safer Communities Programme

The Deputy Leader and Cabinet Member for Enforcement, Community Safety and Customer Services presented the report of the Director: Neighbourhood & Enforcement Services. The report outlined the proposed £1.5m investment into the Safer Communities programme, of which £1m would be allocated from the Council, with the Police and Crime Commissioner contributing a further £500,000.

The programme sought to address the root cause of crime. There would be an increase in the number of Neighbourhood Enforcement Officers, and the number of police officers in the borough had increased by 60 since 2016. The programme run for two years from April 2021, however, it was envisaged that engagement and monitoring would continue into future years.

Members welcomed the report.

RESOLVED that:

- a) **the approach and investment in the new Telford & Wrekin Safer Communities programme as outlined in the report be endorsed.**
- b) **authority be delegated to the Deputy Leader and Cabinet Member for Enforcement, Community Safety & Customer Services, in consultation with the Director: Neighbourhood & Enforcement Services to approve the areas identified following the data review to benefit from the Safer Communities investment.**
- c) **Authority be delegated to the Deputy Leader & Cabinet Member for Enforcement, Community Safety & Customer Services in consultation with the Director: Neighbourhood and Enforcement Services to finalise the series of social measures that will help to monitor and evaluate the impact of the Safer Communities investment programme.**

CAB-55 Safer, Cleaner Neighbourhoods Through Appropriate Use Of Our Enforcement Powers

Key Decision identified as **Safer, Cleaner Neighbourhoods Through Appropriate Use of Our Enforcement Powers** in the Notice of Key Decisions published on 9 December 2020.

The Deputy Leader and Cabinet Member for Enforcement, Community Safety and Customer Services presented the report of the Director: Neighbourhood & Enforcement Services. The report highlighted the enforcement duties fulfilled by the Council spanning a number of services.

Civil Parking Enforcement had been in place in the Borough for one year. The Council had suspended parking enforcement during the first national lockdown, in response to government guidance, CPE had resumed with the easing of restrictions. There had been over 500 informal warnings given and 2565 penalty charge notices issued. The enforcement team had engaged with Town and Parish Councils to create Community Action Teams to expand enforcement to a wider range of issues.

The report summarised the proposed next steps, which included the commencement of the Community Action Teams from April 2021 to address areas of specific concern and a fly tipping strategy.

RESOLVED that:

- a) the steps taken and the results of the first full year of Civil Parking Enforcement from 31 January 2020 be noted
- b) the success of enforcement activity undertaken in 2020 be noted and the new areas of focus proposed for 2021 as featured in section 11 of the report be endorsed
- c) authority be delegated to the Deputy Leader and Cabinet Member for Enforcement, Community Safety and Customer Service, in consultation with the Director: Neighbourhood & Environmental Services, to approve and adopt a new Fly Tipping Strategy.

CAB-56 Draft Learning Disability Strategy

Key Decision identified as **Draft Learning Disability Strategy** in the Notice of Key Decisions published on 9 December 2020.

The Cabinet Member for Health and Adult Social Care presented the report of the Director: Adult Social Care. During 2020, the Council had undertaken a series of engagement exercises to co-develop a new Learning Disability Strategy for the next 5 years. The draft strategy had been informed by service users, their families and carers and professionals. The report provided an overview of the draft strategy, as well as the proposed consultation questions.

Members welcomed the report.

RESOLVED that:

- a) the content of the report and appendices be noted
- b) the consultation on the draft Learning Disability Strategy be endorsed and approved.

The meeting ended at 11.25 am

Signed for the purposes of the Decision Notices

Anthea Lowe
Associate Director: Policy & Governance
Date: **Wednesday, 24 FEBRUARY 2021**

Signed

Date: Thursday, 18 March 2021