

**Cabinet – Meeting held on Monday, 18th September, 2017.**

**Present:-** Councillors Munawar (Chair), Hussain (Vice-Chair), Ajaib, Bedi, Bal, Arvind Dhaliwal, Matloob, Nazir and Sharif

**Also present under Rule 30:-** Councillors Strutton and Wright

**Apologies for Absence:-** None.

**PART 1**

**29. Declarations of Interest**

Councillor Bal declared that his daughter worked for Slough Borough Council.

Councillor Munawar declared that his son worked for arvato.

**30. Minutes of the Meeting held on 17th July 2017**

**Resolved –** That the minutes of the meeting of the Cabinet held on 17<sup>th</sup> July 2017 be approved as a correct record.

**31. Budget Monitoring Report - Period 4 2017/18 (July)**

The Leader of the Council introduced a report that provided the Cabinet with an update on the Council's latest revenue financial position to the end of July 2017 for the 2017-18 financial year.

The Council's year to date budget for the period was £42.034m and expenditure £42.744, representing an overspend of £0.710m. The most significant variances were in the Customer & Community Services Directorate. The forecast overspend was £1.904m for 2017-18, however, the Leader emphasised that all service areas were expected to operate within their funding envelopes and undertake management actions to tackle in year pressures. The Cabinet was also asked to approve a number of virement and write off requests as detailed in sections 8 and 9 of the report.

Speaking under Rule 30, Councillor Wright raised the issue of the temporary accommodation budget and asked whether it was expected that further pressures on this budget were likely later in the year. It was noted that significant action was in place to seek to contain the temporary accommodation budget.

At the conclusion of the discussion, the latest revenue position was noted and the virement and write off requests were agreed.

**Resolved –**

- (a) That the latest financial forecast be noted.

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(b) That the budget virements as listed in paragraph 8 of the report be approved.

(c) That the write offs requests as requested in paragraph 9 of the report be approved.

### **32. Capital Monitoring July 2017 and Approval of Revised Capital Budgets 2017-18**

The Leader of the Council introduced a report that provided a summary of the spend against capital budgets for the 2017-18 financial year to the end of July 2017 and sought approval for in year revisions to the capital budgets for 2017-18.

The revised consolidated budget, which took into account the re-profiling of projects from 2016-17, was £185m and included major investment in school expansions, leisure facilities and transport projects. Action had been taken to improve the management of the programme and this had resulted in slippage being significantly reduced from previous levels. The individual schemes would continue to be closely monitored to ensure the programme was well managed.

At the conclusion of the discussion, the report was noted and revised capital budgets for 2017-18 were approved.

#### **Resolved –**

(a) That the capital activities for the first four months of 2017/18 as set out in the body of the report be noted.

(b) That the revised capital budgets for 2017-18 as set out in the report be approved.

### **33. Performance & Projects Report: Q1 2017-18**

The Leader of the Council introduced a report that provided the latest performance information for the first quarter of the 2017-18 financial year, summarised performance against the Corporate Balanced Scorecard and updated on key projects.

The majority of performance indicators in the Corporate Balanced Scorecard were on track. Only two were 'red' rated in that they were significantly under the desired performance level, both of which related to childhood obesity. In addition to the range of actions the Council and its partners were already taking to address this issue, it was noted that it was a matter that the Overview & Scrutiny Committee was currently considering and any recommendations would come back to Cabinet in due course.

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There had been significant key activities and milestones on four key projects during the reporting period including the identification of the preferred bidder for the Repairs, Maintenance & Investment contract, start of the new leisure contract with a new operator, launch of the fleet challenge project and official opening of Arbour Park. The Cabinet noted the current performance information and progress of key projects.

**Resolved –** That the Council's current performance as measured by the indicators within the balanced scorecard and update on Gold projects and performance be noted.

### **34. Treasury Management Strategy Update**

The Assistant Director, Finance & Audit summarised the annual report on the Treasury Management Strategy and sought approval to increase the investment limit in pooled funds.

The Treasury Management Strategy had been successful in recent years and it continued to take a prudent approach to investment activity prioritising security and liquidity over yield. It was confirmed that none of the Prudential Indicators had been breached. The position regarding debt management was outlined and it was noted that there had been an increase in borrowing of £58m in the year to 31<sup>st</sup> March 2017 to a total of £282m to support the Council's ambitious capital programme. Investments totalled £55m and the Assistant Director proposed increasing the amount the Council could invest with institutions without credit ratings from £10m to £25m. Such investments provided an opportunity to diversify the investment portfolio and increase yield in a low interest rate environment.

After due consideration, the Cabinet noted the treasury management update and approved the increase in investment limits.

**Resolved –**

- (a) That the Treasury Management activities for 2016/17 and the beginning of 2017/18 as set out in the body of the report be noted.
- (b) That the limit on Total Investments made with institutions (i.e. Pooled Funds) without credit ratings be increased.

### **35. Implementation of Osborne Property Services Ltd Service Offer**

The Cabinet Member for Housing introduced a report that sought approval to enter into a trading partnership with Osborne Property Services Limited (OPSL) following their appointment as the partner to deliver the repairs, maintenance and investment services to the Council's housing stock. As part of the bidding process, OPSL had included innovative proposals to establish a special purpose vehicle in the form of a trading partnership to provide additional services to leaseholders, homeowners and to private sector landlords.

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It was noted that OPSL would own 51% of the shares in the company with the Council being 'gifted' the remaining 49% and having a profit share arrangement. The proposal would enable the Council to generate income to invest in local communities with potential service innovations such as modular housing units on Council sites which could be used for temporary accommodation, social care or key workers. The Cabinet welcomed the proposal and recognised the significant amount of work that had gone in to both the RMI contract and innovative trading partnership proposal which provided an opportunity to help address a range of key housing priorities.

Speaking under Rule 30, Councillor Strutton highlighted that it was essential that the asset database was kept up to date to properly manage and maintain the Council's stock. The Cabinet recognised that this had been an issue historically and the Council and Osborne had already identified it as a priority in the new RMI contract. A representative from Osborne Property Services confirmed the intention to work very closely with the Council on data sharing and the process of undertaking stock condition surveys was already underway.

At the conclusion of the discussion, the Cabinet welcomed the proposal to establish a trading company with OPSL and agreed the recommendations proposed in the report.

### **Resolved –**

- (a) That it be agreed that officers build a business case and structure for the Trading Partnership, in conjunction with OPSL.
- (b) That it be noted that the Trading Partnership is likely to be established as a company limited by shares, with the Council holding 49% of the shares and OPSL 51%.
- (c) That the Head of Neighbourhood Services, as Contract Administrator for the RMI Contract, with the s151 Officer, be delegated authority to establish a project team to progress the realisation of the proposed company structure – costs to be met from within existing resources.
- (d) That it be agreed that an appropriately worded legal agreement be drawn up between the Council and OPSL in respect of the utilisation of the retained 1-4-1 RTB receipts where appropriate; with the agreement of the s151 Officer.
- (e) That it be noted that an update report on the Trading Partnership be presented to Cabinet by December 2017, which would be supported by a detailed business plan and indicative programme.

**36. Energy Efficiency Programme for Slough Residents under ECO2t**

The Cabinet Member for Housing introduced a report that sought endorsement for a proposed energy efficiency programme in partnership with Aran Energy Services.

The scheme would offer free and partially funded energy efficiency improvements such as loft and cavity wall insulation and new heating systems to Slough residents. It would provide additional support to those in low income homes over and above the existing national schemes offering such assistance. It particularly aimed to help those in fuel poverty. The programme would be funded by the Energy Company Obligation 2 transitional funding with no costs to the Council.

The Cabinet welcomed the proposal and emphasised the importance of widely promoting the scheme to local residents. It was noted that there was a fifteen month window for the scheme and data had already been collated to ensure the funding could be targeted at those properties in most need of retro-fitting the most appropriate energy efficiency measures.

At the conclusion of the discussion the Cabinet agreed to endorse the scheme.

**Resolved –**

- (a) That the proposal to run the Energy Efficiency Programme as set out in details on the Memorandum of Understanding (MoU) in Appendix 2 to the report be endorsed.
- (b) That it be noted that the total cost of the programme would be paid from ECO2t (Energy Company Obligation 2 – transitional) funding and there were no costs to the Council apart from the officer's salary costs leading the project.
- (c) That it be noted that the proposed programme was set out to deliver on the new Housing Strategy Action Plan.

**37. References from Overview & Scrutiny**

There were no references from Overview & Scrutiny.

**38. Notification of Forthcoming Decisions**

The Cabinet considered and endorsed the Notification of Key Decisions published on 18<sup>th</sup> August 2017 which set out the decisions expected to be taken by the Cabinet over the next three months.

**Resolved –** That the published Notification of Decisions be endorsed.

**39. Exclusion of Press and Public**

**Resolved –** That the press and public be excluded from the meeting during consideration of the items in Part 2 of the Agenda, as they involved the likely disclosure of exempt information relating to the financial or business affairs of any particular person (including the Authority holding the information) as defined in Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972 (amended).

The following is a summary of the matters considered during Part II of the agenda.

**40. Acquisition Britwell Ex-Servicemen's Club, Wentworth Avenue, Britwell, Slough**

The acquisition of Britwell Ex-Servicemen's Club, Wentworth Avenue, subject to the agreement of terms, was approved.

Chair

(Note: The Meeting opened at 6.30 pm and closed at 6.51 pm)