

Cabinet – Meeting held on Monday, 13th July, 2015.

Present:- Councillors Anderson (Chair), Carter, Hussain, Mann, Munawar, Parmar, Sharif (until 7.25pm) and Swindlehurst

Also present under Rule 30:- Councillors Morris, Nazir and Strutton

PART 1

12. Declarations of Interest

No declarations were made.

13. Minutes of the Meeting held on 22nd June 2015

Resolved – That the minutes of the meeting of the Cabinet held on 22nd June 2015 be approved as a correct record.

14. Medium Term Financial Strategy Update

The Assistant Director Finance & Audit introduced a report which updated Commissioners on the latest medium term financial position of the Council and the steps in place to use the financial planning process to address an increase in the savings requirement.

The likely impacts on the Council savings requirement arising from the Chancellor's Budget delivered on 8th July were noted, including a slightly shallower trajectory of spending reductions in the next two years than had been forecast since the report had been published. However, very large scale savings would still be required with £19m of the £35m savings programme to find over the next four years. The MTFS model assumed a 25% year on year reduction in Government grants to 2019-20 and the position would become clearer in the Spending Review due in the autumn. Other key risks included increased Business Rates volatility, with 67% of the business rate base being appealed, and pressures arising from welfare reforms, particularly in terms of housing. Future financial planning processes would be based around the Five Year Plan and an outcomes based budgeting exercise was underway.

Commissioners asked a number of further questions about the likely impact of the recent Budget in terms of the profile of savings. It was stated that the overall level of savings expected would be the same, but the profile would be less steep in 2016-17. The Revenue Support Grant was projected to fall to less than £10m by 2019-20, which was down from circa £40m a few years ago. Members welcomed the success of the invest to save project that had identified significant further Business Rates payable and asked that the approach be sustained to maximise revenues. At the conclusion of the discussion, the medium term financial update was noted.

The Cabinet also considered an addendum to the report which sought approval to proceed with tender process for a stock condition survey of HRA

properties. The cost of the survey would be in excess of £250k, and it was important in supporting future decisions around the major contract recommissioning of maintenance and repairs services for housing properties. It was therefore considered an essential project to safeguard longer term investment. The Cabinet recognised the importance of this survey in supporting the recommissioning process which had the potential to make a significant contribution to future savings requirements, along with other major contracts.

Resolved –

- (a) That the updated medium term financial position, the revised financial planning assumptions and the Outcomes Based Budgeting approach be noted.
- (b) That following adopted procurement rules, officers seek to tender a stock condition survey of the HRA owned Council homes expeditiously in order to inform the major contracts reprocurement exercise.

15. Statutory Service Plans

The Cabinet received a report which sought endorsement of the Statutory Service Plans in relation to the Food Safety Service, Health & Safety Service and Trading Standards Service.

The plans had been developed in accordance with the national requirements set out by the Food Standards Agency, Health & Safety Executive and Department for Business and set out the standards for service provision, monitoring and auditing arrangements. The Cabinet were briefed on a wide range of activities such as initiatives to intercept counterfeit goods, support vulnerable people victims of rogue traders and the successful Primary Authority scheme, all of which contributed positively to Five Year Plan outcomes. The teams worked closely with other Council departments as part of an 'Open for Business' approach to support the local economy. It was noted that commercialisation of the services was ongoing and increased cost recovery helped to offset the cost of service delivery.

In response to a question about engagement between the food & safety team and public health team, Commissioners were informed that there was joint working on a number of programmes to promote healthy eating including the Takeaways Project which encouraged some takeways to reduce salt, fat and sugar and increase healthier options. There was also discussion about whether food hygiene standards were generally rising in Slough. It was noted that the number of businesses with published ratings under the Food Hygiene Rating Scheme had risen by 9% in the past year and the team worked with premises with a rating of 3 or below to improve their standards. The impact of spending reductions on service provision was also considered and it was stated that whilst the teams were performing well, further reductions could increase risks to service provision in the future.

The Cabinet commended the team for their work and agreed to recommend endorsement of the plans to full Council on 21st July 2015.

Recommended – That the Statutory Service Plans in relation to the Food Safety, Health & Safety and Trading Standards work undertaken by the Council be endorsed.

16. Leisure Strategy - Arbour Park Community Sport Facility

A report was considered that sought approval to progress the delivery of the Arbour Park Community Sports Facility (CSF), which was a key project in the Council's wider Leisure Strategy and capital programme. The Cabinet noted that the Part II Appendix marked 'to follow' on the agenda was not required as all of the information had been included in Appendix A to the Part I report.

It was proposed that delivery of the CSF take place in two phases. The first phase would include the St Joseph's 4-court sports hall, 3G pitch, car park, spectator capacity for up to 1,950 people and other required facilities to make it FA Grade C compliant to allow Slough Town FC to start using the ground from August 2016. Phase 2 would involve building the main stand and it was hoped this may be ready in 2017 following detailed work on the design and financial model to secure commercial viability.

The Cabinet welcomed the progress that had been made in delivering on their long standing ambition to provide a facility suitable for Slough Town FC to play in Slough. Members also welcomed the fact this could be achieved as part of a strategic development with the enhanced facilities for St Joseph's School and a flagship sports facility for the wider community. These would play a significant role in raising participation and improving health and wellbeing outcomes alongside the investment in other core facilities such as the ice arena and leisure centre to replace the facilities at Montem.

A range of issues were discussed including community access to the 3G pitch and whether the facilities would meet the required standards in the event of Slough Town FC achieving promotion. It was noted the facility would meet standards if the club moved up two leagues. Clarification was sought on the Education Funding Agency funding for the St Joseph's works and it was responded that confirmation was expected by the end of July. In relation to phase 2, further work was taking place to clarify the construction and operational costs to ensure affordability with further proposals would come to Cabinet in due course.

At the conclusion of the discussion, the Cabinet agreed to proceed with the development of the CSF as proposed. The capital element of the development would be recommended to full Council on 21st July 2015.

Resolved –

- (a) That the phased approach as set out in sections 4f and 5.7 of the report be agreed as the preferred capital scheme working in

partnership with the Slough Regeneration Partnership (SRP) for the development of the CSF.

- (b) That a follow up report be presented to Cabinet that provides options and timescales to deliver Phase 2.
- (c) That the Basic Need allocation agreed by Cabinet in March 2015 for the St Joseph's School improvements be increased up to £2 million.
- (d) That the following works commence immediately and these works be funded through the Basic Need budget as detailed in section 5.8 of the report if income is not received from the Education Funding Agency as expected:
 - 1. refurbishment of the Orchard Community Centre to relocate the Creative Academy, and
 - 2. creation of a new grass pitch for St Joseph's to comply with Class Consent conditions.
- (e) That the Strategic Director, Customer & Community Services be authorised to implement the next steps as set out in this report as a matter of urgency to meet key deadlines for the whole site development.
- (f) That a 'short life' task and finish group be established with the specific aim of delivering reduced costs through improved design and a better understanding of buildability. This group would include Councillors, SRP representatives as well as SBC officers.

Recommended –

- (g) That the development of the CSF be recommended for approval by Full Council on 21st July 2015.

17. Procurement of Waste Treatment Contract

The Commissioner for Environment & Open Spaces introduced a report seeking approval to commence procurement of a waste treatment contract to meet the requirements of the disposal of residual waste, recycling materials, clinical and hazardous municipal waste streams.

The Council had a statutory responsibility for the collection, management and disposal of municipal waste and Commissioners were briefed on the current contractual arrangements. The Environmental Strategy & Governance Manager set out the issues and challenges local authorities faced in relation to waste and summarised the significant financial implications and opportunities arising from the re-procurement. The Council's current contract for waste treatment ended in 2017 and it was recommended that that procurement commence in advance of this date due to the competitiveness of

the market for residual waste treatment, particularly in view of the 'capacity gap' between waste produced and disposal infrastructure.

Speaking under Rule 30, Councillor Strutton asked about the impact Heathrow expansion would have on the Lakeside Energy from Waste facility and the cost of relocation. It was responded that the future risk had been identified; however the procurement exercise would explore all of the available options and was not tied to any single infrastructure. The Leader highlighted that the Council's support for the third runway at Heathrow had been conditional of re-providing the Energy from Waste plant with our compromising the Council's target to send 0% waste to landfill and with no break in service.

The Cabinet considered the key drivers behind the outcomes of a waste treatment contract as detailed in paragraph 5.12 of the report and agreed to commence procurement of a waste treatment contract.

Resolved – That the Council commence procurement of a waste treatment contract in August 2015.

(Councillor Sharif left the meeting)

18. Children's Services Improvement Update

The Interim Director of Children's Services introduced a report that updated Commissioners on the improvement activities in children's services moving towards the establishment of the new children's services organisation in autumn 2015.

A new Single Improvement Plan, replacing three separate and complex plans, had been developed for the period to December 2015 which set out the priorities for improving service delivery. The plan included four key priorities and the Cabinet noted the progress that had been made in relation to these areas of recruitment and retention; quality assurance; quality of practice; and leadership and partnership. The percentage of permanent staff had increased from 48% to 54% in the year to March 2015 and further targeted recruitment campaigns were planned. Measures to support quality included a number of audit activities which had informed a detailed action plan to be delivered over the next three months. Partnership arrangements had been reshaped and work was underway to establish a fully operational Multi-Agency Safeguarding Hub (MASH). Current performance and future priorities as detailed in sections 6 and 7 of the report were noted and the Cabinet was advised that the new Single Improvement Plan had provided a focus to the support and sustain continued improvement in services through to the transfer to the independent Children's Services Organisation in the autumn.

The Cabinet welcomed the report and the progress being made in improving services. The recruitment and payments to foster carers was highlighted as a long standing issue. It was felt that the package of support was crucial and it was recognised that the Council needed to be more innovative in its approach

to recruit and support foster carers. In relation to staffing issues, it was recognised that there was challenges nationally in terms of recruiting and retained trained staff social care. Key worker housing was raised and Slough had previously had schemes in place but take up had not been high and it was felt that provision could be revisited as part of the package to help make Slough an attractive option for staff. Other issues discussed included the progress of establishing the MASH and work with key partners to improve services.

At the conclusion of the discussion, the Cabinet endorsed the new Single Improvement Plan and noted the progress of improvements to children's services in Slough.

Resolved –

- (a) That the new Single Improvement Plan be endorsed; and
- (b) That the progress being made in improving the services provided be noted.

19. Children's Services Transition Project Decisions and Update

The Strategic Director, Customer & Community Services introduced a report on the progress made on the transfer of some children's services to an external organisation and sought approval for the pension arrangements.

Commissioners were updated on the current position in relation to the transition process and it was restated that the Council were committed to working with the Department for Education to deliver a safe transfer of services. The new organisation had been incorporated on 12th March 2015 as a private company, limited by guarantee with no share capital, and called Slough Children's Services Trust Limited. The Cabinet had delegated authority to the Chief Executive on 9th March 2015 to agree the scope of services to be transferred, the majority of which had now been agreed as detailed in Appendix A to the report. Given the scale and complexity of such a transition, the Council had expressed continued concerns about the proposed go live date of September 2015 and a significant number of substantive issues still needed to be resolved. A further report would come to Cabinet in September on these matters.

The Cabinet was asked to delegate authority to the Chief Executive to agree the heads of terms of the pension arrangements on the basis that admission to the Berkshire LGPS Pension Fund be open and that at the end of the contract, the Council would assume the Trust's pension liabilities. Commissioners asked for clarification about the reasons for the scheme remaining open and the safeguards put in place about future pension liabilities arising from the decisions of the Trust. It was recognised that access to the pension scheme had not been open during previous outsourcing processes; however, it was felt there were special circumstances to warrant a different approach and support the effective retention and recruitment staff given the

return of services back to the Council at a future date. The Pensions Heads of Terms circulated as Appendix B to the report were noted and these included a number of provisos and protections for the Council.

The delegation to the Chief Executive to finalise the pension arrangements was agreed, however, Commissioners expressed significant concerns about the risk of future unknown pension liabilities without adequate protection and it was therefore agreed that the concerns of the Cabinet be noted and that further safeguards be sought in negotiations prior to concluding the agreement.

A number of other issues were discussed including the recovery of costs of transition, contingency plans and the TUPE consultation, which was expected to commence during week commencing 27th July. Concern was expressed that the consultation period for staff would close only a short period before the transfer date and a Commissioner also asked whether an Equalities Impact Assessment had been carried out. It was responded that an EIA would be conducted when the scope of services was finalised.

Resolved –

- (a) That the Chief Executive, following consultation with the Leader of the Council and Commissioner for Children's Services, be given delegated authority to agree the heads of terms of the pension arrangements, namely:

1. Admission to the Berkshire LGPS Pension Fund ("the Fund"), should be on an open and not a closed basis, and;
2. The Council will provide a Guarantee to the Fund in relation to the Trust meeting its liabilities under LGPS during the term of the Service Delivery Contract ("the Contract"), and;
3. On transfer of the services back to the Council at the end of the Contract the Council will assume the Trust's pension liabilities.

subject to the provisos and protections set out in Appendix B to the report.

- (b) That the significant concerns of the Cabinet about the potential future pension liabilities on the transfer of services back to the Council be noted, and that Officers seek further assurance and safeguards from the DfE to minimise this risk.

20. Proposal for Secondary, FE and HE Education

The Cabinet considered a report which sought approval to the principle of investment of Basic Need capital grant in East Berkshire College to create a new higher education facility in Slough and attract £1m from Thames Valley Berkshire Local Enterprise Partnership (TVBLEP).

Commissioners were advised that there was a change to recommendation (b) with delegated authority to explore the proposal, and if appropriate finalise terms, to the Strategic Director, Regeneration, Housing & Resources, not the Chief Executive as had been stated in the report.

An opportunity had arisen to attract £1m funding from TVBLEP skills capital funding to create a Slough Institute for Higher Education (SIHE) at the Langley Campus of East Berkshire College. The terms of the grant required match funding and in principle approval was sought to make this available and provide much needed higher education in the borough. The financial implications and risks of using Basic Need funding for these purposes were noted. Commissioners supported the principle of enhancing HE provision in the Slough and agreed that the opportunities should be explored. The project was part of a wider £31m investment programme at the College which included more FE places, including for Learners with Difficulties and Disabilities, and 200 places for pupils aged between 14-16 in partnership with local schools. Through the proposed investment SIHE aimed to double 185 HE places taken up by Slough residents and also intended to increase partnership working with local schools, promote employability and foster business innovation.

After due consideration, the Cabinet agreed the investment in principle and gave the necessary delegations to explore and finalise terms if appropriate. The principle of adjusting the Capital Programme would also be recommended to full Council on 21st July 2015.

Resolved –

- (a) That the principle of investment of Basic Need capital grant in East Berkshire College to create a new Higher Education facility in Slough and attract £1m from the TVBLEP be approved;
- (b) That the Strategic Director for Regeneration, Housing and Resources be given delegated authority, following consultation with the S151 officer, Leader of the Council and Commissioner for Education and Children to explore the proposal further and, if agreed finalise the terms and values within the bid, with the investment by Slough capped at £2m; and

Recommended –

- (c) That the principle of an appropriate adjustment to the capital programme be recommended to Council.

21. References from Overview & Scrutiny

There were no references from Overview & Scrutiny.

22. Notification of Forthcoming Decisions

Resolved – That the published Notification of Forthcoming Decisions for the period June to August 2015 be endorsed.

23. Cross Keys Public House, Chalvey

The Head of Asset Management introduced a report which requested delegated authority to seek to purchase the Cross Keys Public House in Chalvey at auction on 28th July 2015. The report had been added to the agenda as an urgent item with the approval of the Leader and the relevant public notices had been published.

The land was strategically important to develop as private family housing as part of the Chalvey Regeneration Strategy. The Council already owned 29% of the regeneration site and had sought to work with the current neighbouring owner, Crossier, to bring forward a comprehensive residential scheme. An 8 unit scheme on the Crossier land had received planning approval in June 2015 but it was felt there was potential for an 11 unit combined scheme. The Crossier owned land would be auctioned on 28th July and it was proposed that the Council bid to buy the site, preferably via the Slough Regeneration Partnership (SRP).

The Commissioner for Neighbourhoods & Renewal commented that this had been a difficult site to develop and the opportunity to bring it under a single ownership would help to unlock its potential for housing as part of the wider regeneration of Chalvey. It was noted that good progress had been made on a number of other schemes and sites in the strategy, as had previously reported to Cabinet. It was agreed in principle to delegate authority to bid at the auction to help bring forward redevelopment of the site and that this should be done via the SRP if possible. The guide price was £775k and the detailed calculations would be made by the SRP to determine the limit at the auction. For the purposes of the authority it was agreed that the sum bid would not exceed £1m.

Resolved –

- (a) That delegated authority be granted to the Head of Asset Management to purchase Crossier Properties Ltd land holdings at the above property at auction on the 28th July 2015, subject to the sum not exceeding £1m.
- (b) That the site should in the first instance be purchased via the SRP, if this route is approved by the Morgan Sindall Plc board (or any other authority required on the commercial partner's side), or purchased directly by Slough Borough Council (SBC) if such approval cannot be obtained.

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Recommended –

- (c) That the necessary adjustments to the Capital Programme 2015/16 be recommended to full Council on 21st July 2015.

Chair

(Note: The Meeting opened at 6.45 pm and closed at 8.25 pm)