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CABINET

17 FEBRUARY 2014

(7.15pm – 7.51pm)

PRESENT Councillors: Stephen Alambritis (in the Chair), Mark Allison, Nick Draper, Andrew Judge, Linda Kirby, Edith Macauley, Maxi Martin, Martin Whelton and Judy Saunders

Ged Curran (Chief Executive), Caroline Holland (Director of Corporate Services), Yvette Stanley (Director of Children, Schools and Families), Simon Williams (Director of Community and Housing), James McGinlay (Head of Sustainable Communities) and Chris Pedlow (Senior Democratic Services Officer).

ALSO PRESENT Councillors Maurice Groves, Suzanne Grocott and Peter Southgate.

1. APOLOGIES FOR ABSENCE (Agenda Item 1)

There were no apologies for absence.

2. DECLARATIONS OF PECUNIARY INTEREST (Agenda Item 2)

No declarations were made.

3. MINUTES OF THE PREVIOUS MEETING (Agenda Item 3)

RESOLVED:

That the Minutes of the meeting held on 20 January 2014 are agreed as a correct record.

4. REFERENCE FROM THE OVERVIEW AND SCRUTINY COMMISSION - PRE DECISION SCRUTINY OF THE BUSINESS PLAN 2014-2018 (Agenda Item 5)

The Leader of the Council invited the Chair of the Overview and Scrutiny Commission to present Scrutiny's comments on the Business Plan 2014-2018 to Cabinet. In presenting the Commissions views he highlighted three particular savings proposals and emphasised the views expressed by Scrutiny. They were:

- Saving CS60 – Scrutiny questioned as to whether it was possible that this saving currently scheduled for 2017/2018 could be move earlier?
- Savings EV03 to EV07- Scrutiny were concerned that those proposals would have significant impact upon residents due to the very busy nature of those services

involved. Thus Scrutiny was proposing that those proposals should be rejected at this time.

- Savings EV10 and CSF03 – Scrutiny felt that both proposals should be deferred until the next budget process, so that further details on the savings would be available to be scrutinised.

The Deputy Leader and Cabinet Member for Finance addressed the Scrutiny proposals, on behalf of the Cabinet, firstly thanking all Scrutiny Members for their hard work in thoroughly scrutinising the proposals contained within the Business Plan. He addressed the three proposals highlighted by the Chair of the Overview and Scrutiny Commission:

- Saving OCS60, the reason why it was unlikely to be possible to push that through earlier, was that the saving relates to the outcomes of a system changes within the Directorate. Without finding out the result of such a change it would be unlikely to be able to know which of the Assistant Director post would be deleted.
- Savings EV03 to EV07 – There was a need for changes in how those service areas were supported, especially with the changes to core funding. Given level of the concerns raised the Cabinet were willing to withdraw the proposal, but with the caveat that the proposal might be reconsidered in the future.
- Savings EV10 and CSF03 – The Cabinet accepted scrutiny's views on the need to deter both proposals, due to the lack of information within the proposals.

The Cabinet Member then commented on two further saving proposals. The Cabinet accepts the suggestion that CS69 be withdrawn. On proposal EV02 the Cabinet would support original views of Sustainable Communities Overview and Scrutiny Panel on the proposal of having the increase proportional and proportionate to the permit, but not the Commission's further recommendation on proposal EV02.

RESOLVED:

That the Cabinet

- 1) acknowledges Scrutiny's support on savings CS60, CS61, CS62, CS63, CS64, CS65, CS66, CS67, CS68, CS70, CS71, CS72, CS73, CS74, CS75, EV01, CH6, CH5, CH9, CH10, CSF01, CSF02
- 2) agrees to give further thought to savings proposal CS63 over changing its risk rating to "medium", prior to Council
- 3) agrees to withdraw savings proposals CS69, and EV03-EV07
- 4) agrees to defer savings proposals EV10, and CSF03 until next year
- 5) notes the views expressed by scrutiny on CH6 and in paragraph 2.12

- 6) agrees to adopt a general principle of bringing forward budget savings whenever that can be done, including for the financial year 2014/15.
- 7) agrees with the proposal of the Sustainable Communities Overview and Scrutiny Panel on proposal EV02, rather than the recommendation contained within paragraph 2.13 of the report

5. BUSINESS PLAN 2014-18 (Agenda Item 4)

Reason for urgency:

The Chair has approved the submission of this report as a matter of urgency as it provides the latest available information on the Business Plan and Budget 2014/15 and requires consideration of issues relating to the Budget process and Medium Term Financial Strategy 2014-2018. It is important that this consideration is not delayed in order that the Council can work towards a balanced budget at its meeting on 5 March 2014 and set a Council Tax as appropriate for 2014/15.

The Deputy Leader and Cabinet Member for Finance, supported by the Director of Corporate Services, presented the Business Plan 2014-2018. The principles of the report was to continue with the medium term financial planning, and the proposals made followed that approach. A number of key aspects were highlighted, including the proposal to keep Council Tax frozen; that Appendix 12 contained the proposed approaches for the new business rates reliefs' schemes, and it was confirmed that the GLA precept had now been set by the London Assembly and was provisional figure contained within the report was correct.

Members also considered the tabled Appendix 15 to the Business Plan, which detailed the Treasury Management Strategy 2014/15 along with the Cash Flow Statements for 2013-4 to 2017-8.

RESOLVED:
That Cabinet –

- 1) agrees to amend, as appropriate, the Medium Term Financial Strategy (MTFS) to incorporate its decision, taken previously on *the Overview and Scrutiny Commission - pre decision scrutiny of the Business Plan 2014-2018*, for the Council in March 2014
- 2) having considered all of the information in the report, and noted the positive assurance statement given by the Director of Corporate Services based on the proposed strategy, the Council Tax in 2014/15, equating to a Band D Council Tax of £1,102.26 be approved and recommended to Council for approval. This represents a Council Tax freeze;
- 3) resolves that the Business Plan 2014-18 including the General Fund Budget and Council Tax Strategy for 2014/15, and the Medium Term Financial Strategy (MTFS) for 2014-2018 as submitted, be approved and recommended to Council for approval subject to any proposed amendments agreed at this meeting;

- 4) having considered all of the latest information and the comments from the scrutiny process, the Capital Investment Programme (as detailed in Annex 1 to the Capital Strategy); the Treasury Management Strategy (Section 5), including the detailed recommendations in that Section, incorporating the Prudential Indicators and the Capital Strategy (Appendix 12) as submitted and reported upon be approved and recommended to Council for approval, subject to any proposed amendments agreed at this meeting;
- 5) notes that the GLA precept that was agreed by the London Assembly on the 14 February, be incorporated into the draft MTFS;
- 6) notes that there may be minor amendments to figures in the report as a result of new information being received after the deadline for dispatch and that this will be amended for the report to Council in March;
- 7) in respect of the new business rates reliefs announced in the Autumn statement 2013, agrees the Retail Property Discount Policy and the Retail Premises Re-Occupation Policy set out in Appendices 12(a) and 12(b).

6. TO CONFIRM AN ARTICLE 4 DIRECTION (OFFICES TO RESIDENTIAL) FOR MERTON (Agenda Item 6)

The Cabinet Member for Environmental Sustainability and Regeneration introduced the report to Cabinet. In guiding the Cabinet through the report he emphasised the rationale behind the proposals. He highlighted that with the increasing number of offices that had been converted to residential usage during the last year, if such a trend continued it would have a significant impact on number and type of businesses as well as level of employment with the Borough.

RESOLVED:

- 1) That Cabinet confirm the adoption of Non-immediate Permanent Article 4 Direction to remove permitted development rights for the conversion of offices (B1a Use Class) to residential use (C3 Use Class) for Wimbledon Town Centre and the Industrial Estates at Willow Lane, Garth Road, South Wimbledon (Morden Road), Durnsford Road, Dundonald Road, Plough Lane and Prince George's Road (Colliers Wood).
- 2) That the Article 4 Direction, would come into force on 06 March 2015.

7. FINANCIAL MONITORING - DECEMBER 2013 (Agenda Item 7)

The Deputy Leader and Cabinet Member for Finance presented the report, which provided the regular financial monitoring update. It was noted that as it covered the Quarter 3 financial data the information would be scrutinised by the Overview and

Scrutiny Commission's financial monitoring task group at their next meeting being held on 27 February 2014.

RESOLVED:

That Cabinet -

- 1) note the financial reporting data relating to revenue budgetary control, showing a forecast underspend at year end of £1,070k (which is 0.65% of the gross Council Budget) after allowing for a £512k transfer to the Capital Programme, £1,500k transfer to balancing the budget reserve, £1,742k carry forward of Public Health funds and consider any relevant action they may wish to take in respect of variations;
- 2) approve adjustments and capital virements detailed in Appendix 5b and the Current Capital Programme as detailed in Appendix 5a and the new budgets identified in paragraph 4.3.;
- 3) note current progress to date on savings;
- 4) note the latest position with regard to the collection of miscellaneous debt, as at the end of December 2013; and
- 5) note the Cashflow Statement attached as Appendix 11 to the report.

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