



CITY OF WESTMINSTER

MINUTES

Cabinet

MINUTES OF PROCEEDINGS

Minutes of a meeting of the **Cabinet** Committee held on **Monday 23rd February, 2015**, Rooms 5, 6 & 7 - 17th Floor, City Hall, 64 Victoria Street, London, SW1E 6QP

Members Present: Councillors Philippa Roe (Chairman), Heather Acton, Nickie Aiken, Daniel Astaire, Richard Beddoe, Melvyn Caplan, Danny Chalkley, Rachael Robathan and Steve Summers

Also Present: Councillor Tim Mitchell

Apologies for Absence: Councillor Robert Davis

1 WELCOME

The Leader welcomed everyone present and in particular Councillor Richard Beddoe to his first meeting as a Cabinet Member.

2 DECLARATIONS OF INTEREST

There were no Declarations of Interest.

3 MINUTES (15.12.14)

3.1 **RESOLVED:** That the minutes of the meeting held on Monday 15 December 2014 be approved as a correct record and signed by the Chairman accordingly.

4 SERVICE PROPOSALS FOR EARLY HELP (SEE REPORT OF THE EXECUTIVE DIRECTOR OF CHILDREN'S SERVICES)

4.1 Andrew Christie, Executive Director of Children's Services introduced the report. He explained that proposals had been subject to significant consultation and engagement with residents and service users as well as key stakeholders and partners. A detailed Equalities Impact Assessment had also been carried out. The service would also be targeted at those in most need.

- 4.2 Councillor Danny Chalkley, Cabinet Member for Children and Young People commended the excellent work which led to the production of the report. He had seen all the responses to the consultation and was able to commend the proposals to the Cabinet.
- 4.3 In response to Councillor Nickie Aiken, Mr Christie advised localities where there are higher levels of need would be targeted and how this would be joined with other agencies to ensure early intervention.
- 4.4 The Leader also endorsed the proposals and thanked everyone involved for all the good work involved in bringing these proposals forward.

Resolved:

The Cabinet considered the responses to the consultation as set out in Appendix A and summarised in paragraph 5.3 of the report and

- (i) Agreed that the new service arrangements be implemented for the delivery of Children's Centre services to ensure that they are focused on children and families most in need and support the expansion of the City's 2 year old early education programme as set out in paragraph 6.4 of the report.
- (ii) Agreed that the Council's play service provision is transitioned to new schools or third sector providers to implement a sustainable service model, providing both universal and targeted play services in response to local needs. Such providers will either be schools, third sector providers or a combination of the two, with the decision on which organisations will provide being delegated to the Executive Director of Children's Services.
- (iii) Agreed that youth services be reorganised and re-commissioned to deliver a hub and spoke service arrangement that provides both universal and targeted support for young people across the City.
- (iv) Delegated to the Executive Director for Children and Young People authority to agree any further operational changes required in order to implement these decisions.

Reasons for Decision

- (a) New service arrangements are necessary in order to support the delivery of the Council's Early Help strategy and ensure that resources and support for children, young people and families are focused to meet local and individual needs whilst securing the improvement of outcomes and life chances.
- (b) Local authorities have a duty under the Childcare Act 2006 to consult before opening, closing or significantly changing Children's Centres. To address this duty, a significant number of consultation opportunities were made available as detailed in the report including a survey in a

range of formats, public consultation meetings including family support outreach workers available to offer translation in key community languages as well as engagement with key professional stakeholders. Individual responses were received along with a number of petitions. The feedback from these has been taken into account when reviewing the initial proposals.

5 2015-16 TO 2017-18 BUDGET AND COUNCIL TAX REPORT (SEE REPORT OF THE CITY TREASURER)

- 5.1 Steven Mair, City Treasurer, introduced the report. He advised that savings of £36m had been identified, mainly from the back office to enable a balanced budget to be presented. He advised that currently a small underspend was being projected for 2014/15. The report also included outline budgets for 2016/17 and 2017/18 which still contained various risks, not least increased demands on services. These will be the subject of further detailed work in the coming months.

In respect of the Capital Programme, Mr Mair stressed the need for the Council to generate its own resources in order to fund the programme. The budget, as a whole, had been the subject of rigorous scrutiny at both officer level and Members. He referred to the levies imposed by the precepting authorities which remained unchanged except for a minor change to the Lee Valley Regional Park Authority which will result in £15,000 being allocated to balances.

- 5.2 Councillor Melvyn Caplan, Cabinet Member for Finance, Corporate and Customer Services, advised that the report was the result of 18 months detailed work which it was right to acknowledge and would allow the Council to freeze the Council Tax for an 8th successive year. The budget allowed the Council to protect vital services as most of the savings had come from back office provision. He referred to further challenges in 2016/17 and future years for which work had commenced and would continue. He thanked the officer team for the work undertaken to achieve this position. He commended the budget for recommendation to the Council.
- 5.3 Councillor Tim Mitchell spoke on behalf of the Budget Task Group. He referred to the summary set out on pages 117 to 124 of the agenda which set out the findings of the Task Group including their recommendations. These would be taken forward as part of the budget implementation.
- 5.4 The Leader placed on record her thanks to Councillor Caplan and the officer team for all the work in bringing the budget together which contained savings still mainly from the back office. She too commended the budget to the Council for approval.

Resolved:

That the Council be recommended to approve the following:

- The 2015/16 budget as set out in this report and recommend to the Council the Tax levels as set out in the Council Tax resolution at **Annex B** of the report.
- The capital expenditure programme as set out in **Schedule 1** of the report for the period to 2016/17 with years 2017/18 to 2019/20 only proceeding where projects costs can be afforded including the cost of financing.
- That capital financing costs be paid for from service budgets from 2017/18.
- The estimated level and use of Earmarked Reserves in **Schedule 6** of the report as at the budget monitoring position for month 10, 2014/15.
- That the local element for Band D properties be confirmed at the same level as 2014/15 (**ie £377.74**) in 2015/16 and that Westminster accordingly take advantage of the 1% (£0.5m) Council Tax Freeze grant for 2015/16.
- That the Council Tax for the City of Westminster, excluding the Montpelier Square area and Queen's Park Community Council for the year ending 31 March 2016 be as specified in the Council Tax Resolution in **Annex B** of the report and as summarised in Schedule 6 of **Annex B**. That the precepts and Special Expenses be as also specified in Annex B for properties in the Montpelier Square and Queens Park Community Council areas as summarised in paragraph 6 of **Annex B** of the report. That the Council Tax be levied accordingly and that officers be authorised to alter the Council Tax Resolution as necessary following the final announcement of the Greater London Authority precept.
- That the views of the Budget and Performance Task Group set out in **Annex A** of the report be noted, considered and incorporated into the Cabinet's report to Council in accordance with the Budget and Policy Framework Procedure Rules in the Constitution.
- That the cash limited budgets for each service with overall net expenditure for 2015/16 of £194,808k be approved.
- That the members of the Executive Management Team be responsible for managing their respective budgets including ensuring the implementation of savings.
- That the City Treasurer be required to submit regular reports as necessary on the implementation of the savings proposals and on the realisation of pressures and mitigations as part of the regular budget monitoring reports.

- That the City Treasurer be delegated responsibility for any technical adjustments required to be made to the budget.
- That the cost of inflation be issued to service budgets if and when it materialises to the limits as contained within Schedule 5 of the report under Corporate Pressures.
- Use of £1.1m one off reserves to part fund the gap in DHP funding.
- That the views of consultees and consultation approach, as set out in section 19 of the report be considered by Council.
- That the Equality Impact Statement as part of the report, Annex D, be received and noted.

That this report be submitted to the Extraordinary meeting of the Council on 4th March and Council be recommended to receive a speech by the Leader of the Council on Council priorities and financial aims.

Reasons for Decision

The preparation of the budget is the final stage of the annual business planning cycle leading to the approval of the Council Tax for the forthcoming financial year. There is a statutory requirement to set a balanced budget and submit budget returns to the Department of Communities and Local Government (CLG). Approval of the revenue estimates constitutes authority for incurring of expenditure in accordance with approved policies.

6 TREASURY MANAGEMENT STRATEGY FOR 2015-16 INCLUDING PRUDENTIAL INDICATORS AND STATUTORY BORROWING DETERMINATIONS (SEE REPORT OF THE CITY TREASURER)

- 6.1 Steven Mair, City Treasurer, introduced the report. He advised that the limits were set out in the report having regard to current financial risks and regulations.
- 6.2 Councillor Melvyn Caplan, Cabinet Member for Finance, Corporate and Customer Services, advised that the investment strategy would continue to be monitored closely by the Policy and Scrutiny Committee, who had already scrutinised the strategy. Investments, he added, would be made in projects where possible in order to maximise income.

Resolved:

- (a) That the Council be recommended to approve:
- (i) The Treasury Management Strategy, the Annual Investment Strategy and the Borrowing Strategy for 2015/16 (as set out in this report).

- (ii) The Minimum Revenue Provision proposal for 2015/16, as set out in section 8 and Appendix 3 of the report.
- (iii) The proposed Prudential Indicators, as set out in section 7 of the report.
- (iv) The Treasury Management Policy Statement as set out in Appendix 1 of the report and
- (v) That the City Treasurer be delegated responsibility in consultation with the Cabinet Member for Finance, Corporate and Customer Services for any technical adjustments required to be made during the year.

Reasons for Decisions

The Council is required under the Local Government Act 2003 (as amended) and other regulations to approve an Annual Treasury Management Strategy to cover Borrowing Strategy, Investment Strategy and set Prudential Indicators together with borrowing limits for the next three years. In addition, the Council must approve an annual Minimum Revenue Provision Statement.

7 COUNCIL'S PAY POLICY 2015-2016 (SEE REPORT OF THE ACTING DIRECTOR OF HUMAN RESOURCES)

- 7.1 Carolyn Beech, Acting Director of Human Resources, advised that the report was submitted as a requirement of the Localism Act 2011 and the more recent Transparency Regulations.
- 7.2 Councillor Melvyn Caplan, Cabinet Member for Finance, Corporate and Customer Services, advised that there had been no significant changes from the previous submission but the policy would be kept under review.

Resolved:

That the proposed Pay Policy for 2015-2016, as set out in Appendix 1 of the report be recommended to Council for approval.

Reason for Decision

The approval of a Pay Policy on an annual basis is a legal requirement.

9 OTHER BUSINESS

The Leader, on behalf of the Cabinet and the Council, recorded thanks to Leith Penny, Executive Director of City Management and Communities who was attending his last meeting of the Cabinet before his retirement for his many years of outstanding service to the Council and communities of Westminster.

The Meeting ended at 7.24 pm.

CHAIRMAN: _____

DATE _____