

Cabinet

Meeting held 14 February 2018

PRESENT: Councillors Julie Dore (Chair), Olivia Blake, Ben Curran, Jayne Dunn, Mazher Iqbal, Mary Lea, Bryan Lodge, Cate McDonald and Jack Scott

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1. APOLOGIES FOR ABSENCE

1.1 An apology for absence was received from Councillor Jackie Drayton.

2. EXCLUSION OF PUBLIC AND PRESS

2.1 No items were identified where it was proposed to exclude the public and press.

3. DECLARATIONS OF INTEREST

3.1 There were no declarations of interest.

4. MINUTES OF PREVIOUS MEETING

4.1 The minutes of the meeting of the Cabinet held on 14 January 2018 were approved as a correct record.

5. PUBLIC QUESTIONS AND PETITIONS

5.1 Public Question in respect of Staff Costs

5.1.1 Nigel Slack asked how many staff were employed by the Council in Communications under the Policy, Performance and Communications Service and what was the budget for this financial year and the actual cost for the same period? He further asked had any consultants been used by the Service in respect of communications including campaigns, marketing, press and PR during the 2017/18 financial year? Who were they? What was their brief? How much has been spent on their consultants? Was any of that in the original budget?

5.1.2 Mr Slack then asked how many staff were employed by the Council in Democratic Services under the Resources Portfolio and what was the budget for this financial year and the actual cost for the same period?

5.1.3 It was agreed that a written answer to this question would be provided to Mr Slack.

5.2 Public Question in respect of University Technical Colleges

5.2.1 Nigel Slack commented that Sheffield had two University Technical Colleges. In relation to this, he asked what was the student capacity of each and what were their current enrolled student numbers?

5.2.2 As the Cabinet Member for Children, Young People and Families, Councillor Jackie Drayton, was not present at the meeting it was agreed that a written answer would be provided to Mr Slack.

5.3 Public Question in respect of Standards Complaint

5.3.1 Nigel Slack stated that, on 5 April 2017, he first raised, via a question at Full Council, an issue over, what he considered to be unreasonable behaviour by a Sheffield Councillor. Following the response to his question, he met with the whip of the relevant party and was encouraged to take the matter further. Therefore he completed a complaint form on 17 April.

5.3.2 Mr Slack added that there had still not been a determination on the complaint ten months later. The last communication Mr Slack had had from the investigator was on 20 December 2017 indicating that the complaint would be considered by a sub-committee. What was the up to date status of this complaint?

5.3.3 The Chair, Councillor Julie Dore, reported that this question had been referred to the Monitoring Officer who had responsibility for dealing with complaints against Elected Members.

5.4 Public Question on Scrutiny Committee reporting to Full Council

5.4.1 Nigel Slack referred to a recent Communities and Local Government Committee report on Overview and Scrutiny functions. The recommendations of the report highlighted a number of suggestions for protocols that were not currently part of the Council's policy and procedures. For example, in relation to Scrutiny Committees reporting to Full Council, it referred to access to financial and performance data held by an authority, and that this access should not be restricted for reasons of commercial sensitivity. Mr Slack therefore asked will the Council be taking note of these recommendations as part of the current review of Council meetings?

5.4.2 Councillor Julie Dore responded that the Council would consider the full report and its recommendations and make decisions on that basis. This would therefore go further than the remit of the Review of Council meetings group. Councillor Dore would expect the Overview and Scrutiny Management Committee to also take into account the report referred to by Mr Slack.

5.5 Public Question in respect of Mount Pleasant Development

5.5.1 Nigel Slack commented that, one of the Directors of Avenue to Zero (A2Z), a bidder for the Mount Pleasant disposal had been contacted the morning of this meeting to be informed that the bid had been won by Hermes Care Ltd. No information was given as to why the local community bid of A2Z had failed in favour of a 'for profit' company from outside the City. It was suggested that the decision was a result of extensive discussions and meetings with all involved. However, A2Z had been given only one meeting in October 2017. Information Mr Slack had heard from others suggested concerns over the A2Z bid around long

term viability but only in respect of the pricing of one small part of the projects offer. It had also become clear to Mr Slack that key information may have been missed from the officer's report.

- 5.5.2 Mr Slack further commented that, also today, A2Z had been offered a meeting with the Cabinet Member for Finance and Resources at 9:30 am tomorrow. This was very short notice to get together members of the bid team, including senior staff from Grant Thornton, Arup Bond Bryan Architects etc. Apparently there was to be an offer to support the project in another place, despite the unique aspects of the project and the location in Sharrow.
- 5.5.3 Without access to the report it was very difficult for Mr Slack to comment further on how this decision was made. A2Z were not invited to a supposed press announcement earlier today and it now appeared that this was a closed briefing for the Star newspaper only.
- 5.5.4 Mr Slack therefore asked that the Cabinet referred this decision to Scrutiny in the hope that a complete understanding of the decision could be achieved and that it was based on a full understanding of the impact of this decision on another gem of Sheffield's heritage before it was lost to the local community forever. In the meantime Mr Slack asked how far into the process of agreement are the Council with Hermes? Had there been any pre-planning meetings? Had there been any discussion on Heads of Terms? What consultation had Hermes or the Council done with local residents? Were the Council aware of the financial circumstances of this bidder? Had the Council taken into account the precarious market for Care Homes? Will the development include affordable housing? Will this be based on S7 or S11 postcode?
- 5.5.5 Councillor Julie Dore responded that the Council had policies and procedures for awarding contracts. She could not discuss issues Mr Slack had raised regarding a particular contractor due to commercial confidentiality. However, the Council would take on board what Mr Slack had said.
- 5.5.6 Councillor Olivia Blake, Cabinet Member for Finance, added that the meeting arranged with A2Z for tomorrow had been arranged as she wanted to meet A2Z as quickly as possible after the announcement but was happy to change the date if this was more suitable for A2Z. She would welcome a meeting to discuss how the Council could work together with A2Z in the future.

6. ITEMS CALLED-IN FOR SCRUTINY

- 6.1 The Chair of the Overview and Scrutiny Management Committee, Councillor Chris Peace, submitted a report outlining the outcome of the Committee's consideration of the Revenue Budget and Capital Programme 2018/19 reports to be considered at today's Cabinet meeting.
- 6.2 Following consideration of the reports the Committee resolved the following:-

RESOLVED: That the Committee:-

(a) notes the contents of the reports of the Executive Director, Resources, on the Capital Programme 2018/19 and the Budget Report 2018/19, together with the comments made and the responses provided to the questions raised;

(b) recommends that the reports of the Executive Director, Resources on the Capital Programme 2018/19 and the Budget Report for 2018/19, be submitted to Cabinet without amendment;

(c) believes that the approach of central government to local government, one of a combination of incompetence and deliberate action, has led us to a critical point in local government finance. The Committee has concerns about the longer term financial sustainability of local government without changes in how central government chooses to fund councils;

(d) believes that the social care crisis, which is the driving force behind many of the difficult budget decisions that councils are having to make, is a national crisis borne almost entirely by local government, exacerbated by similar challenges facing the NHS;

(e) pays tribute to the Council's front line staff who, it believes, go above and beyond in terms of time, capacity and compassion in delivering services in difficult circumstances;

(f) acknowledges and thanks volunteers and community groups in the city who work tirelessly to tackle the negative effects of austerity that so many local communities are facing;

(g) agrees to include greater oversight of the budget in its Work Programme, both in terms of in-year monitoring to support the implementation of this year's budget; and being involved in the process for putting together next year's budget proposals – particularly in the approach to public consultation; and

(h) thanks the Cabinet Member for Finance, the Cabinet and all officers involved for their hard work in delivering a balanced budget for 2018/19.

6.3 It was then: **RESOLVED:** That the above recommendations of the Overview and Scrutiny Management Committee be noted.

7. RETIREMENT OF STAFF

7.1 The Executive Director, Resources submitted a report on Council staff retirements.

7.2 **RESOLVED:** That this Cabinet :-

(a) places on record its appreciation of the valuable services rendered to the City Council by the following staff in the Portfolios below:-

<u>Name</u>	<u>Post</u>	<u>Years' Service</u>
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People Services

Jane Taylor Senior Supervisory Assistant, 26
 Ecclesall Infant School

(b) extends to them its best wishes for the future and a long and happy retirement;
and

(c) directs that an appropriate extract of this resolution under the Common Seal of
the Council be forwarded to them.

8. REVENUE BUDGET 2018/19

8.1 The Executive Director, Resources submitted a report to recommend that the
Cabinet request Full Council to:-

- approve the City Council's revenue budget for 2018/19, including the
position on reserves and balances;
- approve a 2018/19 Council Tax for the City Council; and
- note the levies and precepts made on the City Council by other authorities.

8.2 **RESOLVED:** That Cabinet recommends to the meeting of the City Council on 7
March 2018:-

- (a) to approve a net Revenue Budget for 2018/19 amounting to £401.857m;
- (b) to approve a Band D equivalent Council Tax of £1,513.92 for City Council
services, i.e. an increase of 5.99% (2.99% City Council increase and 3%
national arrangement for the social care precept);
- (c) to approve the savings as set out in **Appendix 2** of the report;
- (d) to approve the Revenue Budget allocations for each of the services, as set
out in **Appendices 3a to 3d** of the report;
- (e) to note that, based on the estimated expenditure level set out in **Appendix
3** to this report, the amounts shown in part B of **Appendix 6** of the report
would be calculated by the City Council for the year 2018/19, in
accordance with sections 30 to 36 of the Local Government Finance Act
1992;
- (f) to note that the Section 151 Officer has reviewed the robustness of the
estimates and the adequacy of the proposed financial reserves, in
accordance with Part 2 of the Local Government Act 2003, and further
details can be found in **Appendix 4** of the report;
- (g) to note the information on the precepts issued by the South Yorkshire
Police & Crime Commissioner and of South Yorkshire Fire & Rescue
Authority, together with the impact of these on the overall amount of

Council Tax to be charged in the City Council's area;

- (h) to approve the proposed amount of compensation to Parish Councils for the loss of Council Tax income in 2018/19 at the levels shown in the table below paragraph 170;
- (i) to note the latest 2017/18 budget monitoring position;
- (j) to approve the Treasury Management and Annual Investment Strategies set out in **Appendix 7** of the report and the recommendations contained therein;
- (k) to approve the Minimum Revenue Provision (MRP) Statement set out in **Appendix 7** of the report;
- (l) to agree that authority be delegated to the Executive Director, Resources to undertake Treasury Management activity, to create and amend appropriate Treasury Management Practice Statements and to report on the operation of Treasury Management activity on the terms set out in these documents;
- (m) to approve a Pay Policy for 2018/19 as set out in **Appendix 8** of the report; and
- (n) to agree that the Members' Allowances Scheme for 2017/18 and onwards, approved on 3 March 2017, be also implemented for 2018/19.

8.3 **Reasons for Decision**

The City Council on 7 March 2018 meets to consider the Revenue Budget for 2018/19 and to determine the Council Tax for that year. The report provides information to enable the Council to set a budget and determine the Council Tax. The proposals set out in this report provide for a balanced budget to be recommended to Council.

8.4 **Alternatives Considered and Rejected**

A number of alternative courses of action are considered as part of the process undertaken by Officers before decisions are recommended to Members. The recommendations made to Members represent what Officers believe to be the best options available to the Council, in line with Council priorities, given the constraints on funding and the use to which funding is put within the Revenue Budget and the Capital Programme.

(Note: This is subject to approval at Full Council at its meeting to be held on 7 March 2018 and is not subject to call-in).

9. **CAPITAL PROGRAMME 2018/19**

9.1 The Executive Director, Resources submitted a report setting out the proposed Capital Programme for 2018-19 onwards, describing the programmes to be undertaken and the projects to be delivered.

9.2 **RESOLVED:** That Cabinet recommends to the meeting of the City Council on 7 March 2018:-

(a) to note the specific projects included in the years 2017/18 to 2023/24 at appendices 1 and 2 of the report; that block allocations are included within the programme for noting at this stage and detailed proposals will be brought back for separate Member approval as part of the monthly monitoring procedures;

(b) note the proposed Capital Programme for the 6 years to 2023/24 as per appendices 1 and 2 of the report; and

(c) approve the Growth and Investment Fund (GIF) policy set out at appendix 3 of the report, such that the commitment from the GIF is limited to one year and no GIF supported schemes are approved beyond 2018/19 unless explicitly stated; and that further reports will be brought to Members as part of the monthly approval process should the receipts position improve.

9.3 **Reasons for Decision**

9.3.1 The proposed projects within the Capital Programme will improve the services to the people of Sheffield

9.3.2 To formally record the Capital Programme in line with the Council's annual budgetary procedures and gain Member approval for the policy on the management of the Corporate Resource Pool.

9.4 **Alternatives Considered and Rejected**

9.4.1 A number of alternative courses of action are considered as part of the capital approval process undertaken by Officers before decisions are recommended to Members. The recommendations made to Members represent what Officers believe to be the best options available to the Council, in line with Council priorities, given the constraints on funding and the use to which funding is put within the Revenue Budget and the Capital Programme.

(Note: This is subject to approval at Full Council at its meeting to be held on 7 March 2018 and is not subject to call-in).

10. REVENUE BUDGET AND CAPITAL PROGRAMME MONITORING 2017/18 MONTH 9 AS AT 31/12/17

10.1 The Executive Director, Resources submitted a report providing the Quarter 3 monitoring statement on the City Council's Revenue and Capital Budget for

2017/18.

10.2 **RESOLVED:** That Cabinet:-

- (a) notes the updated information and management actions provided by the report on the 2017/18 Revenue Budget position; and
- (b) notes the Minimum Revenue Position Policy change as approved by the Executive Director, Resources, as outlined in Appendix 7 of the report.

10.3 **Reasons for Decision**

10.3.1 To record formally changes to the Revenue Budget and the Capital Programme and, following a request from the Overview and Scrutiny Management Committee, on 22 January 2018, to include the report on the MRP policy change.

10.4 **Alternatives Considered and Rejected**

10.4.1 A number of alternative courses of action are considered as part of the process undertaken by Officers before decisions are recommended to Members. The recommendations made to Members represent what Officers believe to be the best options available to the Council, in line with Council priorities, given the constraints on funding and the use to which funding is put within the Revenue Budget and the Capital Programme.

11. PROCUREMENT OF SECURITY ARRANGEMENTS TO MEET THE COUNCIL'S OPERATIONAL NEEDS

11.1 The Executive Director, Resources submitted a report seeking authority to procure a corporate framework and subsequently enter into call off contracts against the framework for the provision of a number of security related services.

11.2 **RESOLVED:** That Cabinet:-

- (a) delegates authority to the Director of Finance & Commercial Services, in consultation with the Executive Director, Place (or her nominated Director) and the Director of Legal and Governance to:
 - (i) approve the Procurement Strategy and Contract Award for a Corporate Security Framework as set out and in line with the report;
 - (ii) thereafter to enter into contracts via a call off arrangement for the goods / services as set out and in line with the report;
 - (iii) approve the purchase of provision in accordance with service requirements; and
 - (iv) take all other necessary steps not covered by existing delegations to

achieve the outcomes outlined in the report.

11.3 **Reasons for Decision**

11.3.1 In the short term, the procurement will enable the Council to:

- Have a compliant mechanism in place to meet the service requirements, whilst allowing for a thorough review in the medium to long term to identify any savings/efficiencies.
- Meet Data Protection Legislation in any new installation and upkeep of CCTV systems.
- Amalgamating the different contracts and arrangements currently in place across the Council into a single contractual Framework provides the opportunity to aggregate volumes and thus potentially benefit from economies of scale and simplified contract management requirements. This will also help implement standard procedures across the Council

11.4 **Alternatives Considered and Rejected**

11.4.1 The Council could carry on meeting its requirements for Security with the current piecemeal arrangement; however the implications are that some of these arrangements do not comply with public procurement regulations or the Council's Standing Orders.

12. **MONTH 9 CAPITAL APPROVALS**

12.1 The Executive Director, Resources submitted a report providing details of proposed changes to the Capital Programme as brought forward in Month 9 2017/18.

12.2 **RESOLVED:** That Cabinet approves the proposed additions and variations to the Capital Programme listed in Appendix 1 of the report, including the procurement strategies and delegates authority to the Director of Finance and Commercial Services or nominated Officer, as appropriate, to award the necessary contracts.

12.3 **Reasons for Decision**

12.3.1 The proposed changes to the Capital Programme will improve the services to the people of Sheffield.

12.3.2 To formally record changes to the Capital Programme and gain Member approval for changes in line with Financial Regulations and to reset the Capital Programme in line with latest information.

12.3.3 Obtain the relevant delegations to allow projects to proceed.

12.4 **Alternatives Considered and Rejected**

- 12.4.1 A number of alternative courses of action are considered as part of the process undertaken by Officers before decisions are recommended to Members. The recommendations made to Members represent what Officers believe to be the best options available to the Council, in line with Council priorities, given the constraints on funding and the use to which funding is put within the Revenue Budget and the Capital Programme.

13. DECISION BY CABINET AS TRUSTEES OF THE HILLSBOROUGH PARK CHARITY - LEASE OF HILLSBOROUGH ARENA, HILLSBOROUGH PARK, SHEFFIELD

- 13.1 The Executive Director, Place submitted a report seeking approval of Cabinet, acting as the Trustee of the Hillsborough Park charity, to the surrender and re-grant of a lease of part of Hillsborough Park which is currently granted to Hillsborough Arena Sports Association.

- 13.2 **RESOLVED:** That Cabinet, acting as Charity Trustee of the Hillsborough Park charity (registered charity number 523913), in accordance with the powers given to the Council as Trustee under the provisions of the Charity Commission Scheme dated 22nd March 1996 as revised by the additional Scheme dated 15th October 1998 (“the Scheme”) and the provisions contained in the Charities Act 2011 (“the Act”), approves the surrender and re-grant of the existing lease to Hillsborough Arena Sports Association (“HASA”) (registered charity No. 1126206), with authority granted to the Chief Property Officer, in conjunction with the Director of Legal and Governance to agree the final terms of the new lease.

13.3 Reasons for Decision

- 13.3.1 The proposal to surrender the existing lease to HASA and to grant a new lease for a term of 25 years at a peppercorn rent:

- enables HASA to secure further funding from suitable grant funders for capital investment in order to sustain and improve properties and recreational facilities
- enhances the attractiveness of the park as a valuable asset for use by the community
- enables the demised property to be occupied for the purposes of the charitable objects of the Charity
- Complies with the provisos contained within the power granted to the Trustee by the Scheme and with the statutory provisions contained within the Act and further with the requirements of the Charity Commission.

13.4 Alternatives Considered and Rejected

- 13.4.1 The only alternative option is to do nothing as the Charity (and the City Council) has very limited funding, none of which is currently allocated for the works required to maintain and improve the existing HASA facilities.

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