

CABINET
13 MAY 2014

Minutes of the meeting of the Cabinet of Flintshire County Council held in the Clwyd Committee Room, County Hall, Mold CH7 6NA on Tuesday, 13 May 2014

PRESENT: Councillor Aaron Shotton (Chairman)

Councillors Bernie Attridge, Chris Bithell, Helen Brown, Derek Butler, Christine Jones, Kevin Jones and Billy Mullin

ALSO PRESENT:

Councillor Dave Mackie

IN ATTENDANCE:

Chief Executive, Director of Community Services, Director of Environment, Director of Lifelong Learning, Head of Finance, Head of Legal and Democratic Services, Head of Human Resources and Organisational Development, Head of Housing, Policy and Performance Manager and Team Manager, Committee Services

218. DECLARATIONS OF INTEREST

Councillor Bernie Attridge declared a personal and prejudicial interest in agenda item number 6 – Update on the Establishment of a Housing Company.

219. MINUTES

The minutes of the meeting held on 15 April 2014 had been circulated with the agenda.

RESOLVED:

That the minutes be approved as a correct record.

220. 2014/15 IMPROVEMENT PLAN

The Cabinet Member for Corporate Management introduced the draft Improvement Plan 2014/15 prior to its final publication in June.

It was a requirement of the Local Government (Wales) Measure 2009 to set Improvement Objectives and publish an Improvement Plan and it was a statutory requirement for the County Council to adopt the Improvement Plan.

For 2013/14, the Council carried out a thorough review of the priorities to streamline them and reset them with clearer outcome based aims. A revised set of eight priorities supported by a structure of sub-priorities was adopted.

The Chief Executive explained that the new version of the Plan took full account of the advisory comments of the Wales Audit Office (WAO) from September 2013 with the content of the letter including the comments “enables public engagement with the Council priorities more effectively than in the past” and “the plan is much shorter than before and now communicates clearly and

succinctly how each of the Improvement Objectives related to the Council's eight medium-term corporate priorities and to those of partners in the Local Service Board".

For 2014/15 a review of the current priorities and sub-priorities had been undertaken to set:-

- Priorities that continued into 2014/15 for sustained attention
- Priorities that could be removed as completion of a time-limited piece of work, e.g. Single Status
- Priorities which could be merged e.g. School Improvement and School Modernisation; and
- Emerging priorities for 2014/15 e.g. People Change and Development

The Policy and Performance Manager added that the Improvement Plan 2014/15 would be submitted to the Overview and Scrutiny Committees and Cabinet in June 2014 prior to formal adoption by County Council on 24 June 2014.

RESOLVED:

That the Improvement Plan 2014/15 be approved prior to consultation and final publication in June.

221. COMMUNITY REVIEW UPDATE

The Cabinet Member for Corporate Management introduced the final proposals on the community review and explained that an updated version of the report had been circulated to Members.

The County Council had a statutory duty to keep Town and Community Council boundaries and electoral arrangements for communities within its area under review. The County Council had not previously undertaken a comprehensive community review, only limited reviews affecting a small number of Town and Community Councils.

The Head of Legal and Democratic Services explained the background to the draft proposals with the final version being considered by County Council on 30 April 2014 where subject to one amendment being made, to remove the objection by Councillor Steele-Mortimer to the proposal for Trelawnyd and Gwaenysgor which he had not made, the draft final proposals were agreed.

Following approval, the final proposals would be published in the press and on the Council's website. Where the final proposals involved changes to external community boundaries, a report recommending those changes would be submitted to the Local Democracy & Boundary Commission for Wales. There were seven such towns and communities where changes were proposed to the external boundary, namely Broughton & Bretton, Halkyn, Higher Kinnerton, Hope, Leeswood, Mold and Penyffordd. In considering those changes the Commission would also consider any consequential changes to the internal ward boundaries. The Commission would then make recommendations to the Welsh Government.

The Commission had been due to review the boundaries within Flintshire and report back by May 2017. However, following the publication of the Public Services Commission report the Commission had suspended its scheduled programme of reviews and there was no clear indication of when the Commission would consider the boundaries in Flintshire.

RESOLVED:

- (a) That the draft final proposals contained in Appendix B be approved; and
- (b) That the final agreed proposals be published in the press and on the Council's website with the seven communities where the external boundary is proposed to change being recommended to the Local Democracy & Boundary Commission for Wales.

Agenda Item 5 - Community Review (revised)

222. UPDATE ON THE ESTABLISHMENT OF A HOUSING COMPANY

The Cabinet Member for Housing provided an update on the progress made in establishing a housing company, North East Wales Homes, and sought approval for the transfer of "gifted" units to the company directly from developers.

Cabinet on 19 December 2013 approved the establishment of a housing company and gave delegated authority to officers to take all of the necessary steps to set that company up. Good progress had been made and the company had been created and registered at Companies House.

The Council had been gifted 10 units of housing under Section 106 agreements for affordable housing in perpetuity. Those properties were transferred to the Council in two tranches, the first in September 2013 and the second in January 2014.

Welsh Government had been supportive of the move to establish a company and had supplied the Council with free consultancy services.

As part of the gradual development of portfolio products, the company was starting with two initial landlord offers. The first would utilise the experience and expertise of the Council as a trusted provider with the company managing and letting a property on behalf of a landlord who owned property through a management agreement. This would enable the company to carry out all the functions of the landlord in return for a one off £195 sign up fee and 10% of the rental income monthly management fee which would be subject to annual review. The second landlord offer provided a unique opportunity for home owners over 55 to lease their properties to the company, who would fully manage the property and guarantee the rental income for a fixed 25% of rental income monthly fee, and also points to enable access to suitable council accommodation at the same priority as someone who did not own a property. This offer recognised the barriers home owners could face accessing suitable council accommodation designated for older people as they received insufficient priority of the Council's waiting list, as they owned an asset.

The 10 units given to the Council were transferred to the Council before the company was incorporated. Using the previously granted delegated authority, officers had transferred those properties to the company. The Council would continue to receive such properties from developers in the future. However, it was not anticipated that every such property would be transferred to the company and therefore it was recommended that where appropriate for properties to be given to the company that it be decided by the Head of Housing in consultation with the Cabinet Member for Housing.

A nomination agreement would be developed between Flintshire County Council and the company which would set out the arrangements for letting those properties which would provide full nomination rights to Flintshire County Council. This would ensure that those properties were let to people prioritised for affordable housing by Flintshire County Council.

The Cabinet Member for Housing expressed her thanks to everybody involved in the establishment of the housing company which was echoed by other Cabinet Members who said this was a flagship initiative in Wales which demonstrated the Council's commitment to providing affordable housing.

NB – Councillor Bernie Attridge left the room during consideration of this item.

RESOLVED:

- (a) That the progress be noted and the actions taken to establish the Housing company be endorsed;
- (b) That delegated authority be granted to the Head of Housing in consultation with the Cabinet Member for Housing to decide which of any future gifted units should be transferred directly to the company by developers; and
- (c) That it be approved that a nomination agreement be developed between the Council and the company, providing 100% nomination rights for all lettings.

223. SCHOOLS CONSULTATIONS IN SALTNEY

The Cabinet Member for Lifelong Learning provided information on the forthcoming consultations with Saltney Ferry Primary School and St David's High School.

Following agreement to conduct consultations in schools affected by Post-16 reorganisation, the consultations with the community at Saltney was the last in the series of consultations which had been held at Holywell, Connah's Quay, Queensferry, Buckley and Flint.

The two options put forward for consideration were based on post-16 provision at St. David's High School from September 2016 and the possible amalgamation of Saltney Ferry Primary School with St. David's High School to create a new 3-16 age-range school from September 2016. The options for consultation had been agreed with the Governing Bodies of the two schools.

RESOLVED:

That the content of the consultation document which will be circulated to the school community in the area and all statutory consultees as specified by Welsh Government be noted.

224. REVENUE BUDGET MONITORING 2013/14 (MONTH 11)

The Head of Finance provided the most up to date revenue budget monitoring information (Month 11) for the Council Fund and the Housing Revenue Account in 2013/14, based on actual income and expenditure as at Month 11 and projected forward to year-end based on the most up to date information available.

The projected year end position on the Council Fund, as estimated at Month 11 was:

- Net in year expenditure forecast to be £2.215m less than budget (an increase of £0.064m on the £2.151m reported at Month 10)
- Projected contingency reserve balance at 31 March 2014 of £4.901m

On the HRA, the net in year expenditure forecast was £0.171m less than budget (£0.089m as at Month 10) with a projected closing balance at 31 March 2014 of £1.605m.

The table in the report showed a projected positive variance of expenditure against budget of £2.215m. The original budget column reflected in-year virements which had been approved in compliance with Financial Procedure Rules. All of the movements from Month 10 were summarised in Appendix 1 to the report with detailed reasons for all variances summarised by Directorate in Appendices 2 to 8.

During the period a number of areas had been identified that may require the carrying forward of funding into 2014/15 and each would be given careful consideration over the coming weeks with an update being provided in the month 12 budget monitoring report. Requests to carry forward £0.085m had been received to fund software costs in relation to job scheduling and Personal Digital Assistant (PDA's) hand held devices that had not materialised in 2013/14 but would be purchased in 2014/15 and £0.015m to the maisonette decant costs not being fully spent in the year.

The 2013/14 budget contained £5.331m of specific efficiencies and the table in the report summarised the current position in relation to the achievement of those items. The analysis showed that it was currently projected that £4.270m (80%) would be achieved which resulted in a net underachievement of £1.061m.

After brining in the impact of the projected in year budget position the current projected level of the contingency reserve at the end of March 2014 was £4.901m.

On the HRA, there was an overall projected underspend of £0.171m and a projected closing balance at Month 11 of £1.605m which at 5.61% of total expenditure satisfied the prudent approach of ensuring a minimum level of 3%.

The Deputy Leader and Cabinet Member for Environment asked for a breakdown of information contained in paragraph 3.05 of the report as to why all of the specific efficiencies had not been achieved. The Head of Finance explained that the relevant commentary to the report was contained in Appendix 9. The Chief Executive added that early tracking needed to take place on the programme of efficiencies which included tracking at a democratic level.

In response to a further question from the Deputy Leader, the Head of Finance explained that carry forward requests should only be approved if there was a valid reason why the planned spend had not been met. Any other monies not spent should be classed as an underspend and be absorbed back into the budget.

RESOLVED:

- (a) That the report be noted;
- (b) That the Council Fund contingency sum as at 31 March 2014 be noted;
- (c) That the projected final level of balances on the Housing Revenue Account be noted; and
- (d) That the request for carry forward be approved.

225. BUSINESS RATE DEBT - WRITE OFF

The Cabinet Member for Corporate Management introduced the report which sought authorisation to write off multiple business rate debts for two Charitable organisations that had gone into liquidation:

- Public Safety Charitable Trust – debt equating to £336,923.11
- Life Foundation Trust – debt equating to £60,732.50

Financial Procedure Rules (section 9.5c) required that debts in excess of £25,000 being considered for write off be referred to Cabinet for consideration and approval.

There was no direct loss of income to the Council as the Business rates, which local authorities collected, were all distributed via the Business Rates Collection Pool which was supported by HM Treasury under the current funding arrangements. As the Pool was supported by the UK Government, Business Rates avoidance did mean though that there was a wider loss to the UK taxpayer.

The Head of Finance added that the rate avoidance scheme had been brought to a close following the early intervention of a small number of local authorities, including the early actions taken by Flintshire County Council.

Flintshire County Council would continue to take a robust approach through the courts to tackle aggressive rate avoidance schemes where it was in the public interest to do so.

The Deputy Leader and Cabinet Member for Environment thanked the officers involved for their early intervention on this issue which was echoed by a number of other Cabinet Members.

RESOLVED:

That the write off of debts relating to £336,923.11 for PSCT and £60,732.50 for LFT be approved.

226. MERGER OF FLINTSHIRE AND DENBIGHSHIRE CORPORATE PROCUREMENT UNITS

The Cabinet Member for Corporate Management introduced the final business case for the merger of the Flintshire and Denbighshire Corporate Procurement Units (CPU).

The Chief Executive stressed the importance of the Procurement Unit and the increased profile and importance of procurement as part of the Council's change and efficiency programmes

The new Joint Procurement Unit would be hosted by Denbighshire and the current Flintshire procurement team would transfer over and be employed by Denbighshire.

The new joint unit would be overseen by a Joint Management Board with equal senior management representation from both Councils. The service would be provided to Flintshire under a robust service level agreement to ensure service and organisational needs and expectations were met.

The business case included ambitious efficiency targets arising from the new operating model and the introduction of category management. There may need to be some adjustment to the targets to take account of agreed procurement savings as part of Flintshire's current Medium Term Financial Plan. However, it was recognised that further efficiencies were needed for future years and procurement spend would need further reductions to achieve those.

In response to a question from the Deputy Leader and Cabinet Member for Environment, the Chief Executive explained that all Councils in the region had had the opportunity to be involved with the merger only being between Flintshire and Denbighshire currently.

RESOLVED:

- (a) That the final business case for the merger of the Flintshire and Denbighshire procurement teams into a single JCPU be endorsed;
- (b) That the JCPU being hosted by Denbighshire County Council be agreed; and

- (c) That the development and agreement of the SLA for the service be delegated to appropriate officers (Head of ICT and Customer Services, Head of Legal and Democratic Services and Head of Finance) in consultation with the Cabinet Member for Corporate Management.

227. AGILE WORKING POLICY / FLEXIBLE WORKING HOURS SCHEME

The Cabinet Member for Corporate Management introduced the proposed changes to the Flexible Working Hours scheme and the implementation of an Agile Working Policy.

There was an increasing demand for the Council to deliver services at times when they were most needed by the Flintshire residents and customers and that required a change to the flexible working arrangements that were in operation. The priority for the organisation was to ensure that service delivery was protected and greater flexibility was developed to better meet the changing needs of customers.

The Head of Human Resources and Organisational Development said the introduction of agile working practices aimed to improve service delivery, increase employee engagement and optimise the use of workspace whilst improving the work life balance of employees. Agile working practices were also a key enabler for achieving the objectives of the Council's Asset Management Strategy.

The Council had already operated a number of pilot agile working projects in front line services such as Housing, Public Protection and Revenues and Benefits. Employees had adopted agile working styles of operation and the core hours under the Flexible Working Hours Scheme had been temporarily relaxed. Without exception, the managers and the teams had identified significantly improved levels of performance and productivity, re-energised and engaged employees, better accessibility of services for customers and improved worklife balance for employees. There had been valuable learning from which other services could benefit and there was now a need to underpin the new working practices with formal policies and procedures.

The Chief Executive added that the Trade Unions had been involved throughout the drafting of the agile working and flexible working hours policies which had been fully supported.

The Leader and Cabinet Member for Finance said, following consideration of the item at Corporate Resources Overview and Scrutiny Committee the previous week, he felt those Members would benefit from a presentation from the managers who have been involved in the pilots to date.

RESOLVED:

- (a) That the two policies, Agile Working and Flexible Hours Scheme, be approved, as success of each is dependent on both being implemented in tandem; and

- (b) That the ethos of agile and flexible working styles to modernise working practices, to improve the accessibility of services to customers and to act as a key enabler for the Council's Asset Management Strategy be supported and endorsed.

228. WORKFORCE INFORMATION QUARTER 4 - JAUARY - MARCH 2014

The Cabinet Member for Corporate Management provided an update for the fourth quarter 2013/14 on the following: establishment; headcount; agency; early retirements (first and third quarter reports only); turnover; diversity and absence.

The Head of Human Resources and Organisational Development said that future reports would be more succinct and performance focused and cover areas such as attendance, age profiles and turnover. The new reporting approach would be designed to enable the organisation to track performance and risks and to carry out effective workforce planning for the future.

RESOLVED:

That the Workforce Information Report for quarter three for 2013/14 be noted.

229. EXERCISE OF DELEGATED POWERS

An information report on the actions taken under delegated powers was submitted. The actions were as set out below:-

Corporate Services	Business Rates – Write Offs Council Tax – Write Offs Organisational Change Strategy Consultancy Support – Part 2
Community Services	Entering into a Number of Private Sector Leasing Agreements in Order to Ensure Flintshire County Council can Provide Adequate Levels of Smaller Accommodation Units to Alleviate and Prevent Homelessness
Environment	Public Protection Fees and Charges for 2014/15

230. MEMBERS OF THE PRESS AND PUBLIC IN ATTENDANCE

There were two members of the press in attendance.

(The meeting started at 9.30 am and ended at 10.35 am)

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Chairman