

**CABINET**  
**18 NOVEMBER 2014**

Minutes of the meeting of the Cabinet of Flintshire County Council held at County Hall, Mold on Tuesday, 18 November 2014

**PRESENT: Councillor Aaron Shotton (Chair)**

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

**APOLOGY:**

Councillor Billy Mullin

**IN ATTENDANCE:**

Chief Executive, Chief Officer (Community and Enterprise), Chief Officer (Governance), Chief Officer (People and Resources), Corporate Finance Manager and Team Manager – Committee Services

**ALSO PRESENT:**

Councillors Ron Hampson, Dave Mackie and Carolyn Thomas

**74. DECLARATIONS OF INTEREST**

None were received.

**75. MINUTES**

The minutes of the meeting held on 16 October 2014 had been circulated with the agenda.

**RESOLVED:**

That the minutes be approved as a correct record.

**76. CONSULTATION ON THE PROVISIONAL LOCAL GOVERNMENT SETTLEMENT FOR 2015-16**

Prior to the presentation, the Leader and Cabinet Member for Finance suggested that the outline response be presented to County Council the following week for endorsement given the shared concern across the political groups on the settlement, which was agreed.

The Chief Executive and Corporate Finance Manager delivered a presentation on the response to the Provisional Local Government Settlement for 2015/16 which outlined the following:

- Key timescales
- Headline information for Flintshire County Council
- The budget story
- Context
- 2015-16
- The medium and longer-term

The Chief Executive emphasised the difficulties placed on local authorities as no indicative details on the settlements for the coming years were available from Welsh Government (WG) which resulted in Council's being unable to plan ahead with purpose and certainty. He also stressed that the reductions in Revenue Support Grant experienced in 2014-15 were not sustainable.

The Leader and Cabinet Member for Finance said if the trajectory of cuts to local government finances continued, local government would not be viable in its current form. He felt the Welsh Local Government Association (WLGA) needed to speak with one voice to lobby WG for the sustainability of public services in Wales. Cabinet Members concurred with the comments of the Leader and commented on the importance of the devolution of services to local government.

Following the Leader's comments prior to the start of the presentation, the Chief Executive explained that the deadline for responding to WG on the Settlement was the following day. If Cabinet Members resolved to refer the outline response to County Council the following week, he would request an extension for after that meeting. If an extension was not agreed, a draft response could be submitted to WG prior to County Council.

**RESOLVED:**

That the outline response to the provisional Local Government Settlement be agreed and that it be referred to County Council for endorsement.

**77. EUROPEAN STRUCTURAL FUNDS AND RURAL DEVELOPMENT PLAN PROGRAMMES**

The Cabinet Member for Economic Development informed Members of the current position in the development of the European Structural Funds and Rural Development Plan (RDP) programmes, the emerging priorities for North Wales and the potential opportunities for the Council.

The European Structural Funds and RDP represented a major source of funding for economic development, skills and employment, infrastructure and quality of life.

The European Structural Funds had two programmes within its funding stream: European Social Fund (ESF) and European Regional Development Fund (ERDF). The funding programmes within the Operational Programmes were detailed in the report, with each priority having a number of specific objectives which would operate on an All-Wales, West Wales and the Valleys only or an East Wales only basis.

The RDP programme primarily supported the land-based sector in Wales but included some smaller elements for wider rural development, details of which were appended to the report.

The Cabinet Member for Housing provided details on the current position in the development of Domestic Energy Efficiency North Wales Collaboration

project, explaining that the proposed programme was designed to create a sustainable and replenishing loan pot of £30 million per annum through investment of ERDF capital in the domestic energy efficiency retrofit of 3,000 homes per year. The work would be delivered by Flintshire County Council across North and Mid Wales targeting the 286,000 homes in the region and the programme would be open to all tenants and residents which was a step change from existing funding streams. The funding would be distributed evenly over several financial years to prevent a boom and bust scenario that had been a characteristic of the market in recent years.

Cabinet Members welcomed the report and the funding from the programmes.

**RESOLVED:**

- (a) That the progress in the development of the European programme be noted and that approval be given to the next steps set out in the report; and
- (b) That delegated authority be given to the Cabinet Member for Housing in conjunction with the Chief Officer (Community and Enterprise) to move the Domestic Energy Efficiency project forward as described in the report.

**78. TENANCY AGREEMENT**

The Cabinet Member for Housing introduced the report which sought approval for the final stage of implementation of the Council's revised tenancy agreement.

The Council gave a commitment to tenants in the 'Choices' document that if it retained its housing stock, the tenancy agreement would be updated. Following an extensive consultation exercise, a copy of the proposed tenancy agreement along with the preliminary notice of variation was sent to all tenants in March 2014.

The responses to the consultation were positive. There were two queries raised by a tenant who had been invited to the Housing Overview and Scrutiny Committee meeting when the update report was considered: one query related to the legality of varying the tenancy agreement, with the second query relating to the section on 'tenants rights'. Both were addressed by the Council's legal team at the meeting.

The Cabinet Member for Education asked if there was the facility within the Agreement that the Council could be charged a fee if they were unable to attend a scheduled appointment. The Chief Officer (Community and Enterprise) said that there was the option for this to be implemented but a separate report on the matter and specific Cabinet approval would need to be sought first. He then asked if, following the death of a tenant, was there a specific timeframe for the property being emptied and handed back to the Council. The Cabinet Member for Housing explained that this varied and was determined on a case by case basis.

Following a query raised by the Cabinet Member for Education, the Cabinet Member for Housing clarified that the reference in the Agreement to National Assembly should read Welsh Government.

The Cabinet Member for Housing thanked all officers and Members involved in the production of the new Tenancy Agreement, particularly in the consultation that had been carried out which had been widespread.

**RESOLVED:**

That approval be given for the final stage of the implementation of the new tenancy agreement.

**79. THE ANTI-SOCIAL BEHAVIOUR, CRIME AND POLICING ACT 2014**

The Chief Executive provided information on the new legislative provision for powers for dealing with anti-social behaviour.

There were two main provisions that the new legislation brought in that could be used by the local authority to tackle anti-social behaviour: Community Protection Notices (CPN) and Public Spaces Protection Orders (PSPO).

The CPN was intended to deal with particular ongoing problems or nuisances, for example graffiti or noise, which affected the community's quality of life by targeting those responsible. A CPN could be issued if the officer was satisfied on reasonable grounds that the conduct of the individual, business or organisation was having a detrimental effect on the quality of life of those in the locality; was persistent or continuing in nature; and was unreasonable.

PSPO were intended to deal with a particular nuisance or problem in a particular area that was detrimental to the local community's quality of life, by imposing conditions on the use of that area that applied to everybody, such as street drinking, roaming dogs in the park and groups of people causing noise issues in open spaces.

**RESOLVED:**

That the introduction of the new legislative powers be noted, that the approach to implementation as outlined in the report be endorsed and that officers from Public Protection be authorised to enable enforcement of the relevant provisions.

**80. REVENUE BUDGET MONITORING 2014/15 (MONTH 5)**

The Corporate Finance Manager provided Members with the latest revenue budget monitoring information for 2014/15 for the Council Fund and Housing Revenue Account based on actual income and expenditure as at Month 5 and projected forward to year-end based on the most up to date information available.

The projected year end position, as estimated at Month 5 was:

#### Council Fund

- Net in year non pay expenditure forecast to be £0.608m lower than budget. This did not include any potential effect of variances on pay
- Projected contingency reserve balance at 31 March 2015 of £3.549m

#### Housing Revenue Account

- Net in year expenditure forecast to be £0.044m less than budget
- Projected closing balance as at 31 March 2015 of £1.210m

The table in the report showed projected in year non pay expenditure to be £0.608m less than budget. The reasons for all movements from Month 4 were detailed in the appendix 1 to the report with the projected variances occurring for the year to date summarised in appendix 2.

The report provided details on corporate and functional efficiencies, workforce efficiencies, inflation and monitoring budget assumptions and risks.

On unearmarked reserves and the current projected outturn at Month 5, the projected balance on the contingency reserve at 31 March was £3.549m, full details of which were contained in appendix 4 to the report.

The position at Month 5 on the HRA was an overall projected underspend of £0.045m and a projected closing balance at Month 5 of £1.210m, which at 4% of total expenditure satisfied the prudent approach of ensuring a minimum level of 3%.

#### **RESOLVED:**

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

#### **81. COUNCIL TAX BASE FOR 2015/2016**

The Chief Officer (Community and Enterprise) provided details on the setting of the Council Tax Base for 2015-16.

The setting of the Council Tax allowed the County Council, Police & Crime Commissioner for North Wales and Town and Community Councils to calculate next year's Council Tax charges based on the estimated number of chargeable properties.

The calculation of the Council Tax Base for 2015-16 was the measure of the taxable capacity of all areas in the County and was calculated in accordance with prescribed rules. The Tax Base was based on the number of chargeable dwellings, expressed as Band D equivalents, taking into account the total number

of property exemptions, disabled banding reduction, other status discounts together with an estimate to reflect new build and demolished properties over the forthcoming year.

The Tax Base for 2015-16 had been calculated using the usual collection level of 99.0% which ensured the Council set one of the highest collection levels in Wales and demonstrated the successes and importance in collecting local Council Tax.

**RESOLVED:**

- (a) That a 'nil' level of discount for properties falling within any of the Prescribed Classes (A, B or C) continue to be set and it to apply to the whole of the County area; and
- (b) That the Tax Base of 61,993 chargeable Band 'D' equivalent properties be approved for 2015-16.

**82. BUSINESS RATE DEBT - WRITE OFF**

The Cabinet Member for Economic Development introduced the report which sought approval to write off a single business rate debt amounting to £31,979.31.

**RESOLVED:**

That the write off of the debt, amounting to £31,979.31 which relates to residual business rate charges for the period between 2011-12 and 2013-14 be approved.

**83. INTRODUCTION OF SELF FINANCING FOR THE HOUSING REVENUE ACCOUNT**

The Cabinet Member for Housing provided an update on the progress to introduce self financing for the Housing Revenue Account.

The UK Government and Welsh Government (WG) had reached an agreement to change the financing arrangements for council housing in Wales from April 2015 at the request of Welsh local authorities. To date, this had seen a negative subsidy system in operation which had required all 11 stock owning councils across Wales to make a total annual negative subsidy payment of £73m, c£6m in Flintshire's case, of rental income to WG and on to the UK Treasury. This would cease on the introduction of self financing.

The new arrangements would see the annual subsidy payment replaced with £40m of interest payments on Public Works Loan Board (PWLB) loans.

The introduction of self financing required stock retaining councils to implement a new rent policy prescribed by WG which was approved at Cabinet in September 2014 to allow for a first draft of the business plan for self financing to be submitted to WG by the end of September, with feedback expected in the coming weeks. A summary of the response to the consultation from the then Housing Minister Carl Sergeant was detailed in the report.

Work was underway to prepare for self financing however timescales were tight and a summary level project plan was appended to the report. Detailed actions were underway to achieve key deadlines and achievement of self financing would require delegated authority to enter into a voluntary agreement with WG.

The project group would be provided with a document detailing the key risks and appropriate mitigation measures including an assessment of legal risks ahead of making recommendations to enter into a Voluntary Agreement.

A number of Member and tenant workshops would be held over the coming weeks to discuss the significant change and to consider proposals on how Governance of the HRA should be developed.

Cabinet Members thanked the Leader for his work on this with the Welsh Local Government Association (WLGA) on what was a remarkable achievement and an accomplishment for Flintshire and the other 10 local authorities involved.

### **RESOLVED:**

- (a) That the update report and planned actions over the coming months, including those for communication and engagement, to introduce self financing for council housing be noted; and
- (b) That subject to consideration of the risk assessment, delegated authority be given to the Chief Officer (Governance), Chief Officer (Community and Enterprise) and the Corporate Finance Manager, in consultation with the Leader and Cabinet Member for Housing to enter into a Voluntary Agreement in January 2015, to enable the introduction of self financing for the HRA from 1 April 2015. (To note that before exercising any delegated authority the key risks and appropriate mitigation measures would be documented in a risk assessment.)

## **84. EXERCISE OF DELEGATED POWERS**

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

### Community and Enterprise

- Council Tax – Write Offs  
The write off of two council tax accounts where the overall debt for each is greater than £5,000, totalling £13,509.26.
- Business Rates – Write Offs  
The write off of four business rate accounts where the overall debt for each company is greater than £5,000, totalling £41,700.03.

### People and Resources

- Single Status Governance Policy  
The proposed Single Status Agreement for the Council was considered and approved on 29 October 2013. It was agreed under the same report

that the Chief Officer and Chief Executive would have delegated authority to agree new policies associated with Single Status, following consultation with the Trade Unions and the portfolio Cabinet Members. This policy sets out the governance arrangements for monitoring and maintaining the application of the Single Status Agreement.

**RESOLVED:**

That the actions taken under delegated powers be noted.

**85. MEMBERS OF THE PRESS AND PUBLIC IN ATTENDANCE**

There were three members of the press in attendance.

(The meeting started at 9.30 am and ended at 10.43 am)

.....  
**Chairman**