

**CABINET**  
**21<sup>st</sup> JANUARY 2020**

Minutes of the meeting of the Cabinet of Flintshire County Council held in the Clwyd Committee Room, County Hall, Mold on Tuesday, 21<sup>st</sup> January 2020.

**PRESENT: Councillor Ian Roberts (Chair)**

Councillors: Glyn Banks, Chris Bithell, Dave Hughes, Christine Jones, Billy Mullin and Carolyn Thomas.

**IN ATTENDANCE:**

Chief Executive, Chief Officer (Governance), Corporate Finance Manager, Chief Officer (Streetscene and Transportation), Chief Officer (Housing and Assets), Chief Officer (Social Services), and Team Leader – Democratic Services.

**APOLOGY:**

Councillor Derek Butler.

**OTHER MEMBERS IN ATTENDANCE:**

Councillor Patrick Heesom.

**128. DECLARATIONS OF INTEREST**

None.

**129. MINUTES**

The minutes of the meeting held on 17<sup>th</sup> December were submitted and approved as a correct record.

**RESOLVED:**

That the minutes be approved as a correct record.

**130. SOCIAL VALUE**

Councillor Mullin introduced the Social Value report which sought approval of a draft Social Value Procurement Policy which would create an enabling framework to strengthen the approach to generating social value through the Council's procured expenditure.

The Council had a strategic commitment to delivering greater social value through the work that it did, which meant getting greater benefits to Flintshire communities as a result of its expenditure and service delivery.

The revised Strategy challenged partners, services and suppliers to consider how they could generate additional value for the communities of Flintshire and how that could be measured. The long term goals were outlined in the report, alongside details of the major opportunities where significant social value could be included in the programme, which were:

- The future procurement of Council home construction;
- The redevelopment of Theatr Clwyd;

- The 21<sup>st</sup> Century Schools programme;
- The expansion of Marleyfield House; and
- Future investment by Aura.

The Chief Officer (Social Services) explained that the main areas of social value delivery in the next 12 months would include:

- Support for Flintshire's food poverty programme;
- Reducing fuel poverty;
- Support to reduce energy use and waste;
- Improving biodiversity;
- Support for the Armed Forces Covenant;
- Promoting equality of opportunity;
- Providing apprenticeship and work experience opportunities;
- Increasing the use of local companies in the supply chain;
- Reducing homelessness;
- Active travel and community transport;
- Digital inclusion and connectivity;
- Supporting dementia friendly initiatives; and
- Support for the WeMindTheGap programme.

The Council would work closely with suppliers and contractors to ensure tangible benefits were delivered towards those themes.

Details of two case studies, the development of the new Adult Day Care Centre in Shotton and the delivery of domestic energy efficiency improvements for fuel-poor households, were given in the report.

Councillor Bithell welcomed the report, particularly the areas for delivery in the next 12 months, which saw links with Council priorities, such as the response to the challenge of climate change and the achievement of carbon neutrality by 2030.

In response to a question from Councillor Thomas, the Chief Officer (Governance) explained the regional procurement arrangements.

**RESOLVED:**

- (a) That the progress made to date in delivering social value in Flintshire be noted, and the proposed next steps be endorsed; and
- (b) That the draft Social Value Procurement Policy be endorsed.

**131. HOUSING REVENUE ACCOUNT (HRA) 30 YEAR FINANCIAL BUSINESS PLAN**

Councillor Hughes introduced the Housing Revenue Account (HRA) 30 Year Financial Business Plan report.

On 18<sup>th</sup> December 2019, Welsh Government (WG) released the Minister for Housing and Regeneration's decision on the WG Rent Policy for

commencement in 2020/21. The Rent Policy had been set for five years and it was made clear that the rent policy settlement was a maximum amount which could be charged and landlords should consider value for money alongside affordability for tenants, as part of their rationale for setting rents.

The Rent Policy for Social Housing Rents from 2020/21 set out the following:

- An annual uplift of up to CPI+1% for five years to 2024/25 using the level of CPI from the previous September each year. September 2019 was 1.7%.
- The level of rents for individual tenants could be reduced, frozen or risen by up to an additional £2 over and above CPI+1%, on condition that total rent income collected by the social landlord increased by no more than CPI+1% (2.7%).

The new average rent band proposed by WG was outlined in the report. A maximum uplift of 2.7% (CPI+1%) would take the average rent paid in 2020/21 to £96.57 which was just above the low end of the target rent band.

The recommended option was to apply an overall uplift of 1.7% to all tenants, and, in addition, apply the transitional uplift of £2 to tenants who were currently under target rent. This would ensure that no individual tenant would pay more than the maximum allowed under the policy and readdressed the disparity between those rents under and those at target rent and sought to make rent changes to all tenants more equitable.

The proposed garage rent increase for 2020/21 was £1.22 per week with a garage plot increase of £0.20 per week. Service charges were outlined in the report; In 2019/20 the Council was at 70% service charge recovery for implemented charges and it was recommended that the increase in service charges to take the HRA to full cost recovery should be stepped over the coming two years 2020/21 and 2021/22.

The report also outlined the Council's ongoing investment in its housing stock through the Welsh Housing Quality Standard (WHQS) and new build programmes with a total level of investment in 2020/21 of £30.464M.

Members welcomed the report and commented on the quality of the Council housing stock which was something to be proud of.

**RESOLVED:**

- (a) That the HRA budget for 2020/21 be noted;
- (b) That the proposed rent increase of up to 1.7% (plus up to £2) be approved;
- (c) That the proposed garage rent increase of £1.22 per week and a garage plot increase of £0.20 per week be approved;
- (d) That the phased increase in Service Charges recovery be approved;

- (e) That the rationale behind an increased level of reserves to 4% be noted; and
- (f) That the HRA Capital Programme for 2020/21 be approved.

**132. UPDATE ON THE PROGRESS OF THE MOLD TO BROUGHTON CYCLEWAY**

Councillor Thomas introduced the update on the Progress of the Mold to Broughton Cycleway report which sought approval to commence a wide ranging and detailed public consultation process which would commence in February 2020 to help finalise the route which would be the subject of a Welsh Government (WG) funding bid in 2020/21.

Following a route appraisal that had been carried out, it was proposed that the Mold to Broughton cycleway route would eventually link the communities of Mold, Buckley, Penyffordd, Broughton, Saltney and Sandycroft, whilst also providing links into existing railway stations at Buckley and Penyffordd and major centres of employment.

The consultation process would offer an opportunity for stakeholders to view the preferred route and an opportunity to provide comments, which would be incorporated within the overall scheme design where feasible to do so. The consultation would consist of a Members workshop, public drop-in sessions, visits to Town and Community Councils, visits to local businesses, paper based feedback forms and an online community consultation portal. A communication strategy was also being developed utilising social media and the local press.

Subject to the outcome of the consultation, the Mold to Broughton Cycle Scheme would now be submitted as the Council's Strategic application under the WG Active Travel Fund for the 2020/21 financial year.

Members welcomed the report and commented on the positive impact the cycleway would have on Deeside Industrial Park as it would remove barriers to some people accessing employment.

**RESOLVED:**

- (a) That the progress of the Mold to Broughton Cycleway design be noted; and
- (b) That commencement of the consultation process on the Mold to Broughton Cycleway with local Members, Town and Community Councils, members of the public and other interested stakeholders be approved.

**133. REVENUE BUDGET MONITORING 2019/20 (MONTH 8)**

Councillor Banks introduced the Revenue Budget Monitoring 2019/20 (Month 8) report which provided the latest detailed revenue budget monitoring position for 2019/20 for the Council Fund and the Housing Revenue Account for the financial year and presented the position, based on actual income and expenditure, as at Month 8. The report projected how the budget would stand at the close of the financial year if all things remained unchanged.

The projected year end position, without new actions to reduce cost pressures and/or improve the financial return on efficiency planning and cost control was:

### **Council Fund**

- An operating deficit of £1.892m which was a favourable movement of £0.301M from the deficit figure of £2.193M reported at Month 7; and
- A projected contingency reserve balance as at 31<sup>st</sup> March 2020 of £2.977M.

### **Housing Revenue Account**

- Net in-year revenue expenditure forecast to be £0.131M higher than budget which was a negative movement of £0.109M from the deficit figure of £0.022M reported at Month 7; and
- A projected closing balance as at 31<sup>st</sup> March 2020 of £1.192M.

As previously reported, and to assist with mitigating the overall projected overspend, the following measures were introduced from Month 6:

1. All non-essential spend be reviewed and challenged with a view to ceasing/delaying where able; and
2. Further portfolio management team challenge of recruitment to vacancies i.e. ceasing/delaying.

At Month 6, this had resulted in identifying a one-off delay in spend of £0.530M which helped to significantly reduce the overall overspend position. Further reductions in the overspend at both Month 7 and Month 8 had been achieved predominantly from the continuation of those measures. Work would continue into Month 9 and beyond with the same rigour and challenge in an attempt to further improve the overall position.

The Chief Officer Team had set a target of reducing the overspend position to within a range of £1.500M - £1.750M by the end of the financial year, although that would still be in excess of the performance indicator target set within the MTFs of £1.350M, being 0.5% of the Net Revenue Budget.

The Corporate Finance Manager also provided details on the projected position by portfolio; tracking of in-year risks and emerging issues; achievement of planned in-year efficiencies; other in-year issues; MTFs impact and risks; and reserves and balances.

The Chief Executive said a discussion had taken place at Corporate Resources Overview and Scrutiny Committee on the tactical options to reduce the deficit and a report would be presented the following month.

### **RESOLVED:**

- (a) That the overall report and the projected Council Fund contingency sum as at 31<sup>st</sup> March 2020 be noted; and

- (b) That the projected final level of balances on the Housing Revenue Account be noted.

**134. BUSINESS RATES – WRITE OFFS**

Councillor Mullin introduced the Business Rates – Write Offs report.

Two Business Rate debts were considered to be irrecoverable as the ratepayers had either entered into liquidation or were no longer trading. Consequently, there were no assets and successful recovery of the debts was no longer possible and a write off was necessary, totally £60,260. The organisations were Richmond Investment Properties Ltd (£25,882) and Mr Ryan Corbett, trading as 'Jump 2 It' (£34,378).

Individual bad debts in excess of £25,000 required Cabinet approval to write them off, in line with Financial Procedure Rules of the Council.

**RESOLVED:**

That the write off for the Business Rate debts set out in the report be approved.

**135. EXERCISE OF DELEGATED POWERS**

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

**Housing and Assets**

- **Council Rent - Application to Write Off Tenancy Arrears**  
Financial Procedure Rules (section 5.2) stipulates that individual and irrecoverable debts in excess of £5,000 are considered for write off in conjunction with the relevant Cabinet Member.

The decision to write off is in respect of one tenant who is subject to a Debt Relief Order (DRO). Rent arrears of £5,075.55 are included in the DRO which are now irrecoverable as a result of the award of the DRO.

**LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985 – TO CONSIDER THE EXCLUSION OF THE PRESS AND PUBLIC**

**RESOLVED:**

That the press and public be excluded for the remainder of the meeting for the following items by virtue of exempt information under paragraph(s) 14 of Part 4 of Schedule 12A of the Local Government Act 1972 (as amended).

**136. AURA – RENEWAL OF SERVICE CONTRACT**

The Chief Executive introduced the Aura – Renewal of Service Contract report which sought approval of the extension of the service contract for a further two years by mutual agreement.

**RESOLVED:**

- (a) That an extension of the service contract with Aura for a further two year period (1<sup>st</sup> September 2020 to 31<sup>st</sup> August 2022) be approved;
- (b) That authority be granted to the Chief Executive to make variations to the terms of the current agreement and the level of the service payment, in consultation with the Cabinet Member for Education and Youth; and
- (c) That Aura be invited to present the next iteration of their business plan to Cabinet and Overview and Scrutiny at the start of the 2020/21 financial year, and include a specific statement of social value objectives in keeping with the Council's newly adopted Social Value Strategy.

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

There were no members of the press or public in attendance.

(The meeting commenced at 9.30 a.m. and ended at 10.17 a.m.).

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**Chair**