

CABINET
21 JANUARY 2014

Minutes of the meeting of the Cabinet of Flintshire County Council held at County Hall, Mold on Tuesday, 21 January 2014

PRESENT: Councillor Aaron Shotton (Chair)

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

ALSO PRESENT:

Councillor Mike Peers

IN ATTENDANCE:

Chief Executive, Director of Community Services, Director of Environment, Director of Lifelong Learning, Head of Legal and Democratic Services, Head of Finance, Head of ICT and Customer Service, Head of Human Resources and Organisational Development and Overview & Scrutiny Facilitator

Prior to the start of the meeting the Leader of the Council paid tribute to the late Councillor Ted Evans who had sadly passed away and invited Members and officers to take part in a minute silence as a mark of respect to Councillor Evans.

145. DECLARATIONS OF INTEREST

Councillor Bernie Attridge declared a personal interest in Agenda Item Number 17 – Charging for Re-rating Inspections carried out under the Food Hygiene Rating (Wales) Act 2013 as he was the Chairman of Connah’s Quay Labour Club.

Councillor Derek Butler declared a personal interest in Agenda Item Number 8 – Rural Development Plan Local Action Groups 2014-2020 as he was a Board Member for Cadwyn Clwyd.

Councillor Aaron Shotton declared a personal interest in Agenda Item Number 17 – Charging for Re-rating Inspections carried out under the Food Hygiene Rating (Wales) Act 2013 as he was the Chairman of Connah’s Quay Labour Party and Social Club.

146. MINUTES

The minutes of the meeting held on 17 December 2013 had been circulated with the agenda.

RESOLVED:

That the minutes be approved as a correct record.

147. COUNCIL FUND REVENUE BUDGET 2014/15

The Leader of the Council and Cabinet Member for Finance introduced the draft revenue budget proposals for the Council Fund and advised of the ongoing work to close the current remaining budget gap in 2014/15.

The Leader and Cabinet Member for Finance explained that for Cabinet the overall strategy for 2014/15 had been to seek to maximise internal cost reductions as much as possible including management, operating and workforce costs. In early 2014, it was proposed that consultation with local communities be carried out on the priorities for the future and the choices to be made over the way the Council runs and pays for local services from 2015 onwards. Local communities would be invited to share in planning solutions for the future. The Cabinet continued to remain resolute in defending local communities against the worst impacts of cuts to the Council's funding.

The Head of Finance detailed the financial strategy which had been adopted to support the Organisational Redesign and Change Programme as shown in the report. The report provided details of the total revenue budget and budget requirements, details on expenditure, pay and inflation, schools budget, earmarked and unearmarked reserves and the Investment Strategy. The Council had an obligation to assess the potential equalities impacts of its budget proposals and it was important that all aspects of the Organisational Redesign and Change Programme were subject to an appropriate Equalities Impact Assessment, to ensure that there was no potential for discrimination or disadvantage to either service users of employees.

The Chief Executive thanked Members and officers who had worked together in setting the proposed 2014/15 budget. He provided details on the Organisational Redesign and Change Programme and the expectations of the Cabinet for this programme. The programme had four sub-programmes, as set out in the Medium Term Financial Plan:-

- Corporate Value for Money
- Functional Value for Money
- Organisation Design: Structure and Operating Model
- Operational Design: Workforce

The newly adopted Value for Money Model had replaced the previous programmes of targeted service reviews. The Organisation Design: Structure and Operating Model Sub-Programme involved a two phased review of the way the Council was structured and operated with the dual aim of (1) improving the way the Council worked and (2) making significant reductions in senior management costs. The combined efficiency target for these two phases was set at £2m in a full financial year with a proportionate target for 2014/15 of £1.45m based on the timing of the current implementation plan. There will be operational efficiencies across corporate level and there was a good degree of confidence that the £10m savings in this area could be achieved. A more challenging review involved the changes to workforce and management with big decisions needing to be taken over the coming months.

In line with the financial strategy, a risk based approach had been taken to the assessment of all potential items of additional cost as to their likelihood and the level required. The achievement of planned efficiencies was a priority with the Improvement Plan and the Council had a good record of making efficiencies year on year. For 2014/15, the scale of the challenge was greater than in previous years which was recognised through the broader based and more ambitious change programme.

The Chief Executive concluded by detailing the use of single status/equal pay reserves should it be necessary as part of the total workforce strategy. During 2014 the Council planned to review and consult on a number of service models and their future shape from 2015/16 onwards. This would be politically led to consider options where future budget efficiencies would be drawn from.

The Head of Finance detailed the formal consultation required on the draft revenue budget proposals. A number of Overview & Scrutiny Committee meetings had been arranged for the week commencing the 28 January and they could be preceded by an all Member Workshop on the afternoon of the 27 January to consider the budget overview.

As the Chief Finance Officer, the Head of Finance confirmed the reasonableness of the estimates shown in the budget proposals and said that she was satisfied that the Council's Change Programme was reasonable and supported the Council's ability to deliver an ongoing programme of change and efficiencies in the base budget.

Cabinet Member supported the draft revenue budget proposals which they felt were achievable and commented on the investment to continue to provide services for residents of Flintshire.

RESOLVED:

- (a) That the initial budget proposals and ongoing work to close the budget gap be endorsed; and
- (b) That the initial budget proposals be referred to Overview & Scrutiny Committees for consideration.

148. COUNCIL FUND CAPITAL PROGRAMME 2014/15 AND INDICATIVE TO 2017/18

The Chief Executive, Head of Finance and Director of Environment jointly presented the proposed allocation of funding to the core capital programme in 2014/15 together with information on the estimated total capital programme, based on current available information.

The Chief Executive reported that the indicative funding for 2015/16 included £44.176m related to 21st Century Schools programme. Whilst preliminary expenditure on the programme had taken place in 2013/14, the programme was for significant expenditure to commence from 2015/16 to deliver in the investment in

Flintshire schools which would be equally funded by Flintshire and the Welsh Government (WG).

The Head of Finance highlighted the elements of funding received for the capital programme, specific grants, unsupported (prudential) borrowing and the Local Government Borrowing Initiative as detailed in the report.

The Director of Environment reported that the total projected core funding available over the four year period 2014/15 to 2017/18 amounts to £31.898m. The total resources available in 2014/15 to fund the core capital programme are £7.403m. The issue of capital receipts continues to be a problematic one for the Council and in the current economic climate it was difficult to predict when disposals would be effected and the fund therefore realised to support the capital programme. As a consequence it was considered to be imprudent to set capital budgets where the funding may not be realised, therefore, it was recommended that the 2014/15 core capital programme budget be set based on a minimal capital receipts target which would have the effect of reducing the overall core programme indicated in last year's budget papers by 30%. It was proposed that any receipts generated over and above the target figure for 2014/15 be kept until the 2015/16 financial year.

The Leader of the Council reported on the total projected Council fund capital programme which amounted to £101.361m over the four year period 2014/15 to 2017/18. He spoke in support of the need to reduce the core capital programme in order to plan for the future and commented on the commitment of the Council to establish a Connects centre in Flint, Connah's Quay and Buckley.

Cabinet Members spoke in support of setting a more prudent capital programme based on capital receipts the Council was confident could be achieved.

RESOLVED:

- (a) That the report be noted;
- (b) That Cabinet approve the allocation of funding to the core capital programme in 2014/15, as shown in Appendix 1 of the report, including the additional items referred to in Section 5.05 of the report and note the indicative funding available for future years.
- (c) That Cabinet approve the setting of a minimal capital receipts target for 2014/15 and the process whereby receipts generated in one financial year are used to fund expenditure in the next (Sections 5.02.03 and 5.02.4 of the report).

149. HOUSING REVENUE ACCOUNT 2014/15 & CAPITAL PROGRAMME 2014/15

The Cabinet Member for Housing introduced the budget proposals for the Housing Revenue Account (HRA) and Capital Programme for the 2014/15 financial year.

The Cabinet Member for Housing explained that 2014/15 was anticipated to be the final year under the current rent and subsidy system in Wales. The proposed guideline weekly rent increase for Flintshire was £3.29 per week and the proposed garage rent increase for Flintshire was £0.25 per week. Outlined within the appendices to the report were the key areas of expenditure and details of proposed savings and efficiencies. Overall the budget provided £0.536m of additional investment in services and £0.789m of additional funding for the capital programme. The budget proposals were based on the draft determinations from the Welsh Government (WG) and the final budget would be adjusted to reflect the final determination received.

The Chief Executive provided details of the robust business plan the Council had in place to meet the Welsh Housing Quality Standard (WHQS) by the target of 2020. He commented on the current funding shortfall projected in the business plan and reported that this could potentially be met by prudential borrowing if the gap was not closed over the next three years from savings anticipated as a result of the rent reform.

The Cabinet Member for Housing thanked officers for the work undertaken to reduce the funding shortfall by £6.816m from the amount initially submitted to the WG in the Council's business plan.

RESOLVED:

- (a) That Cabinet approve and recommend to Council:-
- i. The proposed HRA budget for 2014/15 as set out in Appendix 1 of the report, incorporating the financial assumptions in Appendix 2 of the report and the service Improvements and Efficiencies in Appendix 3 of the report.
 - ii. The level of rent and service charges for 2014/15 as set out in paragraphs 3.01 to 3.07 of the report.
 - iii. The level of projected balances at 31st March 2015 at 3.20% of total expenditure.
 - iv. The proposed HRA Capital Programme as set out in Appendix 4 of the report.
- (b) That the impact of the proposed revenue budget and capital programme on the 30 year Business Plan be noted.

150. IMPROVEMENT ASSESSMENT LETTER FROM WALES AUDIT OFFICE

The Cabinet Member for Corporate Management introduced the report on the Council's Improvement Assessment Letter from the Auditor General for Wales and the Council's response.

Mr. Huw Lloyd-Jones Audit Office (WAO) was welcomed to the meeting and was invited to provide an overview of the key points detailed in the WAO letter. It

was noted that the Auditor General for Wales' opinion was that the Council had discharged its improvement reporting duties under the Local Government (Wales) Measure 2009, although there was potential to strengthen its arrangements further. In outlining the Cabinet's response, the Chief Executive explained that the Letter was, overall, a fair summary of the position of the Council with no new statutory recommendations or proposals for improvement.

The Cabinet Member for Corporate Management thanked Mr. Huw Lloyd-Jones for his attendance.

RESOLVED:

That the Council's Improvement Assessment Letter received from the Auditor General for Wales and the Council's response be noted.

151. RURAL DEVELOPMENT PLAN LOCAL ACTION GROUPS 2014-2020

The Cabinet Member for Economic Development introduced a report which sought approval in principle for Cadwyn Clwyd to act as the Local Action Group for Flintshire for the next Rural Development Plan (RDP) Programme. Within the context of declining public sector finances, the Programme should make a significant contribution to the strategic priorities of the County Council and make a measurable impact on the lives of the rural population.

RESOLVED:

- (a) That the nomination of Cadwyn Clwyd as the Local Action Group for Flintshire for the 2014 to 2020 Rural Development Plan Programme be approved in principle subject to satisfactory agreement being reached on the areas listed in Section 3.06 of the report; and
- (b) That a further report is brought to Cabinet for approval of the final details of the management and delivery arrangements for the new Programme.

152. LOCAL DEVELOPMENT PLAN DELIVERY AGREEMENT: FINALISING THE DELIVERY AGREEMENT FOLLOWING CONSULTATION

The Deputy Leader and Cabinet Member for Environment introduced a report which sought agreement for revisions to the draft Local Development Plan (LDP) Delivery Agreement following consultation feedback, in order to submit the Delivery Agreement to the Welsh Government (WG) for their formal approval. Once the WG had approved the Delivery Agreement, it could be formally published and substantive work on the preparation of the LDP could begin.

RESOLVED:

That the amendments to the Local Development Plan Delivery Agreement and Timetable for submission to the Welsh Government for formal approval be approved.

153. SARTH

The Cabinet Member for Housing introduced a report which sought approval to implement the Single Access Route to Housing (SARTH) Project locally, the development of a Housing solutions service and to continue to engage with the project across the North East Wales sub region.

The overall aim of SARTH was to simplify access to a range of affordable housing options which was transparent, legal, efficient and accessible to all sections of the community. The SARTH policy not only included a revised allocation policy but also included some changes to the way the register was currently managed, such as, moving towards providing advice on realistic housing options.

Cabinet Members welcomed the proposals to implement a Single Access Route to Housing Project locally.

RESOLVED:

- (a) That the new Allocations Policy for Flintshire County Council, as shown in Appendix 1 of the report, be approved;
- (b) That the phased implementation of the new Allocations Policy and Housing Solutions Service in Flintshire as detailed in the project plan, as shown in Appendix 2 of the report, be approved; and
- (c) That the continued involvement in the regional project work to the benefit of Flintshire residents be supported.

154. CUSTOMER SERVICES STRATEGY UPDATE

The Cabinet Member for Corporate Management introduced an update on the progress made with the implementation of the Customer Services Strategy. The report set out what has been achieved over the previous four years and included an overview of the future proposed direction for customer services which would be included in the next version of the strategy.

The Head of ICT and Customer Services reported that the Council's new website went live on 1 October, 2013 and a post implementation review of the new website would be undertaken in early 2014, taking into account feedback received and benchmarking information. The Corporate Twitter account was now being used far more proactively recognising the huge increase in use of social media. To increase the awareness of social media, a live question and answer session was held in December, 2013 with Streetscene around preparations for winter and it was hoped similar sessions could be arranged in the future to promote key activities throughout the Council. During 2014 the Flintshire Connects Programme will see the establishments of new Connects Centres at Flint, Connah's Quay and Buckley.

The Leader of the Council commented on the importance of being able to effectively engage with local communities in terms of how services are delivered in the future with further budget reductions forecast.

The Deputy Leader asked that the relevant Cabinet Member be invited to take part in future live question and answer sessions.

RESOLVED:

That the report and progress made in relation to the Customer Service Strategy be noted.

155. DOUBLE CLICK & THE CASE TO PROGRESS TO A SOCIAL ENTERPRISE

The Cabinet Member for Social Services introduced a report which sought approval to progress Double Click to a Social Enterprise in 2014. The report provided information which indicated the benefits of the proposals for Service Users supported at Double Click and the benefits to the Council in terms of short and long term efficiencies. The Business Model and Governance Arrangements that would be in place were attached at Appendix 1 to the report.

The Director of Community Services reported that Mental Health Support Services started looking at the Social Enterprise Model for their work services around three years ago in response to a letter from a user of the service. A detailed Business Plan had been developed and was supported by the Social & Health Care Overview & Scrutiny Committee at its meeting in November, 2013.

In the short term the Council did not expect to see a change in its financial contribution to this service. In the long term any surplus profit would be reinvested back into the business.

RESOLVED:

That the development of Double Click as a Social Enterprise in accordance with the business model and governance arrangements proposed be approved.

156. REVENUE BUDGET MONITORING 2013/14 (MONTH 7)

The Head of Finance provided the most up to date revenue budget monitoring information (Month 7) for the Council Fund and the Housing Revenue Account (HRA) in 2013/14.

The projected year end position on the Council Fund, as estimated at Month 7 was:

- Net in year expenditure forecast to be £0.944m less than budget (a decrease of £0.068m on the £1.012m reported at Month 6)
- Projected contingency reserve balance at 31 March 2014 of £3.585m

The projected year end position on the HRA, as estimated at Month 7 was:

- Net in year expenditure forecast to under spend the budget by £0.117m (£0.062 m under spend reported at Month 6)

- Projected HRA balances at 31 March 2014 of £1.551m

The report provided details on the projected positive variance of expenditure against budget of £0.944m, programme of efficiencies, inflation, monitoring budget assumptions and new risks, and unearmarked reserves.

On the HRA, for 2013/14 there was an overall projected under spend of £0.117m and a projected closing balance at Month 7 of £1.551m, which at 5.4% 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 2014 be noted; and
- (c) That the projected final level of balances on the Housing Revenue Account be noted.

157. COUNCIL TAX AND BUSINESS RATE POLICIES 2014-15

The Cabinet Member for Corporate Management introduced the various policies for the administration of Council Tax and Business Rates for the 2014/15 financial year. The policies required by statute to be approved each year were:-

- Council Tax Discounts on second and long term empty homes
- Council Tax Discretionary discounts
- Business Rates Discretionary Rate Relief
- Business Rates Discretionary Rate Relief for Small Businesses

The Head of Finance reported that during consideration of the report at a meeting of the Corporate Resources Overview & Scrutiny Committee, a Member had queried why discretionary discounts were not available to those who made payments by standing order/direct debit. She explained that a high proportion of residents currently used this preferred method and that a discount was not applied due to anti-poverty issues to residents and cost implications to the Council.

RESOLVED:

That the current Council Tax and Business Rate Policies for 2014/15, as detailed in the report, be continued.

158. COUNCIL TAX REDUCTION SCHEME

The Cabinet Member for Corporate Management introduced a report to explain the requirement for the Council to adopt the Council Tax Reduction Scheme for 2014/15 by 31 January, 2014.

The Council Tax Reduction Scheme in Wales was set by regulations made under Schedule 1B of the Local Government Finance Act 1992. The regulations have been amended to reflect changes in benefit allowances and were approved by the Welsh Government (WG) on 14 January, 2014.

In 2013/14 the Council adopted the discretions as set out in Appendix 1 of the report and it was recommended that these continue.

The Head of Finance reported that the proposed Council Tax Reduction Scheme for 2014/15 as set out in the report had been supported by the Corporate Resources Overview & Scrutiny Committee at its meeting on the 16 January, 2014.

RESOLVED:

- (a) That the making of the Council Tax Reduction Scheme and Prescribed Requirements (Wales) Regulations ('the Prescribed Requirements Regulations') by Wales Government on 26 November 2013 be noted, as amended by the Council Tax Reduction Schemes (Prescribed Requirements and Default Scheme) (Wales) (Amendment) Regulations 2014; and
- (b) That Council be recommended to adopt the Council Tax Reduction Scheme discretionary elements as outlined in Appendix 1 to the report.

159. TREASURY MANAGEMENT MID YEAR REPORT 2013/14

The Head of Finance introduced the draft Treasury Management Mid Year report for 2013/14 for recommendation to Council.

Treasury Management updates had been provided to the Audit Committee at each quarterly meeting with the Committee receiving the Mid Year update on 18 December, 2013. The recommendations of the Audit Committee were shown in the report, together with the key points of the Mid Year Report.

The development of the 2014/15 Treasury Management Strategy was well underway. A seminar, presented by the Council's Treasury Management Advisors, was scheduled to be held on 27 January, 2014 to assist Members in their role in approving the 2014/15 Strategy and the ongoing monitoring of treasury management activity.

The Cabinet Member for Corporate Management commended the work of the Audit Committee in ensuring the effective scrutiny of the Treasury Management Strategy.

RESOLVED:

That the Treasury Management Mid Year Report 2013/14 be approved and recommended to Council.

160. CHARGING FOR RE-RATING INSPECTIONS CARRIED OUT UNDER THE FOOD HYGIENE RATING (WALES) ACT 2013

The Cabinet Member for Waste Strategy, Public Protection and Leisure introduced the new legislation on charging for re-rating inspections carried out under the Food Hygiene Rating (Wales) Act 2013.

The Regulations that implement the Act, namely, the Food Hygiene Rating (Wales) Regulations 2013, came into force on 28 November, 2013 and allowed officers to issue Fixed Penalty Notices to any person guilty of the offences listed within the report. Fixed Penalty Notices would be issued in line with the Public Protection Enforcement Policy.

As a safeguard to businesses, the Act provided a mechanism by which they could apply to be re-rated before their next programmed inspection date and for Local Authorities to charge for carrying out visits for the purpose of re-rating them. The report proposed a charge of £150 per visit. If the request for re-score visits remained at a similar level seen over the previous two years, the current resources should be sufficient to absorb this work. If the level increased significantly, additional resources may be required, therefore, the number of requests for re-score visits would be monitored closely.

RESOLVED:

- (a) That the £150 Rescore Charge recommended by the Welsh Heads of Environmental Health "All Wales Food Technical Panel" be approved; and
- (b) That delegated authority be given to the Director of Environment in consultation with the Cabinet Member for Waste Strategy, Public Protection and Leisure to review the fee level in the future.

161. ELEVENTH ANNUAL REPORT OF THE FLINTSHIRE LOCAL ACCESS FORUM

The Head of Legal and Democratic Services introduced the eleventh annual report of the Flintshire Local Access Forum, prepared in accordance with Regulation 16 of the Countryside Access (Local Access Forums) (Wales) Regulations 2001.

The annual report covered the period 1 April 2012 to 31 March 2013 and had been completed in accordance with the guidance issued by Natural Resources Wales (NRW) on the preparation of annual reports.

RESOLVED:

- (a) That, on behalf of the County Council, the eleventh annual report of the Flintshire Local Access Forum be approved; and
- (b) That the annual report be submitted to Natural Resources Wales for their records.

162. 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 – Application for Hardship Rate Relief Business Rates – Write Offs
Community Services	Entering into a private sector leasing agreement for a 7 bedroom property in Queensferry to provide interim accommodation for individuals who have been homeless.
Environment	Disposal of car park adjacent to Buckley Town Council Offices The sale of two areas of land adjacent to Bryn Coch House and Flint Filling Station, Mold Road, Flint. Englefield Avenue / Linden Avenue / Celyn Avenue – proposed traffic calming
Lifelong Learning	Leisure Services Tariff 2014 Leisure Services Re-structure

163. MEMBERS OF THE PRESS AND PUBLIC IN ATTENDANCE

There were two members of the press in attendance.

(The meeting started at 9.00 am and ended at 10.55 am)

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Chairman