

**CABINET**  
**16 SEPTEMBER 2014**

Minutes of the meeting of the Cabinet of Flintshire County Council held at County Hall, Mold on Tuesday, 16 September 2014

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

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

**APOLOGIES:**

Councillors Helen Brown and Billy Mullin

**IN ATTENDANCE:**

Chief Executive, Chief Officer (Governance), Chief Officer (Community and Enterprise), Chief Officer (Planning and Environment), Chief Officer (Streetscene and Transportation), Corporate Finance Manager and Team Manager, Committee Services

**ALSO PRESENT:**

Councillors: Ron Hampson, Richard Lloyd, Dave Mackie, and Carolyn Thomas

**43. DECLARATIONS OF INTEREST**

Councillor Attridge declared a personal interest in agenda item number 6, Strategic Housing and Regeneration Programme, as he was a Director of the Board of North East Wales (NEW) Homes Limited.

**44. MINUTES**

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

**RESOLVED:**

That the minutes be approved as a correct record.

The Leader and Cabinet Member for Finance explained that Mr Paul Goodlad and Mrs Melanie Watson were in attendance from the Wales Audit Office (WAO) to deliver a presentation on agenda item number 8 which would therefore be brought forward on the agenda and considered first.

**45. AUDITOR GENERAL FOR WALES: CERTIFICATE OF COMPLIANCE FOR THE AUDIT OF FLINTSHIRE COUNTY COUNCIL'S 2014-15 IMPROVEMENT PLAN**

The Chief Executive introduced Mr Goodlad to the meeting to present the details behind the Certificate of Compliance on the audit of the 2014-15 Improvement Plan.

Mr Goodlad explained that detailed feedback was previously presented to Councils however in 2014, the Wales Audit Office (WAO) revised its feedback arrangements and began issuing brief Certificates of Compliance on Improvement Plans. Members of the Corporate Resources Overview and Scrutiny Committee had asked for a detailed analysis of the 2014-15 Improvement Plan, details of which were contained in the presentation. The Chief Executive added that the presentation was also delivered to Members of the Corporate Resources Overview and Scrutiny Committee the previous week.

Mr Goodlad delivered a detailed presentation, with the main features being as follows:-

- Context and Background
- Summary
- The Council had addressed the key areas of concern highlighted in the September 2013 Improvement Assessment Letter from WAO
- Improvement Objectives and sub-priorities within the Plan were (with a few exceptions) generally clear and robust
- Achievement measures did not always clearly reflect planning achievements/outcomes
- A few inconsistencies between aspirations to improve and the targets set for 2014-15
- In the few cases, the 'bigger impact' expected from the Plan was not apparent
- A minority of targets set for 2014-15 did not appear to be challenging
- In the significant majority of cases, the Council should be able to clearly demonstrate achievement of each improvement objective and sub-priority
- Gaining access to, and awareness of, the Improvement Plan and its key messages may be challenging for some stakeholders
- Proposals for Improvement

On gaining awareness of the Improvement Plan for vulnerable citizens, Members commented that this was underway in many areas, such as through Communities First, Flying Start, Member's newsletters, Social Workers and Flintshire Connects centres.

Members also commented on the difficulty of improving targets in an increasing difficult financial situation. Mr Goodlad responded that producing additional outputs for the same cost or maintaining performance with reduced budgets would be considered as an improvement.

The Chief Executive explained that the Corporate Resources Overview and Scrutiny Committee had resolved that a Task and Finish Group be set up to look at quality assurance work on the targets within the Improvement Plan which was agreed by Cabinet Members.

The Leader and Cabinet Member for Finance said that since the Improvement Plan had been written, the Council had received notice of a 4.5% reduction in grants and the future would be about delivering less with less and the protection of services. He welcomed the comments on the Improvement Plan however he queried the remark on the requirement to subscribe in order to gain online access to the new

*Your Council* newsletter. Mr Goodlad said that was incorrect and had been a misunderstanding.

**RESOLVED:**

- (a) That the positive Certificate of Compliance from the Auditor General for Wales in respect of the audit of the 2014-15 Improvement Plan be noted;
- (b) That the Council's Executive response be noted and agreed; and
- (c) That the establishment of a Task and Finish Group to undertake quality assurance work on target setting and performance reporting, as agreed at Corporate Resources Overview and Scrutiny Committee, be supported.

**46. QUARTER 1 IMPROVEMENT PLAN MONITORING REPORT**

The Leader and Cabinet Member for Finance introduced the Quarter 1 Improvement Plan monitoring reports for the period April to June 2014.

The Chief Executive explained that the report contained details on:

- The levels of progress and confidence in the achievement of the high level activities which sought to deliver the impacts of the Improvement Plan;
- The performance against improvement plan measures and the predicted level of performance for year end; and
- The current (net) risk levels and targeted risk levels for the risks identified in the Improvement Plan and the arrangements to control them.

There were 22 sub-priority reports which had been completed by each lead accountable officer, all of which were summarised within the report. Overall progress against the high level activities was:

- Good progress (green) in 42 (53%)
- Satisfactory progress (amber) in 38 (48%)
- Limited progress (red) in 0 (0%)

Full details of the measures within sub-priorities showing a red or amber status were detailed in the report.

The Deputy Leader and Cabinet Member for Environment commented on the risks identified in the sub-priority for the number of calendar days taken to deliver a Disabled Facility Grant (DFG) for children and young people. He said it needed to be taken in context as the figures related to one particularly complex case where the needs of the child changed several times throughout the course of the grant works. He added that Flintshire was the second most improved authority overall on the delivery of DFGs for children and adults which was the result of a combination of interventions.

The Leader and Cabinet Member for Finance commented on the risk identified in the sub-priority for Financial Strategy. He added that each of the 22 local authority

Leaders in Wales had co-signed a letter to Central Government the previous week which illustrated the significance of the impending budget cuts to Welsh local authorities. In addition, a meeting had been arranged for the Finance leads in Wales on the details of the collective response that would be submitted to Welsh Government (WG) when the settlement was received in October. Information from that meeting would be shared with Cabinet Members.

**RESOLVED:**

- (a) That the action taken to manage delivery of the Improvement Priority impacts be noted; and
- (b) That the following be noted:
  - The levels of progress and confidence in the achievement of key activities which seek to deliver the impacts of the Improvement Plan
  - The performance against improvement plan measures and the predicted level of performance for year end; and
  - The current (net) risk levels and targeted risk levels for the risks identified in the Improvement Plan and the arrangements to control them

**47. RESPONSES TO CONSULTATIONS AT SALTNEY FERRY PRIMARY SCHOOL AND ST. DAVID'S HIGH SCHOOL, SALTNEY**

The Cabinet Member for Education informed Members of the responses to the consultations undertaken in June 2014.

In accordance with the Welsh Government (WG) programme, consultations were undertaken in Saltney on two options. The first related to the future of sixth form provision at St. David's High School. The second combined the proposals in option one with the possible amalgamation of the High School with the neighbouring Saltney Ferry Primary School. The details of the options were:

- (1) To change the age-range of St. David's high School from 11-18 to 11-16 from September 2016
- (2) To amalgamate the primary provision at Saltney Ferry Primary School with the secondary provision at St. David's High School from September 2015 and to change the age-range of the High School to 3-16 from September 2016

The Cabinet Member provided full details of the consultation meetings that had taken place, the responses of which were contained in the appendices to the report.

Option 1, to change the age-range to 11-16 was broadly supported. On option 2, over 50% of parents/carers, staff and governors strongly disagreed with the proposal. However, during consultation discussions the potential for deepening current working relationships between primary and secondary schools in the Saltney and Broughton areas were identified which provided an opportunity to fulfil the

recommendations of Robert Hill's 2013 report on "the Future of Education in Wales" on cluster working.

The Chief Officer (Education and Youth) expressed his appreciation to the parents/carers, staff and governors on the level of engagement on the proposals which had resulted in recommendations that were representative of their views. He reiterated that implementing option 1, whilst also developing closer partnership working arrangements between local schools, would provide the opportunity and appropriate circumstances for further consideration of the working arrangements between local primary schools for potential plans for federation.

The Chief Executive expressed his thanks to both Schools and governors for their support through the consultation process.

**RESOLVED:**

- (a) That the option to change the age-range of St David's High School, Saltney from 11-18 to 11-16 be approved and that Members approve the publication of the statutory notice to this effect; and
- (b) That further work be undertaken with St David's High School and local primary schools to promote closer collaborative working and development of potential plans for federation.

**48. STRATEGIC HOUSING AND REGENERATION PROGRAMME**

The Leader and Cabinet Member for Finance introduced the report, particularly welcoming the aspect of Flintshire being able to provide council and affordable housing in the future.

The Chief Officer (Community and Enterprise) provided a detailed background on the Strategic Housing and Regeneration Programme (SHARP) which sought approval to progress to the next stage of the Programme. She said there were four key components to the report which were:

- What the Council was seeking to procure
- How to procure
- The type of contract required
- Delivery of the Programme

On what could be procured, social and affordable housing across Flintshire on current and future sites was deemed to be the preferred option which was for up to 400 homes to be built on currently identified sites across Flintshire with the potential for a medium to long term contract to encompass the development of future sites.

On how they could be procured, a market consultation exercise had taken place during July and August 2014 and was advertised in Sell2Wales and the European Journal using a prior information notice (PIN). A summary of the market consultation results was appended to the report.

A Development Contract was the recommended option with a single developer being appointed for all sites, which could also include future identified sites. This would utilise the expertise offered by the developer, who would assume more of the risk, and would encourage a higher level of commitment and investment from the developer. It could also include a 'profit share' element should the Council choose at any future point to provide land for private development.

Delivery of the Programme would require the identification of suitable sites for different homes of the appropriate tenure.

Discussions had taken place with other local authorities in North Wales to establish whether they would want to join Flintshire as collaborative partners in the procurement. The benefits of collaboration included the potential to increase critical mass, gain greater benefits from economies of scale, share knowledge and expertise and share procurement and administration costs.

The Leader and Cabinet Member for Finance said this was a clear example of the political priorities of the Council being reflected in outcomes. He said the quality and design of the homes to be built would be for Flintshire to be proud of. He queried the current position on the Right to Buy of Council properties which he felt should be suspended, which was concurred with by a number of other Cabinet members. Following a suggestion, an additional recommendation was accepted to read: That in order to address the risk to the planned programme of house building the Council invite the new Minister to review the suspension of Right to Buys across Wales.

In response to a question from the Cabinet Member for Waste Strategy, Public Protection and Leisure, the Chief Officer (Community and Enterprise) explained that there would be no delay in the timescale for delivery of the Programme if other local authorities collaborated with Flintshire.

The Leader and Cabinet Member for Finance thanked all officers and the Cabinet Member for their work on this Programme.

**RESOLVED:**

- (a) That 'Future Thinking Option 2' as the strategy for the Programme be approved;
- (b) That the use of a development contract model for the reasons outlined in the report be approved as most suitable for the Programme;
- (c) That the procurement of the Programme using the competitive dialogue process be approved with a report back to Cabinet for approval of the preferred partner;
- (d) That it be approved that the procurement process and contract are structured in a way which can include the scope for collaborative partners to use the contract;

- (e) That it be approved that the Chief Officer (Community and Enterprise) and the Corporate Finance Manager be given authority in consultation with the Leader and the Housing Portfolio Holder to draw up and implement a funding plan to finance the Programme;
- (f) That it be approved that the Chief Officer (Community and Enterprise) and the Corporate Finance Manager be given delegated authority in consultation with the Leader and the Housing Portfolio Holder to acquire and/or transfer land between the HRA and the Council Fund in order to ensure that the tenure of the proposed houses best meets the needs of the locality in which they are built;
- (g) That it be approved that key strategic sites (as identified through the SHARP Programme and where budget provision had been made) be purchased for Housing Development in consultation with the Leader and Housing Portfolio Holder; and
- (h) That in order to address the risk to the planned programme of house building the Council invite the new Minister to review the suspension of the Right to Buys across Wales.

**49. SUPERFAST BUSINESS WALES EXPLOITATION PROGRAMME**

The Cabinet Member for Economic Development introduced the Welsh Government's programme for Superfast Business Wales.

The Superfast Exploitation Programme would assist Welsh businesses, free of charge, to understand the wider economic opportunities of adopting the service and superfast enabled technologies.

The Programme would seek to ensure that business focused activities were delivered which would generate measurable results and outcomes. These would be through: influencing and engagement; delivery and co-ordination; and government led initiatives.

**RESOLVED:**

That it be noted that the initiative will have a very positive impact on the business sectors in Flintshire.

**50. ANNUAL REPORT OF THE STRATEGIC EQUALITY PLAN AND THE WELSH LANGUAGE SCHEME 2013/14**

The Chief Executive introduced the annual monitoring reports for the period 2013—14 for both the Strategic Equality Plan (SEP) and the Welsh Language Scheme (WLS), prior to publication and distribution to the relevant regulatory bodies.

He commented that both the annual monitoring reports highlighted the Council's progress in implementing the SEP and WLS for the period 2013-14, with examples of good practice provided in the report.

## **RESOLVED:**

- (a) That the annual monitoring reports for the period 2013-14 be endorsed for both the Strategic Equality Plan and the Welsh Language Scheme prior to publication and formal submission to the relevant regulatory bodies; and
- (b) That a further report be received on the implementation of the Welsh Language Standards as and when more details are received from the Welsh Language Commissioner.

## **51. REVENUE BUDGET MONITORING 2014/15 (MONTH 3)**

The Corporate Finance Manager provided Members with the latest revenue budget monitoring information for 2014/15 for the Council Fund and the Housing Revenue Account based on actual income and expenditure as at Month 3 and projected forward to year-end based on the most up to date information available.

The projected year end position, as estimated at Month 3 was:

### Council Fund

- Net in year non pay expenditure forecast to be £0.603m higher than budget. This did not include any potential effect of variances on pay
- Protected contingency reserve balance at 31 March 2015 of £3.338m.

### Housing Revenue Account

- Net in year expenditure forecast to be £0.038m higher than budget
- Projected closing balance as at 31 March 2015 of £1.127m

Following the implementation of the Single Status agreement in June 2014 extensive work had been undertaken to rebase all staffing budgets to reflect the actual new costs arising from the new pay and grading structure and this was being verified by Portfolio areas and would be concluded by the end of September. Due to this significant work, no pay variations were included in the report.

The report provided details of the efficiencies achieved to date on workforce efficiencies following the initial Voluntary Redundancy Programme. Also contained within the report was a list of budget assumptions and risks.

On unearmarked reserves, it was estimated that £2.5m would be required from the contingency reserve to fund one off costs and transitional funding for efficiencies in 2014/15. The projected balance on the contingency reserve at 31 March 2015 was £2.338m, full details of which were contained in appendix 3 to the report.

The position at Month 3 on the Housing Revenue Account satisfied the prudent approach of a minimum level of 3% overspend.

In response to a question from the Deputy Leader and Cabinet Member for Environment, the Chief Executive said that trends were looked at each year however

the demand for social care could not be predicted with precision due to fluctuations in demand.

The Chief Executive commented on the former Euticals site which was identified as a risk and said a second formal request had been submitted to Welsh Government (WG) the previous week for financial assistance on what was a unique case, which was supported by Members.

**RESOLVED:**

- (a) That the report be noted;
- (b) That the projected Council Fund contingency sum as at 31 March 2015 be noted; and
- (c) That the projected final level of balances on the Housing Revenue Account be noted.

**52. TREASURY MANAGEMENT ANNUAL REPORT 2013/14**

The Corporate Finance Manager presented the draft Annual Treasury Management Report for 2013/14 for recommendation to County Council.

**RESOLVED:**

That the Annual Treasury Management Report for 2013/14 be approved and recommended to County Council.

**53. HOUSING REVENUE ACCOUNT (HRA): NEW RENT POLICY FOR SOCIAL HOUSING RENTS AND SERVICE CHARGES**

The Chief Officer (Community and Enterprise) introduced the Housing Revenue Account (HRA) Rent Policy for 2015/16 which sought approval for a phased implementation of service charges over three years starting in 2016/17, beginning with a consultation process with tenants, leaseholders and other stakeholders.

The new rent policy was an opportunity to resolve anomalies and to harmonise rents in Flintshire. The Council had over 400 different rents from a combination of systems used by previous Councils, prior to amalgamation. This had resulted in a disparity in rent for similar properties across Flintshire.

The target rent bands for each landlord were based on a consistent set of principles and a common methodology across Wales. The rent policy set out the target rent band for each landlord and landlords would be required to work towards achieving weekly rent levels that fell within the scope of those bands. The banding was set at 5% above or below the target rent.

Where a landlord's weekly rent was higher than the target rent band, the landlord was expected to increase its rents more slowly e.g. Consumer Price Index (CPI) plus 1.0%, until the average weekly rent fell within the target rent band. Where

a landlord's weekly rent was lower than the target rent band, transitional protection would apply to tenants. In any year a landlord would not be permitted to increase the rent for any individual tenant by more than £2 per week in addition to the agreed average annual rate of rent increases for the sector as a whole.

It was proposed that the current guideline rent of £74.77 would move towards the benchmark rent of £82.90 on a phased transitional basis where no tenant would see rent increases above CPI plus 1.5%, plus £2 per year.

The elements to consider for the implementation of the rent policy were explained in full detail, in particular the target rents that were in the Welsh Government (WG) guidelines and service charges.

It was proposed that service charges would be introduced on a phased basis for existing tenants over 3 years from 2016. The total cost of each chargeable service would be shared equally amongst all tenants receiving that type of service. For example, all flats that received cleaning would be charged the same, regardless of how much the cleaning cost in each building.

It was also proposed that from April 2015, that when a property became vacant, the rent for the new tenant would automatically be set at target rent and charging for services be implemented where appropriate.

The Leader and Cabinet Member for Finance said the report had been shared informally with Housing Overview and Scrutiny Committee Members however due to timing and the deadline for a response to WG, the report had not been formally submitted to the Committee.

#### **RESOLVED:**

That the revised rent policy be approved as described below:

- The implementation of a single rent for each type and size of property as per the rent reform guidance
- Rent levels set within the target rent band to support a policy of maximising affordability
- New tenancies are let at target rent from April 2015, with full service charge implementation
- To charge for services as a single average rate for each element
- To implement service charges for existing tenants on a phased basis over three years from 2016 following detailed consultation

#### **54. LANDFILL COMMUNITIES FUNDING FROM WASTE DISPOSAL OPERATIONS**

The Cabinet Member for Waste Strategy, Public Protection and Leisure introduced the report and explained the mechanism to apply for funding through the Landfill Communities Fund (LCF).

The LCF was an innovative tax credit scheme which 'offset' some of the negative impacts of landfill site operations. Under the scheme, landfill operators were able to pay a proportion of their Landfill tax liability to 'not-for-profit'

organisations which delivered projects for the benefit of communities and the environment in the vicinity of the landfill site.

Any 'not-for-profit' organisation could apply for funding directly to Cory Environmental Trust (CET), assuming the bid met the criteria and that the organisation was able to provide the necessary 10% contribution. The Board of Trustees at CET met quarterly to assess applications on merit and to decide which projects would receive funding.

In order to raise awareness of the LCF within communities, it was proposed that an information letter be sent to each Town and Community Council and to the local Member providing them with information on the application process. In addition, the Council would issue a press statement providing details of the scheme and the contact details for CET. Details on how to make a submission would be provided on the Council's website.

In order to prioritise, regulate and provide consistency in the internal Council bidding process, the submissions would be approved by the Cabinet Member for Waste Strategy, Public Protection and Leisure following a discussion with the Chief Officer (Streetscene and Transportation), prior to submission to CET.

**RESOLVED:**

- (a) That the mechanism to apply for funding through the Landfill Communities Fund be noted;
- (b) That the proposals to raise awareness of the fund as detailed in the report be approved; and
- (c) That the mechanism for selecting suitable internal Council bids based on the criteria detailed in the report be approved.

**55. PHASE 3 OF THE REVIEW OF THE COUNCIL VEHICLE FLEET**

The Deputy Leader and Cabinet Member for Environment detailed the proposed mechanism for delivery of Phase 3 of the Fleet Review and provided details on the implementation of Phases 1 and 2.

Since the Cabinet resolution in November 2013 on the provision of further information on Phase 3 of the proposals, management had been in extensive consultation with the staff and unions to identify efficiencies in line with the suggested savings targets. Significant developments had been achieved which allowed an intermediate position to be considered, with a strategic annual review to test the continued feasibility of the future of the internal provision of the maintenance function.

Phase 3 applied the same hire principles as had been introduced in phase 1 for the light fleet to the HGV/specialist fleet and would also introduce some spot hire for specialist vehicles which would generate additional financial savings. The existing working practices that provided the flexibility for maintenance arrangements

would also reduce the need to hold a number of expensive spare vehicles. The workforce had committed to support those working practices through cover from within the three shifts that currently covered the existing operating hours.

The Cabinet Member expressed his gratitude to the workforce involved on the work undertaken during the consultation process. It was not to be underestimated and it was recognised by management that the approach and commitment used should be captured and replicated widely across the service area to reinforce employee engagement and recognise efficiency opportunities. This view was shared by the Leader and Cabinet Member for Finance who concluded that the total savings generated by the three phases of the Fleet Review was £1.3m p.a.. The Chief Executive added his thanks to the Chief Officer (Streetscene and Transportation) and the Deputy Leader and Cabinet Member for Environment for their work on this review.

### **RESOLVED:**

- (a) That the progress made in Phases 1 and 2 of the Fleet Review be noted;
- (b) That the professional and positive approach taken by the workforce within the workshop to support Phases 1 and 2 and the input they provided into the process to deliver the proposals for Phase 3 be noted;
- (c) That implementation of Phase 3 of the Fleet Review through the following means be approved:  
By the progression of a partnership arrangement for the supply, management and maintenance of all the Council's fleet under a single contract, whilst continuing to provide maintenance and repair facilities for the Council's fleet in-house. Delegated authority to finalise the term, starting date and to implement the contract is provided to the Chief Officer (Streetscene and Transportation) following consultation with the Deputy Leader and Cabinet Member for Environment; and
- (d) That the commissioning of a specialist to provide advice on the most beneficial type of contract for Phase 3 of the project be approved.

## **56. FOOD SERVICE PLAN**

The Cabinet Member for Waste Strategy, Public Protection and Leisure introduced the Food Service Plan as per The Framework Agreement on Official Feed and Food Controls by Local Authorities (Amendment 5 April 2010).

Key achievement for 2013/14 were:

- The whole service was subject to a comprehensive 5 day audit by the Food Standards Agency Wales in October 2013 as a result of which, the FSA Wales identified a number of strengths of the Services, details of which were provided in the report
- Achieving 100% of all Food Hygiene, Food Standards and Feedstuffs High Risk Inspections

- Successful implementation of the Food Hygiene Rating (Wales) Act 2013, which came into force in November 2013
- Further development of cross-agency working with Natural Resources Wales and Wirral Council in relation to the Dee Estuary and shellfish industry
- Delivering Food Hygiene and Food Safety Management System Training in the medium of Cantonese for 100 food handlers
- The updating of the Food Hygiene premises database

A full list of the targets for 2014/15 were detailed in the report.

### **RESOLVED:**

That the Food Service Plan 2014/15 be approved.

## **57. EXERCISE OF DELEGATED POWERS**

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

### People and Resources

- Workforce Costs / Professional Subscriptions
- Single Status Policies

### Community and Enterprise

- Business Rates – Write Offs
- Council Tax – Write Offs

### Organisational Change

- Disposal of Land Adjoining Grosvenor House, Sandy Lane, Bagillt
- Grant of Easement at Land in the Grounds off Elfed School, Off Cheshire Lane

### Streetscene and Transportation

- A5026 Boot Hill – Holywell to Bagillt, Speed Limit Review
- A5104 Warren Bank, Broughton 30/40 Speed Limit

### Community Services

- Community Services Restructure

It was agreed that, should the report continue to be submitted to Cabinet, that further details would be provided on each delegated decision in the interests of transparency.

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

There were 3 members of the press in attendance.

(The meeting commenced at 9.30am and ended at 11.45am)

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**Chairman**