

**CABINET**  
**15<sup>th</sup> NOVEMBER 2016**

Minutes of the meeting of the Cabinet of Flintshire County Council held in the Clwyd Committee Room, County Hall, Mold on Tuesday, 15<sup>th</sup> November 2016

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

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

**APOLOGY:**

Councillor Chris Bithell

**IN ATTENDANCE:**

Chief Executive, Chief Officer (Community and Enterprise), Chief Officer (Governance), Chief Officers (Organisational Change), Chief Officer (Social Services), Chief Officer (Streetscene and Transportation), Corporate Finance Manager, Finance Manager – Technical Accountancy, Human Resources Manager, and Team Leader - Democratic Services

**OTHER MEMBERS IN ATTENDANCE:**

Councillor David Mackie

**85. DECLARATIONS OF INTEREST**

Councillor Butler declared a personal interest in agenda item number 12 – Council Tax Base for 2017-18.

**86. MINUTES**

The minutes of the meeting held on 18<sup>th</sup> October 2016 had been circulated with the agenda.

**RESOLVED:**

That the minutes be approved as a correct record.

**87. LOCAL GOVERNMENT PROVISIONAL SETTLEMENT 2017/18**

The Chief Executive introduced the Local Government Provisional Settlement 2017/18 report which provided a summary of the Settlement announced as part of the draft budget of the Welsh Government (WG) for 2017/18. The figures were provisional with the Final Settlement expected to be received on 21<sup>st</sup> December 2016.

A presentation was delivered which covered the following areas:

- Welsh Government Budget
- State of the Nation
- Local Impacts of the Settlement
- The Flintshire Case

- Responding to the Consultation

Councillor Kevin Jones commented on the Single Environment Grant (SEG) which had seen reductions over the last five years. The Cabinet Secretary for Environment and Rural Affairs had indicated that it may be incorporated into the Revenue Support Grant (RSG) in 2017/18 however not in totality.

Councillor Shotton said based on the details in the Provisional Settlement, he felt the lobbying on Flintshire being a low funded Council had been taken on board by WG. The outcome of other lobbying cases would become known in the following weeks, such as additional funding for Social Services. However, he emphasised that despite Flintshire receiving a flat line settlement the situation was not sustainable for future years.

**RESOLVED:**

- (a) That the details of the Provisional Settlement be noted; and
- (b) That the impact on the budget for 2017/18 be noted with a consultation response to be submitted to Welsh Government.

**88. COUNCIL FUND BUDGET 2017/18 STAGES 1 AND 2**

The Corporate Finance Manager introduced the report on 2017/18 Council Fund Budget – Stages 1 and 2 report which provided an update on planning the 2017/18 Council Fund Budget and closing the ‘gap’. A presentation was delivered which covered the following areas:

- The On-going Strategy
- A Critical Point for Flintshire
- The Projected ‘Budget Gap’ 2017/18
- Where we left off in September
- Service Portfolio Business Plans – Part 1
- Service Reform – Business Plans
- Final Changes to Proposals
- Corporate Financial Stewardship – Part 2
- Conclusions of Work to Date
- New and Emerging Pressures
- Ongoing Work
- Working with Welsh Government – Part 3
- Key National Discussion Points
- Impact of the Provisional Settlement
- Domiciliary Care – Charging Levels
- Summary of Overall Budget Position
- Budget Closing Stages
- The Medium Term

A report on the Council Fund Revenue Budget 2017/18 Stage One had been considered at Corporate Resources Overview and Scrutiny Committee on 28<sup>th</sup>

September 2016 and no specific issues had been raised. There was a request for background information on risks to public facing services which had been sent to the Committee Members.

A report would be considered at County Council that afternoon seeking approval of the Portfolio Business Planning proposals. The timeline was then set out as follows:

- 30<sup>th</sup> November 2016 - Special Corporate Resources Overview and Scrutiny Committee to consider the Corporate Financing Options
- 6<sup>th</sup> December 2016 – Special Cabinet meeting to receive the Corporate Financing options for recommending to County Council later that day for approval
- 14<sup>th</sup> February 2017 – final approval of the budget by County Council

**RESOLVED:**

- (a) That the comments of the Corporate Resources Overview and Scrutiny Committee on the Stage 1 budget proposals be received;
- (b) That the Stage 1 budget proposals be recommended to Council for adoption on 15<sup>th</sup> November 2016; and
- (c) That the strategy for Stage 2 of the budget be referred to Corporate Resources Overview and Scrutiny Committee for review prior to presentation to Cabinet and Council on 6<sup>th</sup> December 2016.

**89. REVIEW OF MINIMUM REVENUE PROVISION (MRP)**

The Corporate Finance Manager introduced the report on Review of Minimum Revenue Provision (MRP). The report outlined a review of the Council's MRP Policy and recommended changes to the MRP calculation for past and outstanding capital expenditure which was funded from supported borrowing.

A detailed explanation was given on the different options available by the Finance Manager - Technical Accountancy, full details of which were outlined in the report.

Councillor Shotton thanked the Finance team for the hard work that had been undertaken on the review of MRP which would help the Council to achieve a balanced budget and protect services which would have otherwise been under threat. A full explanation would also be given to Members at the special Corporate Resources Overview and Scrutiny Committee meeting on 30<sup>th</sup> November 2016.

The Chief Executive explained that the review recommended a change in accounting practice with a more prudent approach to the repayment of debt and assisting with forward planning. The suggestions had been discussed with Wales Audit Office (WAO) who did not have any objections to the proposals.

## **RESOLVED:**

- (a) That the following be approved and recommended to County Council for Council Fund (CF) outstanding debt, that:-
- Option 3 (Asset Life Method) be used for the calculation of the MRP in financial years 2016/17 and 2017/18 for the balance of outstanding capital expenditure funded from supported borrowing as at 31<sup>st</sup> March 2016. The calculation will be the 'straight line' method over 50 years. This represents an in year change of the approved and adopted policy for 2016/17 which was previously to use Option 1 (Regulatory Method);
  - Option 3 (Asset Life Method) be used for the calculation of the MRP in 2017/18 for all capital expenditure funded from supported borrowing from 1<sup>st</sup> April 2016 onwards. The calculation will be the 'straight line' method over an appropriate number of years, dependent on the period of time that the capital expenditure is likely to generate benefits. This represents a change of policy which was previously to use Option 1 (Regulatory Method); and
  - Option 3 (Asset Life Method) be used for the calculation of the MRP in 2017/18 for all capital expenditure funded from unsupported (prudential) borrowing or credit arrangements. This represents a continuation of the approved and adopted policy for 2016/17.
- (b) That the following be approved and recommended to County Council for Housing Revenue Account (HRA) outstanding debt:
- Option 2 (Capital Financing Requirement Method) be used for the calculation of the HRAs MRP in 2017/18 for all capital expenditure funded by debt. This represents a continuation of the approved and adopted policy for 2016/17
- (c) That the following be approved and recommended to County Council that MRP on loans (which qualify as capital expenditure) from the Council to NEW Homes to build affordable homes:
- No MRP is made during the construction period. The first loan to NEW Homes to be a short term loan of approximately 18 months which will be refinanced once construction is completed. This represents a continuation of the approved and adopted policy for 2016/17.
  - MRP is equal to the repayments made by NEW Homes once capital repayments are being made. The second loan to NEW Homes to be a long term loan which will be repaid from rent from the affordable homes. The repayments made by NEW Homes will be classed, in accounting terms, as capital receipts, which can only be used to fund capital expenditure or repay debt which is a form of MRP. It is proposed to set aside the capital receipts (the capital repayments) made by NEW Homes to repay debt, being the Council's MRP policy for repaying the loan. This represents a continuation of the approved and adopted policy for 2016/17.

## **90. PROCUREMENT STRATEGY**

Councillor Mullin introduced the report on the Procurement Strategy. The Council had recently reviewed its Contract Procedure Rules which set out how officers should undertake procurement activity.

The Chief Officer (Governance) explained that the proposed Strategy set 7 overarching principles for how procurement should be carried out. The Strategy would also be supported by an annual action plan and would be measured through the performance indicators and milestones described within the policy.

In 2015/16 the Council spent £174m procuring goods and services, 31% of which was spent within Flintshire. That figure did not include any spend with regional branches of national or multinational firms.

The action plan would ensure that the strategy was put into effect and that maximum benefit was derived from the strategy in conjunction with the CRPs and would include steps such as:

- Identifying contracts that could be targeted towards the social enterprise sector
- Drawing up guidance on the use of community benefits clauses including clear expectations around the type and level of benefit to be derived from contracts.

Councillor Shotton welcomed the emphasis on community benefits and the percentage of business undertaken with businesses in North Wales and the Mersey/Dee Alliance area.

Councillor Attridge asked if Cabinet Members could have sight of, and approve, the action plan which was agreed.

### **RESOLVED:**

- (a) That the Procurement Strategy be approved; and
- (b) That Cabinet Members see and approve the Action Plan

## **91. PEOPLE STRATEGY 2016-2019**

---

Councillor Mullin introduced the report on the People Strategy 2016-2019 which provided an update on the work, findings and actions resulting from the independent assessment of corporate services.

The Human Resources Manager explained that the Strategy was clear in terms of priorities, actions, roles and responsibilities. There were key actions for Human Resources and Organisational Development but equally as important was the clarity provided on the roles and responsibilities of Chief Officers, Managers/Supervisors and Employees in the delivery of the Strategy.

**RESOLVED:**

That the revised People Strategy 2016-2019 including the vision, outcomes and priorities and the specific roles and responsibilities of Human Resources and Organisational Development, Chief Officers, Managers/Supervisors, and employees, in implementing the strategy be approved.

**92. FOSTER FRIENDLY EMPLOYER**

Councillor Christine Jones introduced the Foster Friendly Employer report. Cabinet had previously endorsed that the Council become a 'Foster Friendly Employer' with the approach recognising that there were people within the existing workforce with the right skills and qualities to become foster carers for the organisation.

A Policy had been developed to support employees who fostered for the Council and supported those employees to manage their foster commitments whilst balancing their job responsibilities. The Policy would enable Flintshire to become the first Council in Wales to be a 'Foster Friendly Employer'.

The Chief Officer (Social Services) added that the Policy would help to recruit and retain foster carers as well as helping to ensure that they were financially stable and good role models by being in employment.

**RESOLVED:**

That the report be noted.

**93. CAPITAL PROGRAMME MONITORING 2016/17 (MONTH 6)**

The Corporate Finance Manager introduced the Capital Programme Monitoring 2016/17 (Month 6) report which summarised changes made to the Capital Programme 2016/17 since Month 4, along with expenditure to date and projected outturn.

The Capital Programme had increased by £1.420m in the period due to:

- Introduction of Section 106 funding for Play Area Equipment (£0.110m)
- Vibrant and Viable Places (VVP) grant funding from Welsh Government (WG) (£0.339m)
- WG funding for Private Sector Renewal (£0.748m)
- Other Aggregate Increases (£0.331m)

Offset by:

- Rollover to 2017/18 (£0.067m) approved in Month 4
- Other Aggregate Decreases (0.041m)

Actual spend to Month 6 was £30.170m with a projected outturn of £60.637m which was an overspend of £0.086m. Resources available for funding future capital expenditure was c£3.613m.

The report had been discussed at Corporate Resources Overview and Scrutiny Committee the previous week with no issues being identified.

Two requests for resources had been received which could be funded from existing headroom:

1. A priority road safety scheme involving the installation of an Average Speed Camera System along the A548 Sealand Road (£0.130m); and
2. Upgrading of the Council Chamber and Committee Rooms microphone system

Councillor Attridge welcomed the funding of the scheme for the installation of an Average Speed Camera on the A548 which he said would save lives.

In response to a question from Councillor Attridge, the Chief Officer (Governance) explained that the current microphone system was failing and required replacement. He confirmed that a decision had not been taken to webcast all Committee meetings however the replacement system would be compatible with any equipment should a decision be taken in the future to webcast additional meetings.

In response to a comment by Councillor Shotton, Councillor Attridge explained that 'Go Safe' was fully supportive of the road safety scheme on the A548. The scheme could have featured in the next round of bids to WG but the funding could not have been guaranteed.

**RESOLVED:**

- (a) That the overall report be approved;
- (b) That the rollover adjustments be approved; and
- (c) That the allocation of Headroom Funding to the Road Safety Scheme and the upgrading of the Council Chamber microphone system be approved.

**94. REVENUE BUDGET MONITORING 2015/16 (MONTH 6)**

The Corporate Finance Manager introduced the Revenue Budget Monitoring 2015/16 (Month 6) report which provided the latest revenue budget monitoring position for 2016/17 for the Council Fund and Housing Revenue Account based on actual income and expenditure. The report projected how the budget would stand at the close of the financial year if all things remained equal.

The projected year end position, without mitigation to reduce cost pressures and improve the yield on efficiency planning, was:

**Council Fund**

- Net in year expenditure forecast to be £1.553m higher than budget
- Projected contingency reserve balance of £1.652m

The overall projected in year position was an increase of £0.132m on the position reported in October 2016. The Council was continuing negotiations with

Welsh Government (WG) on an additional transport grant and there was a realistic expectation that a proportion of the additional in year cost would be recovered which would reduce the in year underlying forecast overspend.

### **Housing Revenue Account**

- Net in year expenditure forecast to be £0.037m higher than budget
- Projected closing balance as at 31<sup>st</sup> March 2017 of £1.061m

The report covered significant budget movements; programme of efficiencies; inflation; reserves and balances; and an overview of the Housing Revenue Account.

### **RESOLVED:**

- (a) That the overall report be noted including the projected Council Fund contingency sum as at 31<sup>st</sup> March 2017; and
- (b) That the projected final level of balances on the Housing Revenue Account be noted.

## **95. COUNCIL TAX BASE FOR 2017-18**

Councillor Mullin introduced the Council Tax Base for 2017-18 report which was integral to the revenue budget and Council Tax setting process for 2017-18. It also allowed the Council, Police & Crime Commissioners Office for North Wales and Town and Community Council to calculate next year's Council Tax precept.

The Chief Officer (Community and Enterprise) explained that the Base for 2017-18 had been calculated as 63,543 band D equivalent properties, after taking into account the total number of properties that would be subject to Council Tax, including Premium, less those which were exempt from Council Tax or where household discounts applied. Also, setting the Tax Base at 63,543 represented growth in the Tax Base of nearly 1.3% compared to the previous year which was equivalent to an increase of 784 band D equivalent properties.

### **RESOLVED:**

- (a) That the Tax Base of 63,543 band D equivalent properties for the financial year 2017-18 be approved; and
- (b) That a 'nil' discount continue to be set for properties falling within any of the Prescribed Classes (A, B or C) and for this to apply to the whole of the County area.

## **96. CAPITAL INVESTMENT IN THE STREETLIGHTING INFRASTRUCTURE AND UPGRADING TO LED LANTERNS**

Councillor Attridge introduced the Capital Investment in the Streetlighting Infrastructure and Upgrading to LED Lanterns report which provided details of the financial case to replace approximately 12,000 of the Councils lighting units.



An opportunity to apply for Welsh Government (WG) Green Growth Invest to Save funding to replace the existing units with more cost effective Light Emitting Diode (LED) lanterns had become available.

The Chief Officer (Streetscene and Transportation) explained that the design and reliability of LED lanterns had improved greatly over the last decade, with the latest technology producing a clearer white light, providing higher lumen output from a much lower wattage, thereby using less energy and producing lower carbon emissions than the current lanterns. The LED lanterns could provide energy savings of up to 73% when compared to the existing units.

The overall cost of the replacement project was greatly reduced by utilising the Council's own Street Lighting team to carry out the replacement work over a two year period, during the current two yearly inspection visit to each lighting column. An estimated payback period of approximately 8 years could be achieved.

The LED lamps had an approximate expected design life of up to 20 years, compared to a typical lantern lamp life of 2 to 5 years. This produced an additional benefit of the new lighting regime from the reduction in the number of faults on the network which in turn reduced ongoing maintenance costs.

Any interim energy savings accrued by the early installation of the new lanterns would be reinvested into the service to complete the replacement of remaining life-expired concrete columns.

The pilot part-night lighting scheme in some residential areas across the County would also be reviewed as part of the project as the lanterns on those roads would also be replaced. Consideration would be given to retaining the full night provision, subject to discussion with the local Member and local residents. The part night lighting arrangements on the Council's Industrial Estates would remain.

Discussions would take place with Town and Community Councils on the potential for them to also bid for funding from the Salix funding stream to update their own lighting network.

#### **RESOLVED:**

That the Wales Funding Submission for Capital Funding to replace the appropriate Street Lighting lanterns with new and more efficient LED lighting units be approved.

#### **97. WORK OF THE DEESIDE ENVIRONMENTAL TASK GROUP**

Councillor Attridge introduced the report on the Work of the Deeside Environmental Task Group which was established following complaints received at the Environment Overview and Scrutiny Committee in October 2015 on high levels of littering and fly tipping between the North Wales Coast railway line and the B5129.

The report provided details of actions undertaken by the Task Group and the necessary next steps in the process to maintain and enhance the work already undertaken in the area.

The project commenced with an extensive clean-up of the area and was followed by regular daily patrols. Each event of littering or fly tipping was investigated and if any evidence was found a warning letter was sent to the resident which clearly explained the duty of the resident to manage their waste and to present their waste collections on the correct day of the week at an agreed collection point. Approximately one hundred such letters were delivered during the period of the project.

The quality of the environment had vastly improved in the area during the period of the project however, that was at a cost which was unsustainable and the Council needed to consider enforcement action against residents who continued to ignore the advice provided and continued to dispose of their waste in an inconsiderate manner.

It was proposed that enforcement actions would take the following forms:

1. Fly tipping, or black bags placed at collection points or any other area outside of the waste collection day – Fixed Penalty Notice (FPN) served for littering, if evidence linking the property to the litter could be found in the waste. Those powers were already vested in the Council under the following section of the Environmental Protection Act 1990:
  - Section 87: Offence of leaving litter
  - Section 88: FPN for leaving litter
2. Presenting waste containers on the incorrect day or failure to bring in the container after collection had taken place. Those powers were already vested in the Council under the following section of the Environmental Protection Act 1990:
  - Section 46: Receptacles for household waste

The service would continue to monitor the area and if the programme proved to be successful the process should be rolled out to other areas of the County experiencing similar problems.

**RESOLVED:**

- (a) That the work carried out by the Deeside Environmental Task Group be noted;
- (b) That the proposed enforcement action against those residents presenting their waste containers outside of their allocated collection day be approved;
- (c) That the proposed enforcement action against anyone evidenced to have caused littering in the area by placing their domestic waste material on the street outside of their allocated collection day be approved;
- (d) That the Chief Officer (Streetscene and Transportation), after consultation with the Cabinet Member for Environment, be provided with delegated authority to extend the arrangements to other areas of the Council which are experiencing similar problems; and
- (e) That a further report, detailing the progress and impact of the approved enforcement actions be submitted to Cabinet 6 months after implementation.

## 97. EXERCISE OF DELEGATED POWERS

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

### Organisational Change

- **Public Auction of Coed Du Farm, Hendre, Nr Mold CH7 5HH**  
Sale of vacant agricultural holding in 3 Lots to be offered by Bruton Knowles by way of Public Auction at a date to be arranged.

### Streetscene and Transportation

- **The Flintshire County Council (Off Street Parking Places – Mold) (Civil Enforcement and Consolidation) (Amendment 1) Order 20--**  
To advise Members of the objections received following the advertisement of the proposed (Off Street Parking Places – Mold) (Civil Enforcement and Consolidation) (Amendment 1) Order 20--.

### **RESOLVED:**

That the actions taken under delegated powers be noted.

## **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 15 of Part 4 of Schedule 12A of the Local Government Act 1972 (as amended).

## 98. **LEISURE AND LIBRARIES ALTERNATIVE DELIVERY MODELS – IMPLEMENTATION PLAN DEVELOPMENT**

The Chief Officer (Organisational Change) introduced the Leisure and Libraries Alternative Delivery Models – Implementation Plan Development report.

The report provided details of the extensive work that had taken place co-operatively between the Council, the service management team and the workforce to complete the implementation plan.

### **RESOLVED:**

- (a) That the Museums Service be agreed as part of the proposed Leisure and Libraries Alternative Delivery Model;
- (b) That the senior management structure for the Alternative Delivery Model detailed in the report, subject to minor changes that might need to be made under delegated authority, be approved;

- (c) That recruitment on the senior management structure be approved to start during November and December 2016, but that finalising appointments is subject to agreement of the implementation plan by both Cabinet and the staff vote in December 2016;
- (d) That it be agreed that the recruitment starts to the shadow board in line with the final Board structure outlined in the report with the aim that the shadow board is in place by the end of January 2017, after December 2016 Cabinet and the staff vote; and
- (e) That it be agreed that the final implementation plan for the new organisation be brought back to the December Cabinet, that a staff vote follows Cabinet in December 2016, and that a revised date of establishment of the organisation is July 2017.

**99. HOLYWELL LEISURE CENTRE: COMMUNITY ASSET TRANSFER UPDATE**

Councillor Kevin Jones introduced the Holywell Leisure Centre: Community Asset Transfer Update report.

The report outlined the timetable for completion of the work and progress by the community group in developing their updated strategic business plan including progress in areas outlined in the report.

**RESOLVED:**

- (a) That it be agreed that the Community Asset Transfer be phased over the period 31<sup>st</sup> December 2016 to 1<sup>st</sup> March 2017;
- (b) That as part of the phasing the Council agrees to implement changes in opening hours at Holywell Leisure Centre summarised in the report and detailed in the slides;
- (c) That as part of the phasing the Council agrees to implement the changes in the staffing structure summarised in the report and detailed in the slides;
- (d) That delegated authority be given to the Chief Officer (Organisational Change) in consultation with the portfolio holder for Waste Strategy, Public Protection and Leisure to finalise the changes detailed in recommendations (a) and (b) including the final date for implementation;
- (e) That the budgetary savings estimated for this transfer are adjusted to take into account the completed transfer date of 1<sup>st</sup> March 2017; and
- (f) That it be agreed that the Council support in principle (subject to financial diligence) the entry of the community group into the Local Government Pension Scheme (LGPS), which would include acting as a guarantor for the new company.

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

There was one member of the press in attendance.

(The meeting commenced at 9.30am and ended at 11.40am)

.....  
**Chair**