

MINUTES OF A MEETING OF THE CABINET HELD IN COMMITTEE ROOMS 1/2/3, CIVIC OFFICES ANGEL STREET BRIDGEND CF31 4WB ON TUESDAY, 1 NOVEMBER 2016 AT 2.30 PM

Present

Councillor HJ David – Chairperson

CE Smith
CL Reeves

HJ Townsend

PJ White

HM Williams

Officers:

Randal Hemingway	Head of Finance & Section 151 Officer
Laura Kinsey	Head of Children's Social Care
Deborah McMillan	Corporate Director Education & Family Support
Mark Shephard	Corporate Director - Communities
Andrew Rees	Senior Democratic Services Officer - Committees
Angie Bowen	Group Manager - Housing & Community Regeneration
Laura Griffiths	Senior Lawyer
Zak Shell	Head of Neighbourhood Services

999. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor CE Smith.

1000. DECLARATIONS OF INTEREST

The following declaration of interest was made:

Councillor PJ White declared a prejudicial interest in agenda item 13 – Bridgend town Heat Network Project as Llynfi Power Station is mentioned in the report and he is a director of Whitedge Renewables, a local company involved in developing the Power station on behalf of the developer.

1001. APPROVAL OF MINUTES

RESOLVED: That the minutes of the meeting of Cabinet of 4 October 2016 be approved as a true and accurate record.

1002. BUDGET MONITORING 2016-17 QUARTER 1 - RECOMMENDATIONS OF THE CORPORATE RESOURCES & IMPROVEMENT OVERVIEW AND SCRUTINY COMMITTEE

The Chairperson of the Community Environment and Leisure Overview and Scrutiny Committee presented the recommendations of the Corporate Resources & Improvement Overview and Scrutiny Committee on behalf of the Chairperson of the Committee resulting from their deliberations and monitoring of the Budget 2016-17, Quarter 1 at its meeting on 21 September 2016.

He informed Cabinet that the Committee had expressed concern that the budget reduction proposals for 2015-16 had not been achieved, with a shortfall of £1.172m. In particular, the relating to charging Blue Badge Holders for parking and the review of car parking charges not only to staff, but to include Councillors. He stated that the Committee had requested that a decision be made as to whether these proposals are going to be progressed or not and if so, that they be actioned within the current financial year. He also informed Cabinet that the Committee had considered that that due to the services within the Communities Directorate being disproportionately affected by difficulties in savings achieved by MREC. The Committee had recommended that as these pressures are outside the Communities Directorate's control, the budget for MREC be dealt with corporately.

The Corporate Director Communities informed Cabinet that the review of car parking charges was longstanding and that a decision had been made not to pursue the review of car parking charges to staff due to a large number of staff being re-located and the implementation of Job Evaluation. He stated that there had been a significant drop in the number of staff participating in the car parking scheme. There was a need for a more holistic review of car parking charges not only those charged to staff but to the public which would encompass a review of residents parking. He informed Cabinet that the multi storey car park at the Rhiw would shortly be re-opening. He stated that a revised scheme for Blue badge holders would need to be the subject of consultation.

The Leader stated that the comments of the Overview and Scrutiny Committee are very valuable. He stated that in view of the recent announcement by the Welsh Government of the provisional Local Government Settlement it may prove difficult for Cabinet to respond to the recommendations of the Corporate Resources & Improvement Overview and Scrutiny Committee by the next meeting of Cabinet as there were a number of areas where no decisions had been made on budget reduction proposals but they would need to be considered at the appropriate time. He also informed Cabinet that the Council would be expressing an interest in participating in the Welsh Government's pilot Town Centre Car Parking scheme. He recognised the significant pressure of MREC on the budget of the Communities Directorate, but stated that it may be difficult for the MREC budget to be dealt with corporately due to other areas of significant pressure most notably the budget for Looked After Children.

The Cabinet Member Communities commented that it was not the right time to review staff car parking charges particularly as a number of staff had left the scheme.

RESOLVED: That Cabinet:

- (1) Considered the recommendations of the Corporate Resources and Improvement O&SC in relation to the Authority's budget.

Respond to the recommendations to a future meeting of Cabinet.

1003. BUDGET MONITORING - QUARTER 2 2016-17

The Head of Finance Section 151 Officer reported on an update on the Council's financial position as at 30 September 2016.

He informed Cabinet that Council on 10 March 2016 had approved a net revenue budget of £254.891 million for 2016-17 along with a capital programme of £43.553 million, which was revised to £46.412 million. He reported that the projected position as at 30 September 2016 was a net under spend of £3.677 million, comprising a £333,000 net

under spend on Directorates and a £3.344 million net under spend on corporate budgets. The Head of Finance and Section 151 Officer stated that the Medium Term Financial Strategy (MTFS) approved by Council in March 2016 had identified the need to develop recurrent budget reduction proposals, based on the most likely scenario amounting to £36.9 million over the next four years.

He reported on the monitoring of budget reduction proposals in that of the £11.225 million budget reduction proposals for 2015-16, £2.692 million had not been met in full, leaving a shortfall in the financial year of £1.909 million. There remained an ongoing shortfall of £1.167 million in 2016-17 against these specific proposals. A MTFS Budget Reduction Contingency had been established as an earmarked reserve of £333,000 which will be used to partly mitigate the shortfall on MREC, Blue Badges and School Transport. He reported that of the budget reductions proposals totalling £7.477 million, six of the proposals totalling £1.202 million are Red and fourteen of the proposals are Amber, which total £1.338 million. He stated that work is ongoing to deliver the proposals or alternatives which have been reflected in the forecast outturn for the year. He summarised the financial position for each main service area by Directorate as at 30 September 2016.

The Head of Finance and Section 151 Officer reported on the position on the Council wide budgets which is £42.117 million with a projected outturn of £38.773 million, resulting in a projected under spend of £3.344 million as a result of lower demand than forecast for the Council Tax Reduction Scheme, an under spend on the interest paid on Capital financing due to lower borrowing than anticipated and an under spend on other Corporate Budgets. He stated that this projection could change significantly during the financial year, depending on the cost of redundancies incurred during the financial year, the extent of inclement weather, inflationary changes and demands on the Council Tax Reduction Scheme.

The Section 151 Officer reported on the monitoring of the capital programme for 2016-17, which was approved by Council in March 2016, and revised in May, July and October 2016. The revised programme totalled £47.102 million, of which £31.940 million is met from Council resources with the remaining £14.162 million coming from external resources. He outlined the position on the review of earmarked reserves.

RESOLVED: That Cabinet noted the projected revenue and capital outturn position for 2016-17.

1004. AMENDMENT TO THE PRIVATE SECTOR HOUSING RENEWAL AND DISABLED ADAPTATIONS POLICY

The Group Manager Housing and Community Regeneration sought approval to amend the existing policy in order to reflect the Council's new Corporate Priorities, so as to provide assistance to Registered Social Landlords and Charitable Housing organisations to work in partnership with the Council to address housing need, and to maximise participation in Homes in Towns Grants.

The Group Manager Housing and Community Regeneration outlined the changes to the Private Sector Housing Renewal and Disabled Adaptations Policy which in addition to implementing the Council's Local Housing Strategy will achieve a balance between meeting mandatory duties, providing services to vulnerable clients and contributing to Welsh Government and corporate objectives, within available resources.

The Cabinet Member Adult Social Care and Health and Wellbeing questioned whether it was explained to the surviving relatives of the repayment conditions of Disabled

Facilities Grants in the event of the death of a recipient of a grant before the certified date or grant condition period. The Group Manager Housing and Community Regeneration informed Cabinet that the repayment conditions have always been in place but the change in the policy clarifies the position for surviving relatives. A decision would be made whether to waive repayment of the grant or if there were no surviving relatives the Council would place a charge on the property to reclaim the grant in full.

RESOLVED: That Cabinet approved the revised Private Sector Renewal and Disabled Adaptation Policy as attached at Appendix 1 to the report.

1005. SCHOOL MODERNISATION PROGRAMME: OUTCOME OF THE SECOND STAGE OF THE TENDER PROCESS FOR THE DESIGN AND CONSTRUCTION OF BRYNMENYN PRIMARY SCHOOL

The Corporate Director Education and Family Support sought approval to accept the contract sum provided by BAM Construction Limited for the construction of Brynmenyn Primary School and the awarding of the contract, subject to Welsh Government funding approval.

The Corporate Director Education and Family Support reported that Cabinet had previously given approval for statutory procedures to be followed to make a regulated alteration in respect of an enlargement to Brynmenyn Primary School and for the relocation from its existing site to a site adjacent to Coleg Cymunedol Y Dderwen. She stated that the statutory process was undertaken and there were no objections to the proposal. A decision was taken by Cabinet on 1 September 2015 to implement the proposal to open the enlarged primary school with effect from 1 January 2018.

The Corporate Director Education and Family Support reported that Cabinet at its meeting on 27 October 2015 approved the use of the South East Wales Schools Capital Procurement Framework (SEWSCAP) and she was authorised to determine the appropriate form of contract for the design and build process based upon the recommendation of the appointed project manager and cost manager. She stated that tenders were invited against Lot 4 of the SEWSCAP framework with BAM Construction Limited being awarded to undertake the initial pre-construction stage based on the most economically advantageous tender in the sum of £238,649.24.

The Corporate Director Education and Family Support reported that the scheme had since undergone significant design development and a value engineering exercise undertaken as the tender price was in excess of the budget available. The final construction cost had been agreed as £7,505,223.01. She stated that the cost of constructing the new school would be met from the Welsh Government's 21st Century Schools Programme and the Council's Capital Programme. The costs of the scheme would be contained within the approved Capital Programme budget of £8.15 million. She stated that the highway works are estimated to cost in the region of £325,000 and covered within the £8.15 million budget.

The Leader in commending the report commented that this was yet another step forward in the construction of a brand new building for Brynmenyn Primary School at Ynysawdre.

RESOLVED: That Cabinet agreed the contract sum submitted by BAM Construction Ltd for the construction of Brynmenyn Primary School, and approved the awarding of the contract to BAM Construction Ltd as the main contractor, subject to:

(a) Obtaining Welsh Government funding approval and receipt of the appropriate funding in due course, and the final contract being approved by the Corporate Director Education and Family Support, in consultation with the Corporate Director Operational and Partnership Services and the Section 151 Officer.

1006. INFORMATION REPORTS FOR NOTING

The Senior Solicitor presented the report of the Corporate Director Operational and Partnership Services, the purpose of which was to inform Cabinet of the Information Report which had been published since the last meeting.

RESOLVED: That Cabinet acknowledged the publication of the document listed in the report:-

<u>Title</u>	<u>Date Published</u>
Half Year Treasury Management Report 2016-17	26 November 2016

1007. WASTE MANAGEMENT SERVICES CONTRACT AWARD

The Corporate Director Communities reported on an update on the proposed appointment of a preferred bidder under the Council's waste services procurement and subject to satisfactory completion of the legal processes, formally enter into a contract with the preferred bidder for the provision of the Council's Waste Collection and Community Recycling Centre Services (CRC), for a period defined by the contract of 7 years from the contract commencement date of 1 April 2017. He stated that Cabinet would be requested to consider an exempt report in respect of the award of the Waste Collection and Community Recycling Centre Services which is commercially sensitive and relates to the business and financial affairs of the Council and the preferred bidder.

The Corporate Director Communities reported that Cabinet at its meeting on 15 March 2016 approved proposals to re-procure the Council's waste collection and CRC services on the basis of securing improvements to the recovery and recycling of materials and the Council's recycling performance as measured by the Welsh Government's performance management framework. He outlined the principle services to be provided by the bidders, whereby the contract included a financial mechanism to share the fluctuations in the value of recycling income generated under the contract, based against market indices. He stated that a performance management framework had also been included in the contract with financial deductions for defaults to be applied when certain default thresholds are exceeded. Following the receipt of initial tenders from 4 bidder and evaluation, two bidders were taken forward to the negotiation stage, while 2 bidders were not taken forward to the next stage and were given their evaluation scores. Dialogue discussions were held with the two selected bidders and on conclusion of this stage the Call for Final Tender documents were issued to the two selected bidders. Final bids were received by 7 October 2016.

The Corporate Director Communities reported on the procurement process in that Cabinet would be requested to award the contract to the preferred bidder and to delegate to him in consultation with the Corporate Director Operational and Partnership Services and Head of Finance and Section 151 Officer finalisation and completion of the process of entering into the contract with the preferred bidder. He stated that bidders

were directed to collect in line with Welsh Government guidelines but otherwise given the opportunity to propose the containment method that represented best value. He informed Cabinet that the final tender submission made by the preferred bidder will improve the Council's environmental performance and assist the Council in meeting waste targets and avoid the imposition of fines.

He informed Cabinet that a growth bid would be submitted as part of the budget setting process for 2017/18 to secure additional resource in order for the Council to provide the service going forward. He stated that further savings of £221,000 are anticipated from other waste budgets in 2017/18 and future savings were anticipated due to the reduction of residual waste being sent to landfill. He informed Cabinet that an equalisation reserve would need to be established to smooth the effect of annual movements on the budget due to the nature of the financial mechanism to share the fluctuations in the value of recycling income generated under the contract.

The Cabinet Member Resources placed in record his thanks to officers for their advice and guidance given the significance of the contract. The Leader commented on the need for a Member Development Session to be held in order that Members gain an awareness of the new waste management arrangements. He stated that it was crucial that a communications plan be put in place in order that the key messages of the new waste management arrangements are shared positively with the public in order to achieve the ambitious recycling targets. The Cabinet Communities commented on the importance of conveying to the public the need to separate waste due to the stringent checks that would be put in place. The Cabinet Member Adult Social Care and Health and Wellbeing commented on the need for awareness raising of achieving recycling targets in order to avoid considerable fines.

The Corporate Director Communities informed Cabinet that a report would be brought to the next meeting of Cabinet on the process for granting dispensations, enforcement and a communications plan.

RESOLVED: That Cabinet noted the information contained in the report.

1008. URGENT ITEMS

There were no urgent items.

1009. EXCLUSION OF THE PUBLIC

RESOLVED: That under Section 100A (4) of the Local Government Act 1972 as amended by the Local Government (Access to Information) (Variation) (Wales) Order 2007, the public be excluded from the meeting during consideration of the following items of business as they contain exempt information as defined in Paragraphs 14 and 16 of Part 4 and Paragraph 21 of Part 5 of Schedule 12A of the Local Government Act 1972, as amended by the Local Government (Access to Information) (Variation) (Wales) Order 2007.

The Senior Solicitor confirmed that one of the items was not subject to the public interest test for reasons of legal professional privilege and should therefore be considered in private. However the public interest applied in respect of two items of business.

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Following the application of the public interest test in consideration of these other items, it was resolved that pursuant to the Act referred to above, to consider them in private, with the public being excluded from the meeting as they would involve the disclosure of exempt information of the nature as stated above.

1010. WASTE MANAGEMENT SERVICES CONTRACT AWARD

1011. BRIDGEND TOWN HEAT NETWORK PROJECT

1012. DEPOT RATIONALISATION AND RELOCATION

The meeting closed at 4.27 pm