

CABINET - TUESDAY, 19 DECEMBER 2017

MINUTES OF A MEETING OF THE CABINET HELD IN COMMITTEE ROOMS 1/2/3 - CIVIC OFFICES ANGEL STREET BRIDGEND CF31 4WB ON TUESDAY, 19 DECEMBER 2017 AT 14:30

Present

Councillor HJ David – Chairperson

CE Smith
RE Young

PJ White

HM Williams

D Patel

Apologies for Absence

Officers:

Kelly Watson	Group Manager Legal & Democratic Services
Randal Hemingway	Head of Finance & Section 151 Officer
Darren Mephram	Chief Executive
Mark Shephard	Corporate Director - Communities
Susan Cooper	Corporate Director - Social Services & Wellbeing
Andrew Rees	Senior Democratic Services Officer - Committees
Lindsay Harvey	Corporate Director Education and Family Support

122. DECLARATIONS OF INTEREST

None.

123. APPROVAL OF MINUTES

RESOLVED: That the minutes of the meeting of Cabinet of 28 November 2017 be approved as a true and accurate record.

124. ADDITIONAL LEARNING NEEDS REFORM - RECOMMENDATIONS OF THE SUBJECT OVERVIEW AND SCRUTINY COMMITTEE 1

Councillor M Jones presented the recommendations of the Subject Overview and Scrutiny Committee 1 on the reform of Additional Learning Needs (ALN), which he requested be considered in principle pending the outcome of the Bill. Cabinet was also requested to forward a number of recommendations which had been made by the Committee to the Welsh Government for consideration as part of the implementation of the Additional Learning Needs and Education Tribunal (Wales) Bill and the reform of ALN.

The Leader placed on record his thanks to the Subject Overview and Scrutiny Committee 1 on the work it had undertaken in producing recommendations on the reform of ALN and advised that Cabinet would be considering the recommendations in due course when it would also receive a report on the reform of ALN from the Corporate Director Education and Family Support.

RESOLVED: That Cabinet:-

- (1) Considered the recommendations at paragraph 4.2 of the report from the Subject Overview and Scrutiny Committee 1 in principle pending the outcome of the Bill in relation to the Authority's response to the ALN Bill and ALN Reform;

(2) That Cabinet agreed to forward the recommendations at paragraph 4.3 of the report, from the Subject Overview and Scrutiny Committee 1 to Welsh Government, for consideration as part of the implementation of the ALN and Education Tribunal (Wales) Bill and ALN Reform.

125. OUTCOME OF THE CONSULTATION 'SHAPING BRIDGEND'S FUTURE'

The Head of Finance and Section 151 Officer submitted a report which informed Cabinet of the Outcome of the 'Shaping Bridgend's Future' 2017 consultation which asked citizens to share their views on a number of key budget proposals being considered over the Medium Term Financial Strategy (MTFS) period.

He explained that respondents were asked to share their views on a range of budget proposals, being considered between 2018-19 and 2021-22, including: proposed increases to council tax; which services to protect and / or cut over others; investments and commercial services, regulatory services; back office administration; leisure and cultural services; social services and nursery education. He stated that the budget consultation overview, document and surveys were made available online via the Council's website between 12 October and 3 December 2017. The consultation was aimed at reaching key stakeholders which included citizens, schools, Cabinet Members/ Councillors, local businesses, the third sector, council staff, town and community councils, partner organisations, community and equality groups, youth services/ council and local media. The consultation was supported by a full communications and promotional plan. Additionally, methods of engagement included a survey, available both online and in hard copy format; community engagement events, elected member workshops; other meetings / networking events; social media debates and comments and a dedicated Citizens' Panel survey.

The Head of Finance and Section 151 Officer informed Cabinet that 2619 responses were received and the responses received represented a 3.4% increase on last year. He stated that of the five choices, the most popular response was that people were not prepared to increase council tax in order to help protect current service levels, with 25% of respondents agreeing overall. He also stated that 17% of respondents were prepared to increase council tax by 5% and that demographically, more respondents over 65 were prepared to increase council tax by 5% whilst those under 65 were only prepared to increase it by 1%. He informed Cabinet that 21% of respondents chose to protect care of older people and services for disabled people through an increase in council tax whilst knowing that the council would have to cut other services more severely to achieve this. This was closely followed by 19% of respondents wishing to protect schools, youth services and children's social services. Based on the responses from the survey, in order to minimise the increase on council tax and save other services, cultural services including libraries, art centres and theatres and sports and recreational services were the two main services the public are willing to cut by 39% and 31% respectively. He stated that 30% of participants also said they did not want to cut any services. He also highlighted the other key findings arising from the consultation.

The Deputy Leader thanked the staff involved in the consultation and acknowledged the contribution made by residents in responding to the consultation, particularly the appetite shown in completing the survey online which had seen a 56% increase. He stated that the Cabinet would consider the responses from residents in shaping the budget proposals. The cabinet Member Communities expressed his disappointment at the number of respondents who had supported cuts being made to cultural services. The Cabinet Member Social Services and Early Help was pleased to see the responses favoured charging extra for sports pitches which was a small price to pay to ensure

those facilities were maintained. The Leader commented on the success of the engagement on the budget with residents and that it was pleasing to note that their priorities for services were also the Cabinet's priorities.

RESOLVED: That Cabinet noted the outcome of the consultation with interested parties as detailed in the Consultation Report attached to the covering report.

126. EXTENSION OF THE FINANCIAL INFORMATION SYSTEM CONTRACT

The Group Manager Legal reported that the existing financial information system, E5, provides a suite of fully integrated component modules including general ledger, accounts payable, accounts receivable and purchase management to over 500 users across the Council. She stated that the current supplier, Advanced Business Software and Solutions Limited (ABS), is the sole owner and developer of the financial information system E5.

The Group Manager Legal also reported that Cabinet in May 2015 approved the continued use of the financial information system E5 but on an in-house basis following the expiry of the hosted arrangement on 31 March 2016. It also approved the extension of the license and maintenance support with ABS until 31 March 2018. She stated that the move from a hosted arrangement to an in-house arrangement contributed to a Medium Term Financial Strategy saving of £200,000 within the software budget.

The Group Manager Legal reported on a proposal to issue an invitation to tender or the provision of financial information services within Bridgend County Borough Council, to include, general ledger, accounts payable, accounts receivable and purchasing management. The process will use a mini competition utilising the Crown Commercial Services Framework which has fourteen registered suppliers including the existing supplier ABS. She stated that the returns will be evaluated using a 60/40 split of price against quality. It was proposed that the Council will enter into a contract with the successful supplier for three years with an option of a one year plus one year extension beginning the 1 April 2018.

The Deputy Leader in commending the proposal stated that savings would be derived through bringing the system in-house. The Leader stated that bringing the system in-house had produced savings of £200,000 per year.

RESOLVED: That Cabinet:-

- (1) Noted the intention to retender for the Financial Information System;
- (2) Authorised the Corporate Director Operational and Partnership Services to enter into a contract extension for a period of 12 months with the current provider of the Financial Information System, if necessary, to allow for the mobilisation and build of such a new system, when the current Contract ends in March 2018.

127. PORTHCAWL REGENERATION SCHEME

The Corporate Director Communities presented an update on the Porthcawl Regeneration Scheme and advised that a proposal has been received from the Evans' families, to sell to the Council their leasehold interest in Phase 1 – land at Salt Lake Car Park. He advised Cabinet of the terms of this proposal, and set out the consequential

impact on the remainder of the Porthcawl Regeneration Scheme. He also advised Cabinet of the 'due diligence' undertaken to date, and the further measures to be put in place to protect the public interest.

He reported that in 2006 the owners of development land in Porthcawl agreed to work jointly, by bringing together the freehold and leasehold interests which overlay substantial land holdings within the town. The aim was to bring forward the land for sale, providing the owners with sale receipts to be split on a pre-agreed basis subject to minimum prices being achieved; and to deliver a clear planning context for disposal of sites for third party development. Following the adoption of the Porthcawl Regeneration Supplementary Planning Guidance in 2007, land had been set aside for new homes within the overall area, plus major retail and leisure developments community provision, new road systems, land set aside for health provision, and other areas of public amenity, including new sea defences along Eastern Promenade and the Sandy Bay frontage.

The Corporate Director Communities reported that an Owners Agreement (OA) was signed in 2011 between the Council and the Evans Families, with the underlying principle being the disposal of land and all net proceeds would be split in a 60:40 proportion in the Council's favour (subject to minimum prices being obtained). Phase 1 incorporated retail, community, leisure and housing uses would be the earlier phase for disposal. Phase Two of the site (which was predominantly residential) would follow on at a later date.

The Corporate Director Communities also reported on the disposal history of the land, in that in 2014, following the failure of the sale of the site to Morrisons (and bids for sale of the site in 2010 to Tesco / Chelverton), various offers were made to acquire the Council's interest. These were turned down as there was no market exposure (in terms of securing best consideration) and the nature of the offer did not meet either the minimum price requirement or the regeneration objectives of the Council. In 2015 the parties then agreed to review the development proposals in light of the large scale food retailers retreat from the market and a new Master Plan was commissioned to support the existing Supplementary Planning Guidance. However, the owners could not agree the final makeup of the overall development proposals. In the summer of 2016 discussions on the Master Plan floundered, and the Evans' subsequently proposed that the Council consider purchasing their leasehold interest within Phase 1.

He reported that within the terms of the OA the Council agreed to fund "necessary expenditure" such as planning costs, in order to enable the development scheme to proceed, on the basis that it would be reimbursed from the capital receipts generated from land sales. He stated that no receipts had yet to be generated and that within the terms of the Owners Agreement the Evans' are required to reimburse the Council on 5th anniversary of the expenditure, commencing on the date of the Owners Agreement. No payment had yet been received as this and related commercial matters had yet to be agreed.

The Corporate Director Communities explained the advantages and disadvantages of acquiring the Evans' interest, and provided that this could be achieved on terms favourable to the Council, there was merit in this option as it would enable regeneration of the site to proceed. He stated that a preliminary valuation was undertaken by an independent Property Agent, in order to establish the price range within which the Council could consider acquisition, and following this, a provisional offer was made by the Council in September 2017, with a short expiry date. Terms had now been provisionally agreed to acquire the Evans' interest on the heads of terms detailed.

The Corporate Director Communities also reported that as part of the terms for the purchase of the Evans' interest, it would be necessary to amend the Owners Agreement.

He outlined the key changes necessary. He also outlined the due diligence undertaken whereby the Council had consulted with the Wales Audit Office in relation to the steps it should undertake to ensure that it has followed due process and safeguards the public interest. Two independent valuers had been appointed to consider and provide their advice on the market value of the land. The Corporate Director Communities outlined the key risks and issues which had been considered, along with mitigation measures, prior to entering into the agreement.

The Corporate Director Communities informed Cabinet that the capital programme included a scheme entitled 'Porthcawl Infrastructure' with a budget of £5.507 million. He stated that this scheme approved in September 2012 was to fund the infrastructure works, with the cost being met initially from prudential borrowing until the Council secured the capital receipt arising from the sale of the land. As such, this scheme is not cash-backed and cannot be used for another scheme without the guarantee of a resultant capital receipt to repay any borrowing. A decision was still needed on the future use of the land, it was recommended that this scheme be removed from the capital programme and replaced at a future date with a revised proposal and associated costs and funding. It was proposed that the repayment of the necessary expenditure of £330,000 would be treated as an earmark reserve to fund the future resourcing costs required to bring the site forward for disposal. He informed Cabinet that the cost of the transaction to the Council is £3,330,000 plus VAT (recoverable) of £666,000 and Stamp Duty Land Tax of £178,800, which totalled £4,174,800.

The Corporate Director Communities informed Cabinet that the terms are very specific and also time limited and that the negotiations are based on the recommendations to Cabinet and Council.

The Cabinet Member Education and Regeneration in commending the proposal hoped that it would lead to a quality development on site which would complement the developments at Cosy Corner and the Jennings Building. The Deputy Leader commented that this was an important milestone to deliver investment and regeneration in Porthcawl and that as this is a commercial investment by the authority it was vital for it to have return on investment. The Leader stated that he was reassured at the robust process undertaken by officers including two independent valuations of the land value in the proposals and he thanked them for their part in the negotiations.

RESOLVED: That Cabinet:-

- (1) authorised the Corporate Director Communities, in consultation with the S151 Officer and the Monitoring Officer, to:
 - (a) Acquire the Evans' families head lease and sub lease interests in Salt Lake Car Park, Porthcawl, at the price of £3,330,000, and terms set out in Appendix 1 of the report, and
 - (b) Vary the existing Owners Agreement dated 11 March 2011 between the Council and the Evans families, on the terms outlined in paragraph 4.11 of the report.
- (2) agreed to submit the revised Capital Programme to Council for approval, as set out in Appendix 2 of the report.

128. SCHOOL MODERNISATION PROGRAMME: OUTCOME OF PUBLIC NOTICE ON PROPOSAL TO MAKE A REGULATED ALTERATION TO COYCHURCH PRIMARY IN THE FORM OF AN ENLARGEMENT

The Interim Corporate Director Education and Family Support reported on the outcome of the Public Notice on the proposal to make a regulated alteration to Coychurch Primary School by permanently enlarging the school with effect from 1 January 2018 and requested that Cabinet issue a Determination as per the proposal.

He reported that Cabinet at its meeting on 25 July 2017 had approved consultation on the proposal to make a regulated alteration in the form of an enlargement and consultation was carried out between 6 September and 17 October 2017 in accordance with the statutory School Organisation Code. Public notice was issued on 6 November 2017 lasting 28 days, with no objections received during this period.

RESOLVED: That Cabinet:

- (1) Considered the outcome of the Public Notice as detailed in the report;
- (2) Approved the implementation of the proposal to make a regulated alteration to Coychurch Primary in the form of an enlargement effective from 1 January 2018.

129. HEALTHCARE NEEDS POLICY

The Interim Corporate Director Education and Family Support sought approval of the Healthcare Needs Policy.

He reported as a result of Guidance from Welsh Government, all maintained nursery, primary, secondary and special schools, pupil referral units and local authorities in Wales are required to implement a Healthcare Needs Policy.

The Leader asked if school governing bodies will be notified so they can implement the policy. The Interim Corporate Director Education and Family Support informed Cabinet that heads would be consulted on the implementation of the policy at cross phase meetings and governors would need to endorse the policy.

RESOLVED: That Cabinet approved the Healthcare Needs Policy at Appendix A to the report.

130. WELSH IN EDUCATION STRATEGIC PLAN

The Interim Corporate Director Education and Family Support reported on the progress made on the Welsh in Education Strategic Plan (WESP) and sought approval for the publication of the document in line with the requirements of the Welsh Government.

He reported that the School Standards and Organisation (Wales) Act 2013 became law on 4 March 2014 and placed a statutory requirement on local authorities to prepare and introduce a Welsh in Education Strategic Plan (WESP). He stated that the first WESP received Cabinet approval in March 2014 and since then has been reviewed and updated annually prior to approval being sought from the Welsh Government.

He also reported that the Welsh Government had issued new guidance for the WESP, 2017-2020, providing a clear link to the work of the WESPs to the Welsh Language Standards and to drive local authorities towards Welsh Government's stated aim of

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having one million Welsh speakers by 2050. The WESP was now a more concise document with very clear aims and objectives to meet the seven outcomes.

The Interim Corporate Director Education and Family Support informed Cabinet that the Welsh Government will seek to approve all plans by the end of January 2018.

The Cabinet Member Education and Regeneration in commending the WESP commented on the ambitious target set by the Welsh Government to have one million Welsh speakers by 2050.

RESOLVED: That Cabinet approved the new WESP, and authorised publication of the revised WESP on the BCBC website from 1 June 2018.

131. **MR RANDAL HEMINGWAY**

The Leader announced that this would be the last meeting of Cabinet to be attended by Mr Randal Hemingway, Head of Finance and Section 151 Officer prior to him leaving the authority to take up a new position. He thanked Mr Hemingway on behalf of Cabinet for the advice and support he had given to the Cabinet and he left the authority with robust management processes in place. He wished him every success in his new position with Carmarthenshire County Council.

All members of Cabinet also thanked Mr Hemingway for his guidance and for the quality of advice he had given and for enabling projects such as the Porthcawl Regeneration Scheme come to fruition.

Mr Hemingway suitably responded and thanked the Cabinet for their support in his role.

132. **URGENT ITEMS**

There were no urgent items.

The meeting closed at 15:45