

MINUTES OF A MEETING OF THE CABINET HELD IN COMMITTEE ROOMS 1/2/3 - CIVIC OFFICES ANGEL STREET BRIDGEND CF31 4WB ON TUESDAY, 22 JANUARY 2019 AT 14:30

Present

Councillor HJ David – Chairperson

PJ White

HM Williams

D Patel

RE Young

Apologies for Absence

CE Smith

Corporate Director – Social Services and Wellbeing  
Interim Head of Finance and S151 Officer

Officers:

Kelly Watson	Head of Legal & Regulatory Services
Mark Shephard	Interim Chief Executive
Deborah Exton	Group Manager - Finance
Mark Galvin	Senior Democratic Services Officer - Committees
Lindsay Harvey	Corporate Director Education and Family Support
Martin Morgans	Head of Performance and Partnership Services

298. DECLARATIONS OF INTEREST

That the following members declared a personal interest in Agenda Item 8., due to their participation in the Community Action Fund.

299. APPROVAL OF MINUTES

RESOLVED: That the Minutes of a meeting of Cabinet dated 18 December 2018, be approved as a true and accurate record.

300. MEDIUM TERM FINANCIAL STRATEGY 2019-20 TO 2022-23 AND DRAFT BUDGET CONSULTATION PROCESS

The Chairperson of the Budget Research and Evaluation Panel presented a report, the purpose of which, was to share with Cabinet the findings and recommendations of the Corporate Overview and Scrutiny Committee in relation to:-

- a) the views of the Budget Research and Evaluation Panel (BREP) attached at Appendix A and Appendix A1 of the report;
- b) the responses from all the Subject Overview & Scrutiny Committees in relation to Cabinet's draft budget proposals, attached at Appendix A2.

He confirmed that the Corporate Overview and Scrutiny Committee considered the findings of the BREP and all Subject Overview and Scrutiny Committees on 14 January 2019, to determine whether the recommendations should be forwarded to Cabinet as part of the budget consultation process.

For ease of reference the recommendations had been split into separate appendices. These were as follows:

A1 - BREP recommendations in relation to Medium Term Financial Strategy 2019-20 – 2022-2023

A2 - Subject Overview and Scrutiny comments and recommendations on Medium Term Financial Strategy 2019-20 to 2022-23

He explained that the Committee had accepted the recommendations and comments from both the BREP and all Subject Overview and Scrutiny Committees and agreed to submit them to Cabinet, subject to a series of amendments which have been incorporated in the Appendices to the report.

The Leader advised that the budget process had been long and comprehensive, and the process followed in Bridgend was unique, in that no other Authority in Wales scrutinised its budget proposals to the degree it was in this Authority. This process exemplified a 'One Council' approach, with the contribution and involvement from all political groups.

The Deputy Leader echoed this, adding that Cabinet would take away the recommendations made through the Scrutiny process and duly respond to these prior to the Budget being set.

**RESOLVED:** That Cabinet agreed to consider the recommendations of the Corporate Overview and Scrutiny Committee, in response to the Medium Term Financial Strategy 2019-20 to 2022-23 and the Draft Budget Consultation Process.

301. **BUDGET MONITORING 2018-19 QUARTER 3 FORECAST**

The Group Manager – Financial Planning and Budget Management presented a report, the purpose of which, was to provide update Cabinet with an update on the financial performance of the Council as at Quarter 3, 31<sup>st</sup> December 2018.

The report compared the forecasted spend for the Council against the approved revenue and capital budgets for the year. It also reviewed achievement of prior and current year budget reductions and analysed the use of reserves and balances at this point in the year.

Table 1 on page 36 of the report set out the projected revenue outturn position for the Council for the financial year, outlining projected spend against the agreed revenue budget of £266 million and this showed an overall under spend of £5.312 million for the financial year. It was important to note that this under spend has increased significantly due to a couple of late grants incoming from Welsh Government, specifically £620,000 for Social Services and almost £719,000 towards the costs of teachers pay awards. Without these grants the under spend would have been £3.973 million. Overall there was a projected under spend (and not overspend as indicated in this section of the report) on Directorate budgets of £592,000 and an under spend of £6.6 million on council wide budgets. To date, net new earmarked reserves of £1.922 million had been established and there was more detail on these in Table 5 of the report, (paragraph 4.5.4.)

Paragraph 4.1.4 of the report identified two areas where funding had been provided for budget pressures, the Festival of Learning and Uniform Grant, but these were no longer required and the funding here has been pulled back corporately in order to meet other pressures.

Paragraphs 4.1.5 to 4.1.8 of the report, provided further information around the financial position for the Council going forward, with reference to the final settlement and the challenges facing the Council that lie ahead.

Referring to page 38 of the report and linking in with the projected revenue position, Section 4.2 reviews achievement against current and prior year Budget Reduction Proposals. During 2018-19 the Council have monitored performance in meeting those 2016-17 and 2017-18 budget reductions that had not been achieved, alongside new budget reductions for 2018-19.

Appendix 1 (page 53) showed the outturn position for outstanding 2016-17 and 2017-18 proposals, and identified mitigating action to be taken by Directorates to ensure these are met in full. It also outlined the new proposals being implemented by Social Services and Wellbeing under their service delivery plan, to meet their historic over spend. Whilst significant progress will be made in 2018-19 towards closing the gap, there will still be a shortfall to meet in 2019-20.

Appendix 2 of the report (page 54 onward) reflected the position against all of the 2018-19 budget reductions. This indicated a shortfall of £379,000 across Directorates, the majority of which were outlined in more detail in paragraph 4.2.6. of the report. These will continue to be monitored during 2018-19 and 2019-20 with Directors either implementing them in full or finding alternative proposals.

From pages 40 onwards, Section 4.3 of the report provided more detail and commentary on financial performance for each Directorate and in respect of council wide budgets.

This linked in to Table 1 in the report and Appendix 3 (page 63) which provided a high level summary of spend against budget for each Directorate, along with Council wide budgets and transfers to reserves.

There were projected over spends on Education and Family Support and Communities Directorates, which are offset by under spends on Social Services and the Chief Executive's budget. Again, it was important to note added the Officer, that the recent grant from Welsh Government for Social Services of £620,000 is masking the true position, which was an overspend on Social Services.

Within paragraph 4.3 of the report, there is a section for each Directorate outlining the end of year position, with a table highlighting the major variances and a narrative for each of the variances explaining the reasons for these.

There were however, a number of large under and over spends across all Directorates, as outlined in the report.

The Education and Family Support section also included a narrative on the position on school balances on page 41, showing a projected reduction in overall balances from a surplus of £360,000 at the start of the year to an overall deficit of £870,000 at year end. This position has been masked by a specific grant of £231,000 from Welsh Government towards increases in free school meals following the roll out of universal credit.

Paragraph 4.3.5 on page 47 set out the position on Council wide budgets.

Overall there is a net underspend of £6.6 million, but there are a number of one-off movements contributing to this, including:

- £2.4 million under spend on capital financing costs, following the change in MRP Policy. This budget is part of the MTFs budget reductions in 2019-20.
- Reduced requirements for funding for inflation, budgetary pressures and contingency. Budget pressures no longer required have been clawed back, and

the Council have received £719,000 in WG grant towards teachers' pay increases.

Section 4.4 on page 48 of the report, outlined the outturn position for the Capital Programme. The programme approved by Council in February 2018 has been reviewed and amended during the financial year, with the latest update in December 2018. A full breakdown of spend against budget for each scheme along with any additional movements, was shown in Appendix 4 (pages 65 to 67 of the report).

Section 4.5 of the report (page 49) provided a breakdown of the movement on earmarked reserves during the financial year. A full breakdown of movements on reserves to date is provided in Appendix 5 of the report, separating Directorate reserves from Corporate reserves. Reserves had decreased from £48 million to £45 million at the end of December.

The main movements are:

- Directorates have drawn down £4.8 million from earmarked reserves.
- The Council have established £1.279 million new corporate reserves to meet known or probable risks or pressures

The Deputy Leader thanked the Council's Finance Team for the prudent way it continued to manage the Council's budget. He added however, that the Council could not rely on promises of grant funding going forward, and this meant that the Authority still faced very challenging times ahead.

The Leader echoed these comments adding that winter was still in progress and this was a time of year where there was added financial pressures associated with gritting roads, keeping schools open in inclement weather and looking after Social Services challenges also.

Other Cabinet Members added there was also financial uncertainty regarding the outcome of Brexit still to be awaited.

The Cabinet Member – Future Generations and Wellbeing asked if Officers were yet aware of the financial comparison that would arise moving from Quarter 3 through into Quarter 4.

The Group Manager – Financial Planning and Budget Management advised that this was not yet known as the projects detailed in the report were based on the most up to date information available. She added that services were demand led, so this to a degree, made it difficult to predict future financial pressures compared to those that presently existed.

She added that recent grant funding allocations had assisted in the support of the budgetary position and there could yet still be more of these to come, which would be maximised accordingly within areas of the Authority this was mostly needed.

**RESOLVED:** That Cabinet noted the projected revenue and capital outturn position for 2018-19.

**302. EMPTY PROPERTY STRATEGY CONSULTATION**

The Head of Performance and Partnership Services submitted a report in order to seek approval from Cabinet to carry out a formal public consultation on the draft Empty Property Strategy 2019-2023.

He outlined some background information and then advised that the Empty Property Strategy had been drafted and was attached to the report at Appendix 1.

One of its key features he explained, is its intention to take a 'blended' approach to ensure that the focus for action is based on key facts and information. Properties will be prioritised on key criteria such as nuisance value, detriment, location and housing demand and not only on how long a property has been empty. Once prioritised, the Empty Property Working Group will determine the most appropriate actions to attempt to bring the priority properties back into use.

The focus of the Strategy is empty private sector residential properties. As commercial properties require a more specific approach to bring them back into use as a continued commercial property, they do not form part of this Strategy. However, should opportunities arise to bring an empty commercial property back into use as residential accommodation, this will be considered as part of the Strategy.

He added that the Local Authority and its partners would seek to work co-operatively with owners, in order to bring such empty properties back into use.

The Head of Performance and Partnership Services further added, that an Empty Property Working Group that had been established would support the Strategy, as working with other key stakeholders collaboratively was one of the key drivers for the success of the Strategy.

He further added that the consultation would last for 12 weeks and it is possible that the Strategy would require amendment to respond to comments received through the consultation.

The Head of Performance and Partnership Services concluded his submission, by outlining the reports financial implications.

The Cabinet Member – Future Generations and Wellbeing advised that she was pleased to see the positive proposals within the Strategy that would assist in bringing back into habitation over 1,000 private sector residential properties that were currently vacant.

The Cabinet Member – Social Services and Early Help stated that there were a considerable number of empty properties in valley communities of the County Borough and that he was looking forward to seeing further evidence as part of the Strategy, of the type of properties that were intended to be targeted as being brought back into use.

The Head of Performance and Partnership Services advised that working collaboratively both internally and externally was an extremely important part of the Strategy, including closely working with property owners. He added that a marking matrix would be introduced in order to achieve the Projects long term goals.

The Cabinet Member – Social Services and Early Help asked for confirmation that the intention of the Strategy was to ensure that residential properties are brought into habitable use above commercial properties.

The Head of Performance confirmed that the aims of the Strategy were to target empty residential properties, so as to bring these back into occupation. However, if opportunities arose, with regards bringing back into occupation of empty commercial properties this could be looked at with property owners.

The Leader thanked all those involved in the work of the Strategy that also included Member involvement from the Cabinet Member – Future Generations and Wellbeing and a Member of the Morfa Ward who has previous experience in Housing.

**RESOLVED:** That Cabinet:-

- (1) Gave approval to carry out a formal public consultation on the Empty Property Strategy.
- (2) Agreed to receive a further report at the end of the consultation period to consider formally adopting the Strategy.

303. **HOMELESSNESS STRATEGY 2018-2022**

The Head of Performance and Partnership Services submitted a report, the purpose of which, was to seek Cabinet approval for public consultation on the draft Homelessness Strategy attached at Appendix 1 to the report.

Part 2 of The Housing (Wales) Act 2014 places a duty on the Authority to carry out a Homelessness Review for its area and then formulate and adopt a Homelessness Strategy.

He explained that the Homelessness Review has provided the necessary information to draft the proposed Strategy for the period 2018-2022 as per Welsh Government Guidance. The key messages arising from the review were shown in paragraph 3.3 of the report.

The Head of Performance and Partnership Services referred Members to the draft Strategy, which he added had been developed to respond to the findings of the review. This had been submitted to Welsh Government on the basis that it is subject to public consultation (and final approval by Cabinet).

He added that the review identified a number of areas to be developed further, though one of the messages was to reinforce that homelessness is a complex, cross cutting issue, that not only requires a corporate approach but also one of a partnership nature. It was intended to develop an Action Plan in order to support the Strategy.

Following the consultation process, it was envisaged that a final Strategy would be presented to Cabinet for approval in April 2019.

The Cabinet Member – Wellbeing and Future Generations advised that a considerable number of key stakeholders had been involved in the development of the draft Strategy which had been co-produced therefore was in line with the Well-Being of Future Generations (Wales) Act 2015.

The Cabinet Member – Social Services and Early Help felt that some of the statistical information in the draft Strategy made for sad reading. He added that he hoped that all partners would work effectively together so as to reduce the problem of homelessness, including Private Landlords and Registered Social Landlords.

The Cabinet Member – Communities felt that the category of vulnerable groups and individuals who may be susceptible to finding themselves homeless should be added to, to include ‘veterans.’

The Head of Performance and Partnership Services confirmed that the Strategy could be adjusted to accommodate this group.

The Leader felt that it was interesting to note that the second biggest reason for people becoming homeless, was due to parents either not being able to or not wishing to accommodate young adults in the age 16 to 18 category. He further added that it was important that there was enough floor space/beds in arranged accommodation for the number of people who were homeless in the County Borough who wished to have a roof over their head, and in turn, then being able to access some key support services they may be in need of.

The Deputy Leader felt that the consultation process should be extended to as wider audience as was possible, as homelessness was a major problem that urgently needed addressing with a view to improving the current situation. He added that Cabinet Members should be invited to attend any arranged consultation groups.

The Leader concluded debate on this very important topic by concurring with the Deputy Leaders comments, adding that he had asked the Youth Council to participate in the consultation, and he was also pleased back bench Members will help influence the strategy through the overview and scrutiny process as the strategy was on the work programme.

**RESOLVED:** That Cabinet approved a period of public consultation on the draft Homelessness Strategy and noted that following the consultation, a final Strategy would be presented to Cabinet for approval and adoption, prior to formal submission to Welsh Government.

304. **COMMUNITY ACTION FUND 2018-19 UPDATE**

The Interim Chief Executive presented a report, the purpose of which, was to provide an update in respect of the use of the Community Action Fund (CAF) approved by Cabinet on 5 September 2017; to update on the recommendations from the Audit Committee and to seek approval for the discontinuation of the Community Action Fund.

The 2017-2021 Medium Term Financial Strategy which was approved by Council on 1<sup>st</sup> March 2017 included a new budget of £285,000 for the creation of a Community Action Fund. The broad aims of the fund were to create opportunities for localised intervention by Members within their own ward to the benefit of the community. It was hoped to broaden the impact which council funding can have on individual communities and provide a funding source which Elected Members can individually use to directly benefit their local ward.

He continued by stating that Elected Members have significant discretion over how the money has been used, with the overarching caveat that expenditure must be lawful and it must not contravene Council policy. Similarly, funding should not be awarded to profit making organisations or for political purposes. It should not be used for expenditure that is recurring and would necessitate future funds.

Elected Members were required to attend mandatory training before they submitted applications for payment to ensure that the scheme operated smoothly, that administration costs and enquiries were kept to a minimum, and Members were able to comply with the conditions of the scheme and self-regulate.

The Interim Chief Executive explained that during the period the scheme operated, a total of £231,667.24 of the available £270,000.00 (85.8%) was provided from the Community Action fund to fund some 156 projects across the County Borough.

Paragraph 4.1.4 of the report gave examples of variety of projects the funding had been used for, with a full list of the projects being included in Appendix 1 to the report.

The next section of the report detailed some of the administrative support that was required for the scheme, which was more complex than was initially anticipated. The support of the Fund was borne largely by Legal, Finance and Democratic Services staff and was fairly time consuming.

Paragraph 4.3 confirmed that Internal Audit undertook a review of the Community Action Fund, and the findings arising from this were detailed in this section of the report.

He concluded his submission by confirming that given some of the feedback on the scheme, particularly from Members which was mixed, it may be more beneficial in the future for Cabinet to consider the cessation of the CAF and the transfer of the £285,000.00 funding back into the MTFs.

Though Cabinet felt that a considerable number of projects the Fund supported were worthwhile and beneficial to various communities, they also acknowledged that the Council were facing continued financial difficulties going forward into the future and that due to this, it may be worthwhile for the above funding to be allocated to the Council's Corporate fund.

The Cabinet Member – Social Services and Early Help felt that the project could possibly be revisited post-austerity.

**RESOLVED:** That Cabinet:-

(1) Noted the report.

(2) Approved the cessation of the Community Action Fund and the transfer of the £285,000 funding back into the Medium Term Financial Strategy for consideration when setting the budget for 2019-20 to 2022-23.

**305. REGULATION OF INVESTIGATORY POWERS ACT 2000**

The Head of Legal and Regulatory Services and Monitoring Officer presented a report, that provided details of the above Policy currently in place under the Regulation and Investigatory Powers Act 2000 (RIPA).

She advised that RIPA provides a framework for certain public bodies, including local authorities, to use covert surveillance to gather information about individuals without their knowledge, for the purposes of undertaking statutory functions in connection with the prevention and detection of crime.

The Head of Legal and Regulatory Services and Monitoring Officer added that Members are required to review the use of RIPA and set the Policy at least once a year. Whilst Elected Members cannot be involved in decisions on specific authorisations, they are permitted to have an oversight of the process.

She confirmed that the Council has traditionally been very sparing in its use of RIPA, with it only being used in cases where it is important to obtain information to support potential criminal proceedings and only where that information cannot be obtained by any other means. She added that there had been no authorisations for RIPA since April 2014.



The Head of Legal and Regulatory Services and Monitoring Officer referred Members to paragraph 4.3 of the report, which gave other reasons that were likely to account for the reduction in the number of authorisations being sought.

Finally, she referred to the list of designated posts nominated as Authorising Officers to authorise surveillance activity within the Council (Appendix 1 of the Policy attached to the report at Appendix A) which had been reviewed and updated.

The Leader asked by what methods RIPA activity was monitored in the Shared Regulatory Services.

The Head of Legal and Regulatory Services and Monitoring Officer confirmed that this was monitored by the Vale of Glamorgan County Borough Council, and independently overseen by the Courts (Magistrates).

**RESOLVED:** That Cabinet noted the report and approved the revised Policy attached as Appendix A, together with the amended list of Authorised Officers.

306. **UNREASONABLE BEHAVIOUR/VEXATIOUS COMPLAINANT POLICY**

The Head of Legal and Regulatory Services submitted a report which presented to Members the Unreasonable Behaviour or Vexatious Complainant Policy for approval (attached at Appendix 1 to the report).

By way of background, the report highlighted that the Authority did not currently have a Policy that dealt with unreasonable customer behaviour and complaints including those of a vexatious nature.

The Head of Legal and Regulatory Services confirmed that having such a Policy will help Officers to understand clearly what is expected of them; what options for action are available and who can authorise these actions. It can also be shared with customers and help manage their expectations and explain that certain behaviours should not be tolerated.

The Cabinet Member Wellbeing & Future Generations endorsed the policy emphasising that whilst the public have the right to complain and complaints will be dealt with seriously, the authority will not tolerate aggressive or violent behaviour towards staff.

Paragraph 4.2 outlined in summary the key provisions of the Policy.

**RESOLVED:** That Cabinet approved the above Policy attached at Appendix 1 to the report.

307. **INFORMATION REPORTS FOR NOTING**

The Head of Legal and Regulatory Services presented a report, the purpose of which, was to inform Cabinet of the Information Report for noting outlined in paragraph 4.1 of the report, published since its last scheduled meeting.

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

308. **URGENT ITEMS**

None.

**CABINET - TUESDAY, 22 JANUARY 2019**

The meeting closed at 15:35