



## **CABINET**

### **MINUTES OF THE MEETING HELD AT PENALLTA HOUSE, TREDOMEN ON WEDNESDAY, 14TH DECEMBER 2016 AT 2.00 P.M.**

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#### **PRESENT**

##### Councillors:

N. George (Community and Leisure Services), D. Hardacre (Performance and Asset Management), D. Havard (Education and Lifelong Learning), Mrs B. Jones (Corporate Services), D.V. Poole (Deputy Leader and Cabinet Member for Housing), T.J. Williams (Highways, Transportation and Engineering) and R. Woodyatt (Social Services).

##### Together with:

C. Burns (Interim Chief Executive), C. Harry (Corporate Director - Communities) and N. Scammell (Acting Director of Corporate Services & S151 Officer).

##### Also in Attendance:

S. Harris (Interim Head of Corporate Finance), A. West (School Admissions and Exclusions Manager), S. Richards (Principal Finance Officer), C. Forbes-Thompson (Interim Head of Democratic Services) and C. Evans (Committee Services Officer).

#### **1. APOLOGIES FOR ABSENCE**

Apologies for absence had been received from Councillors Mrs C. Forehead (Corporate Services), K. James and K. Reynolds and D. Street (Corporate Director - Social Services).

#### **2. DECLARATIONS OF INTEREST**

There were no declarations of interest received at the beginning or during the course of the meeting.

#### **3. CABINET – 30TH NOVEMBER 2016**

RESOLVED that the minutes of the meeting held on 30th November 2016 (minute nos. 1 - 7) be approved and signed as a correct record.

## MATTERS ON WHICH EXECUTIVE DECISIONS WERE REQUIRED

### 4. UPDATE ON RESERVES

The report, which was presented to the Policy and Resources Scrutiny Committee on the 15th November 2016, provided details of the usable reserves held by the Authority and consider proposals for the use of these reserves in some areas.

Members noted that usable reserves held by the Authority as at the 1st April 2016 totalled £122.622m, with details of these set out at Appendix 1 of the report. The report also summarised details of these reserves, which are held across a number of areas (General Fund, Housing Revenue Account, Capital Reserves and individual directorates).

Members were advised that the actual General Fund opening balance as at the 1st April 2016 was £12.615m and after adjusting for the approved use of these balances during 2016/17, the projected balance as at the 31st March 2017 currently stands at £11.155m. This balance is above the minimum recommended level of £10m, which is circa 3% of the Authority's net revenue budget. The HRA usable reserves balance as at the 1st April 2016 was £21.218m, which is ring-fenced and cannot be transferred into General Fund balances. Most of this funding will be utilised for the Welsh Housing Quality Standard (WHQS) Capital Programme. Capital Reserves totalled £39.156m as at the 1st April 2016 and these are ring-fenced for the Authority's Capital Programme, including approved matched funding for 21st Century Schools. Members were advised that capital reserves will be subject to a detailed review over the coming months and the outcome will be reported to the Scrutiny Committee in due course.

Sections 4.5 to 4.8 of the report provided details of the individual reserves held across each directorate as at the 1st April 2016 (totalling £49.633m). Following a review of these balances the report recommended that some uncommitted reserves should be released to General Fund balances.

Cabinet were also advised that the Reserves Strategy approved by Cabinet on the 27th July 2016 introduced a cap on the cumulative amount that can be held by Directorates in service underspend reserves. This cap is set at 3% of the net revenue budget for each Directorate. Where this is exceeded, then proposals must be presented to utilise the excess or a justification must be made to hold the reserves above the 3% level. Paragraph 4.9.3 of the report outlined proposals to utilise or retain the excess accumulated underspend reserves for Corporate Services, Education and Lifelong Learning and Social Services. Members noted that at its meeting on the 19th October 2016, Cabinet agreed to utilise £247k of the retained underspend of £305k for Environment to part-fund capital overspends.

Members thanked the Officer for the report and were asked to note that, as a result of the prudence and planning, funding can be offered to Schools in order to fund a number of initiatives in order to improve and support the Attainment agenda.

Following consideration and discussion, it was moved and seconded that the recommendations in the report be approved. By a show of hands this was unanimously agreed.

RESOLVED that for the reasons contained in the Officer's report: -

- (i) the content of the report be noted;
- (ii) an earmarked reserve of £150k be established from the Local Management of Schools Contingency in respect of targeted support to raise GCSE attainment levels;
- (iii) the following reserves be released into General Fund balances:- Corporate Services – Policy (£32k), Corporate Services – Recruitment Advertising and

Legal Costs (£133k), Corporate Services – Housing Benefits (£100k) and Education and Lifelong Learning – Service Initiatives Reserves (£28k);

- (iv) accumulated underspend reserves above the 3% cap be utilised as detailed in the table in paragraph 4.9.3 of the report.

## **5. COUNCIL TAX BASE 2017-2018**

The report sought the approval of Cabinet for the calculation of the Council Tax Base for 2017/18.

Cabinet noted that the Local Government Finance Act 1992 and Local Authorities (Calculation of Council Tax Base) (Wales) Regulations 1995 as amended sets out the rules for the calculation of the Council Tax Base.

The Council Tax Base for discounted chargeable dwellings expressed as Band D equivalents has been calculated at 61,535.91 for 2017/18. This is a 0.19% increase on 2016/17 and a collection rate of 97% has been assumed. The Council pursues Council Tax arrears and this results in the collection rate of 97% being regularly exceeded and generates a council tax surplus, which is used to support the Authority's base budget.

Following the abolition of Council Tax Benefit in 2013/14 by the UK Coalition Government, Welsh Government (WG) decided to maintain entitlements under the Council Tax Reduction Scheme (CTRS) until 31st March 2017. In November 2013 WG brought forward regulations placing a duty on local authorities to introduce Council Tax Reduction Schemes for 2014/15. This was extended for both 2015/16 and 2016/17. In addition WG have announced that they will continue to protect vulnerable and low income households by maintaining full entitlements for CTRS until the end of 2017/18.

Since 2014/15 funding for the CTRS has been included within the Revenue Support Grant at 2013/14 levels. Therefore, any increase in CTRS expenditure would have to be met by the Authority, as a result, it would be prudent to apply the same percentage increase in the Council Tax for 2017/18, to the total funds set aside for CTRS. An element of increased revenue from Council Tax would then need to be set aside to fund the increase CTRS costs.

Members thanked the Officer for the comprehensive report and expressed their gratitude for the hard work and dedication of staff on their prudence and as a result, providing positive recommendations.

Following consideration and discussion, it was moved and seconded that the recommendations in the report be approved. By a show of hands this was unanimously agreed.

RESOLVED that for the reasons contained in the Officer's report: -

- (i) the Council Tax Collection rate of 97% remains unchanged for 2017/18.;
- (ii) CTRS funding is increased by the same percentage as the Council Tax for 2017/18. This will be funded by setting aside funding from anticipated Council Tax income as outlined in paragraph 4.6;
- (iii) The Council Tax Base for the year 2017/18 be £59,689.83 with the Council Tax Base for each community council area as outlined in paragraph 4.7.

## **6. ABERTYSSWG/PONTLOTTYN PRIMARY AND ISLWYN HIGH SCHOOL – REVISED PROPOSED OPENING DATES**

The report sought the approval of Cabinet to notify relevant parties of the delay in implementation dates of the above projects.

Members noted that the Statutory Notice was published on 20th April 2015 and ended on 18th May 2015. This notice originally specified a new school opening date of 1st January 2017, however the business case processes became protracted, particularly in relation to the estimated costs of the scheme. The full business case (FBC) received final approval from Welsh Government (WG) on 13th June 2016.

Willmott Dixon was appointed as the Contractor and commenced site surveys and mobilisation in September 2016. In November 2016, a plan for the build programme was agreed and it is envisaged the scheme will be completed in December 2017, with the new school opening in January 2018.

In view of the delay in school opening, it was necessary to advise relevant parties in accordance with the School Organisation Code 2013. In addition, it was noted that the Council's Starting School book for 2016/17 has acknowledged this delay by not making any changes to existing arrangements for that academic year.

Cabinet noted that the Council published a Statutory Notice on 3rd March 2014 to discontinue Oakdale and Pontllanfraith Secondary Schools and establish a new school on the Oakdale plateau 3 site. This change took effect on 1st September 2016 insofar as Oakdale and Pontllanfraith Secondary Schools were discontinued and the new Islwyn High School was established, albeit operating initially on the 2 previous school sites.

The contractor (Wilmott Dixon) commenced the build programme in the summer of 2015 and it soon became evident that the school build would not be completed until end April 2017. However, the newly constituted Governing Body met in November 2016 and agreed to open the new school for staff on 26th June and pupils shortly after. The headteacher has kept key stakeholders up to date with the developments and timescales and update reports have been presented to Scrutiny Committee.

Following consideration and discussion, it was moved and seconded that the recommendations in the report be approved. By a show of hands this was unanimously agreed.

RESOLVED that for the reasons contained in the Officer's report the revised school opening dates be agreed to enable relevant parties to be advised as per School Organisation Code 2013.

## **7. CABINET FORWARD WORK PROGRAMME**

To seek Cabinet endorsement of the Forward Work Programme for the period January 2017 to March 2017, which outlined the proposed future Cabinet reports.

The Forward Work Programme is updated on a monthly basis to reflect any amendments that are made to it since it was first agreed on 22nd January 2014.

A more detailed Forward Work Programme will be reviewed during this period and a more detailed format will be developed.

Cabinet thanked the Officer for the report and requested the addition of a report on Child Burial Fees.

RESOLVED that subject to the addition of a report in relation to Child Burial Fees, and for the reasons contained in the Officer's report, the Cabinet Forward Work Programme be agreed.

The meeting closed at 2.25pm

Approved and signed as a correct record subject to any corrections made at the meeting held on 18th January 2017.

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CHAIR