



CABINET

MINUTES OF THE MEETING HELD AT PENALLTA HOUSE, TREDOMEN ON WEDNESDAY, 5TH JULY 2017 AT 2.00 P.M.

PRESENT

Councillor D.V. Poole – Chair

Councillors:

C.J. Cuss (Social Care and Well Being), N. George (Neighbourhood Services), C.J. Gordon (Corporate Services), Mrs B.A. Jones (Finance, Performance and Governance), P.A. Marsden (Education and Achievement), S. Morgan (Economy, Infrastructure and Sustainability), L. Phipps (Homes and Places) and Mrs E. Stenner (Environment and Public Protection).

Together with:

C. Burns (Interim Chief Executive), C. HARRY (Corporate Director – Communities), N. Scammell (Acting Director of Corporate Services and S151 Officer) and D. Street (Corporate Director – Social Services).

Also in Attendance:

N. Jenkins (Wales Audit Office), S.J. Byrne (Wales Audit Office), S. Harris (Interim Head of Corporate Finance), S. Richards (Interim Head of Planning, Strategy and Resources), J. Elias (Service Manager – ALN) and C. Evans (Committee Services Officer).

1. APOLOGIES FOR ABSENCE

There were no apologies for absence.

2. DECLARATIONS OF INTEREST

Councillor C. Cuss declared an interest in Agenda Item 7 (Rhymney 3-18 School: Outcome of the Statutory). Details are minuted with the respective item.

3. CABINET – 21ST JUNE 2017

RESOLVED that the minutes of the meeting held on 21st June 2017 (minute nos. 1 - 7) be approved and signed as a correct record.

MATTERS ON WHICH EXECUTIVE DECISIONS WERE REQUIRED

4. WAO GOOD GOVERNANCE WHEN DETERMINING SIGNIFICANT SERVICE CHANGES – CAERPHILLY COUNTY BOROUGH COUNCIL

The report presented Cabinet with the Wales Audit Office (WAO) report on Good Governance when determining significant changes.

It was noted that in February 2017 the Authority received a report from the WAO in respect of good governance when determining significant services changes. The report focused on a review of the effectiveness of Caerphilly County Borough Council's (the Council) governance arrangements for determining significant service changes. WAO define this as any significant change in delivering services and/or any significant change in how services are experienced by external service users.

The review concluded that the Council's approach to service change has been proportionate to the scale of changes it has made to date and it is strengthening its arrangements to prepare for potentially more significant future changes.

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 Officers report:-

- (i) the content of the WAO Good Governance When Determining Significant Service Changes – Caerphilly County Borough Council be noted;
- (ii) the Officer response to the WAO proposals for improvement as detailed in 4.5 of the report be noted.

5. WAO REPORT – SAVINGS PLANNING (CAERPHILLY COUNTY BOROUGH COUNCIL)

The report presented Cabinet with the Wales Audit Office (WAO) report on its savings planning assessment of Caerphilly CBC.

In recent years the WAO has carried out financial resilience assessments of all Council's in Wales and the latest review undertaken between June and December 2016 focussed on the extent to which the Council achieved its 2015/16 savings plans, the quality of the Medium-Term Financial Plan and the robustness of savings plans for 2016/17.

The WAO report detailing the findings of this latest review was issued in March 2017 and overall the report concluded that the Council has an effective and improving savings planning approach which is supporting future financial resilience. It is pleasing to note that the WAO report acknowledges that this is an improving picture.

The WAO report contains one proposal for improvement, which is to strengthen financial planning arrangements by ensuring that savings plans are underpinned by robust business cases. In response to this officers have developed a new template to capture detailed information on future savings proposals.

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

RESOLVED that for the reasons contained in the Officers report:-

- (i) the content of the WAO Report – Savings Planning (Caerphilly County Borough Council)
- (ii) the Officer response to the WAO proposals for improvement as detailed in paragraph 4.4 of the report be noted.

6. PROVISIONAL OUTTURN FOR 2016/17.

The report provided Cabinet with details of the provisional outturn for the 2016/17 financial year prior to the annual audit by the Authority's External Auditor, Grant Thornton.

Cabinet were referred to Appendix A, which summarises the provisional revenue outturn position which is a net underspend of £12.346m. This includes an underspend of £3.977m on the Housing Revenue Account and an overspend of £555k for schools.

During the year Officers have continued to be mindful of the continuing programme of austerity and expenditure has been curtailed in a number of areas to support the Medium-Term Financial Plan. This prudent approach has resulted in a number of savings being achieved in advance and underspends therefore being higher than would normally be the case. Details of the more significant variations against budget are provided in the report for each Directorate.

Appendix B demonstrated the movements on the General Fund balance from the 1st April 2016 to the 31st March 2017 along with current agreed commitments for 2017/18. The forecast General Fund balance as reported to Council on the 22nd February 2017 was £13.910m. The updated position is a projected balance of £15.964m, which is an increase of £2.054m. The table in paragraph 4.4 of the report provides details of this increase.

Members note that, as the funding outlook for Local Government remains uncertain for future years for both core funding and specific grants it is recommended that the balance on the General Fund should be held at £13.910m as agreed by Council on the 22nd February 2017. This will mean that the additional take to the General Fund of £2.054m is available for other purposes and it is recommended that this should be transferred to a Capital Earmarked Reserve. Proposals on the use of available Capital Earmarked Reserves will be presented to Cabinet for consideration later this year.

In terms of capital expenditure total spend on the WHQS Capital Programme for 2016/17 was £31.4m. This expenditure was funded from the £7.4m Major Repairs Allowance from the Welsh Government and revenue contributions from the Housing Revenue Account of £24m.

The General Fund Capital Programme for 2016/17 resulted in total funding available of £55.5m including all in-year grant allocations and Section 106 monies. An amount of £20.5m remained unspent at financial year-end, the majority of which represents slippage that has been carried forward into the 2017/18 financial year.

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

RESOLVED that for the reasons contained in the Officers report:-

- (i) the provisional 2016/17 outturn position be noted;
- (ii) the transfer of £2.054m into a Capital Earmarked Reserve as outlined in paragraph 4.5 of the report be endorsed.

7. RHYMNEY 3-18 SCHOOL: OUTCOME OF THE STATUTORY NOTICE

Councillor C. Cuss declared an interest in this item as governor for Rhymney Comprehensive School and left the meeting during its consideration.

The report provided Cabinet with an update on the outcome of the Statutory Notice and to determine whether to proceed with the proposal to establish Rhymney 3-18 school.

Cabinet noted that the Local Authority has followed procedures outlined in the School Organisation Code (2013) to create a 3-18 School on the Rhymney Comprehensive site. As no objections were received during the Statutory Notice period, the final stage in the process is for Cabinet to make a decision on the proposal.

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

RESOLVED that for the reasons contained in the Officers report, the proposal to proceed with the establishment of the Rhymney 3-18 school with effect from January 2018 be endorsed.

8. CLOSURE OF THE KEY STAGE 3 SPECIALIST RESOURCE BASE FOR CHILDREN WITH BEHAVIOURAL, EMOTIONAL AND SOCIAL DIFFICULTIES (BESD) AT NEWBRIDGE SCHOOL: OUTCOME OF THE FORMAL CONSULTATION PROCESS.

The report provided Cabinet with an update on the response to the Statutory Notice period in relation to the proposal to close the key stage 3 specialist resource base (SRB) at Newbridge School and to seek a decision on the proposal.

Members noted that the Local Authority has followed procedures outlined in the School Organisation Code (2013) to close the key stage 3 SRB in Newbridge School. As no objections were received during the statutory notice period, the final stage in the process is for Cabinet to make a decision on the proposal.

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

RESOLVED that for the reasons contained in the Officers report, the proposal to close the Key Stage 3 Specialist Resource Base for children with BESD at Newbridge School be endorsed.

The meeting closed at 2.45 p.m.

Approved and signed as a correct record subject to any corrections made at the meeting held on 19th July 2017.

CHAIR