



## CABINET

### MINUTES OF THE MEETING HELD AT PENALLTA HOUSE, TREDOMEN ON WEDNESDAY, 16TH JANUARY 2019 AT 10.30 A.M.

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#### PRESENT:

Councillor D. Poole – Chair

#### Councillors:

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

#### Together with:

C. Harry (Interim Chief Executive), D. Street (Corporate Director - Social Services and Housing), M. S. Williams (Interim Corporate Director - Communities) and R. Edmunds (Corporate Director – Education and Corporate Services) and S. Harris (Interim Head of Business Improvement Services).

#### Also in Attendance:

R. Kyte (Head of Regeneration and Planning), J. Carpenter (Finance Manager (Revenues)), T. McMahon (Community Regeneration Manager), K. Cole (Chief Education Officer), P. Warren (Strategic Lead for School Improvement), D. Lucas (Team Leader Strategic and Development Planning), I. Martin (Emergency Planning and Resilience Officer) and A. Dredge (Committee Services Officer).

#### 1. APOLOGIES FOR ABSENCE

Apologies for absence had been received from R. Tranter (Head of Legal Services and Monitoring Officer).

#### 2. DECLARATIONS OF INTEREST

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

#### 3. CABINET – 12TH DECEMBER 2018

RESOLVED that the minutes of the meeting held on the 12th December 2018 (minute nos. 1- 12) be approved and signed as a correct record.

## **MATTERS ON WHICH EXECUTIVE DECISIONS WERE REQUIRED**

### **4. DRAFT YSTRAD MYNACH MASTERPLAN**

The report sought Cabinet's endorsement of the Ystrad Mynach Masterplan as the basis for a public consultation exercise commencing 28th January 2019 to 8th March 2019. The report had been presented to the Regeneration and Environment Scrutiny Committee on 11th December 2018. The Scrutiny Committee unanimously recommended to Cabinet that the Draft Ystrad Mynach Masterplan be endorsed.

Cabinet were advised that in order to benefit from the transformative change in the wider Cardiff Capital Region with the investment of City Deal, the Valleys Taskforce and further funding streams, it is necessary to set out the strategic priorities for the regeneration and enhancement of Caerphilly County Borough. This involves identifying opportunities that will make it more prosperous, healthier, resilient and equal, setting priorities that align and enhance regional work and are readily capable of being realised.

The Draft Ystrad Mynach Masterplan is the next suite of Masterplans to be prepared under the overarching regeneration strategy for the county borough 'A Foundation for Success', following on from the Caerphilly Basin Masterplan approved by Council in July 2018. The Masterplan forms part of the implementation plan for 'A Foundation for Success' and will be reviewed every five years. The Masterplan identifies investment and development opportunities within Ystrad Mynach as part of the Strategic Hub and seeks to build on the existing strengths of Ystrad Mynach to ensure that the area enhances its role as a business, employment, service, retail and sporting centre. In line with the agreed governance arrangements, the Regeneration Project Board will prioritise projects and proposals for consideration by Cabinet and therefore delivery will be dependent on decisions made by Cabinet. Officers advised that following a period of consultation, all comments will be considered and changes will be made to the Masterplan where appropriate, and the revised Masterplan will subsequently be reported to Full Council for formal approval. Following on from the Caerphilly Basin and Ystrad Mynach, Officers are also developing plans for the Rhymney and Risca areas in moving forward.

Cabinet thanked the presenting Officers for the comprehensive report and asked that this be relayed to the team involved in developing the Masterplan. It was also noted that local members contributed to the plan as part of the consultation process.

Following consideration and discussion, it was moved and seconded that the recommendation 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 Draft Ystrad Mynach Masterplan be endorsed as the basis for a public consultation exercise commencing on the 28th January 2019 until 8th March 2019.

### **5. WELSH GOVERNMENT FLEXIBLE FUNDING**

The report updated Cabinet on the Welsh Government's Flexible Funding Project and the subsequent decision made by Welsh Government to implement two integrated grants from 1st April 2019 'A Children and Communities Grant and a Housing Support Grant. The establishment of a governance structure is necessary to administer and manage the two integrated grants and establish a new Programme Collaboration Group and support collaboration with the Housing Support Grants.

Cabinet were advised that Welsh Government (WG) have piloted an approach to the amalgamation of funding for ten grant programmes aimed at supporting vulnerable people and communities, with the intention that a single Early Intervention Prevention and Support Grant will be allocated to the authority for local determination of delivery from 2019/20. The

aim of WG is to support a joined-up, long term, preventative approach to delivering for vulnerable people. The full Funding Flexibilities and Extending Flexibilities pilot was implemented from April 2018 and is ongoing. Caerphilly CBC was not a pilot authority. Members were referred to paragraph 4.12 in the report that provides examples of joint working and collaboration already in place in Caerphilly within the grants in scope for funding flexibility.

On the 3rd October 2018 a written statement from Alun Davies, Cabinet Secretary for Local Government and Public Services and Rebecca Evans, Minister for Housing and Regeneration confirmed the future direction of the Early Intervention Prevention and Support Grant over the remainder of this Assembly term. Details of included programmes were set out in Appendix 1. WG has indicated the level of funding across the programmes will remain unchanged during the current administration and will not be subject to financial cuts as previously indicated in 2017. Officers advised that should this position change a further report will be necessary as soon as the level of cuts are known. A further letter was received from Welsh Government on 15th November 2018 outlining the arrangements for financial year 2019-20. WG announced the timeline this week for Local Authorities to provide a single delivery plan by the 8th February 2019 in relation to grant funding. WG will then provide comments by the end of February confirming available grant funding. It was noted that WG require an overall plan with corporate sign off and will want to know how the funding will be allocated.

Cabinet fully supported the report but expressed their concerns in relation to the limited timescale afforded to Officers in responding to WG and felt that a longer transition period is required. It was therefore suggested that Officers contact WG to explore the flexibility of extending the deadline.

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

RESOLVED that subject to an additional recommendation to include, *Officers to make representations to Welsh Government (WG) regarding the short timescale afforded to Officers to respond to the funding allocation and if there is flexibility to extend the deadline, in order that the response can be considered and managed in an effective way*, and for the reasons contained in the Officer's report: -

- (i) 2019 / 20 budgets are allocated to the programmes as previous years to enable time to plan for future years;
- (ii) future planning should include the evaluation of a programme's effectiveness, prioritising in delivery in line with corporate priorities;
- (iii) two collaboration groups be established for both new integrated grants to be chaired by the Interim Head of Business Improvement Services;
- (iv) a further report be provided when the amount of funding is known and guidance and grant conditions are received from Welsh Government;
- (v) Officers to make representations to Welsh Government (WG) regarding the short timescale afforded to Officers to respond to the funding allocation and if there is flexibility to extend the deadline, in order that the response can be considered and managed in an effective way.

## **6. SELF-EVALUATION PROCESS AND ITS IMPACT ON THE EDUCATION DIRECTORATE'S SERVICE IMPROVEMENT PLAN**

The report updated Cabinet with the process of self-evaluation and its impact on the Education Directorate's Service Improvement Plan, and provided a summary of key strengths and priorities for improvement that are identified as a result of the self-evaluation process.

Officers explained that the self-evaluation process is an integral part of the overall cycle of service improvement. It is fundamental in ensuring the directorate secures ongoing improvements that positively contribute to the objectives in Caerphilly's Local Authority Service Improvement Plan and Corporate Plan. Over the last twelve months, an increasing number of strategies have been implemented to ensure that the process is robust, increasing the level of challenge, reflecting changes to the Estyn Inspection framework and involving a wider range of stakeholders. The self-evaluation process has identified a range of strengths and priorities for improvement (details of which are set out in the report).

Cabinet were referred to paragraph 4.1. in the report that sets out a range of data and other information that is collected through the self-evaluation process. The report sets out the priorities chosen and the evidence in support. Strategies include a series of re-induction training sessions for the Education Management Team. This has helped an increased number of managers and staff improve their understanding of the purpose of self-evaluation and to develop consistency in approach. Officers set out the current actions for the self-evaluation process that includes further developing the role of stakeholders in the process. At present, stakeholder feedback does not feature in all aspects of the self-evaluation document. Throughout 2018 members of the Education for Life Scrutiny Committee had the opportunity to contribute to the self-evaluation process via regular scrutiny meetings. The department are held to account by the Scrutiny Committee and this report was considered at its meeting on the 6th November 2018, where Members unanimously agreed to note its contents and endorsed the accurate findings.

Officers summarised the main themes of the self-evaluation process and the good features across the Education Directorate. These include performance at foundation phase is good, overall performance at the end of Key Stage 2 is good and Performance at Key Stage 3 continues to improve. In addition, there is a need to build and improve on attendance levels and work on reducing exclusions. Part 2 of the strategy is developing the Action Plan in moving forward and this will be presented to the Scrutiny Committee shortly and Cabinet thereafter.

Members thanked the Officers for the great deal of work that has been undertaken in providing the report and welcomed the fact that this is evidence based and allows the department to be resilient in moving forward.

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

RESOLVED that for the reasons contained therein, the contents of the report be noted.

## **7. BREXIT**

The report updated Cabinet on Brexit and the potential implications for Caerphilly CBC prior to consideration by Council at its meeting on the 22nd January 2019. Cabinet were referred to paragraph's 7.2 and 10.1.2 in the report and the unallocated reserve figure of £20.8m quoted is a typographical error and this should read £20.08m. The report sets out details of the background to the Brexit process and Cabinet will be aware that the position remains highly uncertain and fluid, particularly following the vote in Parliament on the 15th January 2019.

Cabinet were advised that despite this high level of uncertainty it is important that the Council is taking steps to prepare for the potential impacts arising from Brexit and to also ensure that funding is set aside to meet any potential short to medium-term financial implications. At the end of November 2018 the WLGA issued a Brexit Preparedness Toolkit setting out the practical steps that Local Authorities should be taking to prepare for the potential impacts of Brexit, whatever the outcome of the ongoing negotiations turns out to be. Caerphilly CBC has

established an internal Brexit Working Group which will focus on the advice in the WLGA Toolkit to ensure that appropriate actions are taken to help mitigate the risks of Brexit. This work is underway and key risks identified are set out in the report. Cabinet noted that this list is not exhaustive and the Brexit Working Group will meet regularly during the coming months to ensure that all potential impacts are considered and that appropriate mitigating actions are identified where possible.

Officers advised that given the high level of uncertainty and the likely negative impacts it is prudent to set aside funding to meet possible one-off financial implications that may arise. The report recommends that an Earmarked Reserve of £1m should be funded from unallocated reserves. In addition, that delegated powers be granted to the Leader and Interim Chief Executive to jointly approve expenditure from the earmarked reserve to ensure that Officers can respond to any emerging financial issues in a timely manner.

Cabinet discussed the report and considered the consequences for potential scenarios arising from Brexit. Clarification was sought in relation to paragraph 10.1.3. (delegated powers granted to the Leader and Interim Chief Executive) and how elected Members and the Public will know how any expenditure is allocated. It was explained that this will allow the Council to react quickly to emergency spends and will be reported to the retrospective Committee and therefore any spends will be open and transparent and in the public domain. In light of the discussions, Cabinet requested two additional recommendations in that both Leaders from the Opposition Groups be invited to join the recently established internal Brexit Working Group and any emergency spends authorised under delegated powers will be reported retrospectively to the appropriate Committee.

Cabinet thanked the Officers for the report and for the work undertaken by the Brexit Working Group.

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

RESOLVED that subject to an amendment to paragraphs 7.2 and 10.1.2 that the figure quoted should be £20.08m and an additional two recommendations to include both Leaders from the Opposition Groups be invited to join the recently established internal Brexit Working Group and any emergency spends authorised under delegated powers will be reported retrospectively to the appropriate Committee, and for the reasons contained in the Officer's report: -

- (i) the contents of the report, be noted;
- (ii) a recommendation to Council that £1m be set-aside in an earmarked reserve as a contingency to meet any short to medium-term financial implications arising from the Brexit process (funded from the £20.08m unallocated reserves identified in the 'Update on Reserves' report that was presented to the Policy and Resources Scrutiny Committee on the 15th January 2019), be endorsed;
- (iii) a recommendation to Council that delegated powers be granted to the Leader and Interim Chief Executive to jointly approve expenditure from the earmarked reserve as and when required, be endorsed;
- (iv) both Leaders from the Opposition Groups be invited to join the recently established internal Brexit Working Group;
- (v) any emergency spends authorised under delegated powers will be reported retrospectively to the appropriate Committee.

## **8. WRITE-OFF OF DEBTS OVER £20,000 – BUSINESS RATE ARREARS FOR LTD COMPANIES**

This report provided Cabinet with details of an amount of business rate that the Authority is required to write off as a bad debt. On 15th September 2009, Cabinet approved a revised write-off procedure for debts that are material, where the individual debt is greater than £20,000. Approval was sought to write-off two national non-domestic rate (NNDR), also known as business rate, debts where, in each case, the individual debt is greater than £20,000.

Cabinet were advised that the Policy and Resources Scrutiny Committee receives half yearly reports on monies due to the Council which cannot be collected. Unpaid business rates are pursued through a magistrates' court liability order that empowers the Authority to instruct bailiffs. Officers explained that due to debtors absconding, declaring themselves insolvent through bankruptcy/liquidation or other proceedings, ceasing to trade, dying with no estate, and because of limited means there are inevitably circumstances when debts cannot be collected. After all legal means have been exhausted a decision is made to write-off debts. Members noted that the Authority collects Business Rates on behalf of the Welsh Government which then redistributes the total amount collected by all 22 local authorities in Wales, along with the Revenue Support Grant.

The details of the cases of irrecoverable debts were set out in paragraphs 4.4 and 4.5.1 to 4.5.3 in the report.

Cabinet support the recommendation in the report and emphasised that the department has an excellent rate of debt collection.

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

RESOLVED that subject to an amendment to the recommendation in that as the Authority has no further legal powers to recover the unpaid debts and for the reasons contained in the Officer's report: -

- (i) as the Authority has no further legal powers to recover the unpaid debts, the debts detailed in paras. 4.4 and 4.5.1 to 4.5.3 inclusive be written off on the grounds that they are irrecoverable.

The meeting closed at 11.16 am.

Approved and signed as a correct record subject to any corrections made at the meeting held on the 30th January 2019.

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CHAIR