

CABINET

MINUTES of a meeting held on 22nd November, 2006.

Present: Councillor H.J.W. James (Chairman); Councillors G.A. Cox, A.M. Ernest, A.D. Hampton, T.H. Jarvie, G.C. Kemp, A.C. Williams and A.J. Williams.

Also present: Councillors N. Moore, A. J. Readman.

C2754 APOLOGIES FOR ABSENCE -

These were received from Councillors M.R. Harvey and J.W. Thomas.

C2755 MINUTES -

RESOLVED - T H A T the minutes of the meeting held on 8th November, 2006 be approved as a correct record.

C2756 DECLARATIONS OF INTEREST -

No declarations were received.

C2757 REVIEW OF VEHICLE ACCIDENTS IN THE VALE OF GLAMORGAN (REF) -

Councillor M.R. Wilson had requested Scrutiny Committee (Economy and Environment) to conduct a review of vehicle accidents in the Vale of Glamorgan in order to examine the causes of those accidents and to assess what could be done to reduce them further. It was reported on 24th October, 2006 that the Highways and Traffic Group of the Engineering Design and Procurement Division of Visible Services dealt with traffic management matters in the Vale. That included reviewing the road traffic collision (RTC) data provided by the police and the fact that if the police believed that any lack of action or foresight on the part of the Council could have contributed to any collision, Council staff would be required to give account as if there were a criminal case to answer. Appended to the report were data comparing the number of personal injury collisions throughout the Vale over the last three years with data from other unitary authorities. It was accepted that RTCs could be caused by any number of factors for which the highway authority was directly responsible for only a few. Appropriate action following an accident would depend on the cause and options available to a highway authority and could include the following

To address inappropriate speed

- introduce speed restrictions (require Traffic Regulation Orders and police support for enforcement)
- introduce 20 m.p.h. zones (near schools - must be self enforcing)
- introduce physical measures (humps, cushions, narrowings - not suitable on primary routes)
- install safety cameras (strict national criteria dictating site selection based on accident/speed records - approval required from the Department for Transport)

To address poor highway lighting

- undertake a lighting survey and consider augmenting the lighting as required

To address poor highway design

- undertake a safety audit and consider addressing issues raised as appropriate

To address inappropriate traffic management

- undertake a review of Traffic Regulation Orders and revise as appropriate (e.g. parking restrictions - which would need police support for enforcement)
- undertake a review of traffic signing and revise as appropriate

To address poor highway condition

- undertake a review and consider addressing the issues raised as appropriate

To improve pedestrian crossing facilities

- undertake user surveys to justify crossing provision and determine the most appropriate (zebra, pelican, toucan)
- should the site be near a school, encourage the school to prepare a Travel Plan (with officer assistance) to support a capital bid for Safe Routes to School (Transport Grant) funding

To improve use of accident data

- undertake route analyses and accident cluster analyses utilising the data provided and identify possible improvements based on the findings
- lack of resources currently prohibited the analyses described.

The Road Safety Team (Planning and Transportation Policy Division) also undertook education, training and publicity work. As well as "Vale-wide" initiatives, the Team also focussed on the specific geographical areas where there was evidence of collision site clusters or a general history of casualties in the area. Such interventions could include

Education

- child car seats
- driver behaviour
- pre-school and school groups

Training

- defensive and advanced training (aimed at all sections of the community but with specific schemes for the more vulnerable groups such as young drivers and mature drivers)
- motorcycle training
- cycle training for children and adults
- pre-driver training for schools
- Kerbcraft (a practical child pedestrian training scheme for 5-7 year olds)

Publicity

- new car seat regulations
- anti-drinking and driving campaigns.

Consideration then focussed on existing resources. The Highways and Traffic Group operational budget for 2006/07 amounted to £136k. of which £35k. was utilised to provide additional staff resources to respond to highway safety issues raised on a daily basis with the remainder being used to progress the highway safety schemes already prioritised and as indicated in an appendix to the report. It had to be noted that there was currently a backlog of other schemes valued in excess of £2m. awaiting funding. The operational budget had been augmented for the financial year 2006/07 by £95k. asset renewal funding which would be used to progress highway safety schemes already prioritised and as shown in a further appendix to the report. Following a successful bid for funds from the Safe Routes to School Transport Grant for 2006/07, £150k. was being used to progress schemes at St. Richard Gwyn School and Rhws Primary School. The Local Road Safety Grant allocation of £212k. for 2006/07 was also being utilised to progress highway safety schemes already prioritised. Current staffing difficulties compounded the above resource issues. Attention was drawn to the lack of qualified traffic engineers nationwide, particularly those with local government experience, and the suggestion made that inducements would be required to attract appropriate applicants for the two permanent posts available. Partnership working with other Councils and the private sector already took place and was not, therefore, a solution to the current difficulties. The current staffing situation precluded the in-depth analyses of the data currently collected which was required prior to effective remedial action(s) being identified and progressed to fruition. The question then ensued particularly on ways of reducing speed and on the costs and criteria associated with the installation of pedestrian crossings, following which it was

Scrutiny Committee (Economy and Environment) had

RECOMMENDED -

- (1) T H A T Cabinet be requested to designate the two vacant Principal Engineer posts as hard-to-fill and implement appropriate measures to fill those posts.
- (2) T H A T, once filled, the necessary in-depth analyses be undertaken to progress any necessary remedial action identified.
- (3) T H A T, where feasible, further and more close collaboration take place with other Councils."

Cabinet, having considered the recommendations of the Scrutiny Committee,

RESOLVED -

- (1) T H A T the views of Scrutiny Committee (Economy and Environment) be noted.
- (2) T H A T a further report be brought before Cabinet on the matters raised by Scrutiny Committee (Economy and Environment) together with information appertaining to the wider issues surrounding vehicle accidents and the appropriate responses by the Council.

C2758 JOINT CONSULTATIVE FORUM -

The following minutes of a meeting held on 19th October, 2006 were submitted:

Present: Councillor A.C. Williams (Chairman); Miss J. Cole, E. Hacker, Mrs. A.J. Preston, Mrs. M. Randall and M.R. Wilson.

Representatives of the Trade Unions:

Mr. G. Beaudette (N.U.T.); Mr. P. Carter (UNISON), Mr. T. Cox (NASUWT), Mr. S. Gregory (ATL), Mr. D. Jones (UNISON), Mr G Moseley (UNISON) , and Mr. R. Phillips (GMB).

(a) Apologies for Absence -

These were received from Councillors A.J. Williams, Mr. N . Patterson (T&GWU), Mr. S. Robertson (AMICUS), Mr. G. Lewis (GMB) and Dr. V. Browne (ASCL) .

(b) Vice-Chairman -

Mr. P. Carter (UNISON) was nominated as Vice-Chairman of the Joint Consultative Forum.

(c) Minutes -

AGREED - T H A T the minutes of the meeting held on 9th May, 2006 be approved as an accurate record subject to it being recorded that Mr. T. Cox (NASUWT) had tendered his apologies for absence.

Reference was made to paragraph (g) of the minutes, "Sickness Monitoring and Proposed New Corporate Arrangements". Certain of the trade union representatives stated that as a result of the re-introduction of the overtime and flex leave accrual controls, members of staff were resorting to the use of their annual leave entitlement rather than within the Sickness Absence scheme provisions. Members of the trade union representatives stated that, in their view, employees should not be financially penalised for taking sickness absence . .

The Forum were reminded that the reintroduction of the overtime and flex leave accrual controls were being operated as a pilot scheme at the Alps Depot. The possibility that the operation of the pilot scheme could be reviewed, and the possibility of the introduction of discretionary elements to the scheme was mentioned and it was

AGREED - T H A T the operation of the overtime and flex leave accrual controls be reviewed with a view to the introduction of discretionary elements, and that a report on this matter be brought before a future meeting of the JCF.

(d) Teacher's Facility Agreement - Time Off For National Office -

There were provisions currently in place for time off for those teaching unions recognised by the authority. These were ASCL, ATL, NAHT, NASUWT, NUT and UCAC. The current arrangements for local representatives were, it was claimed, adequate. The subject of the report only related to those people with national office. It was reported that there was no formal written agreement and that some of the detail of the agreement was a matter for conjecture.

There were two teacher trade unions in the Vale of Glamorgan who had national office appointments : Tim Cox and Brian Lightman.

Mr Cox was a member of the National Executive of NASUWT and Mr. Lightman had been an executive member of SHA (now ASCL) and had been the national treasurer from 2003. For the current year he was national vice-president of ASCL and would be the national president in September 2007.

In addition , the GTCW provided Mr Cox with up to 20 days a year for undertaking work for their organisation . It was claimed that the Vale of Glamorgan, by

contrast, had refused to provide any facility time to reflect Mr. Cox's role as a national executive member or for Mr. Lightman's role as national president.

There had been many discussions over the years resulting in a report being presented to Cabinet in May 2004. The Cabinet decided that although recognising the rights to time off, they were not prepared to fund it.

It was noted that the release of trade unionists who are teachers from their workplaces was much more complex than from most other workplaces. Timetabled teacher commitments and the provision of cover for the use of supply teachers required there to be a great deal of detail in the arrangements so that all parties were aware of the position.

Entitlement to release for trade union duties with pay required the funding of supply cover or the reimbursement of schools for salary by the local authority.

The provisions of the burgundy book allowed national representatives to take reasonable time off but with no prescribed limits. To do this without a clear agreement setting out the limits and the funding would cause great difficulties on the teacher and, in a different way, the Headteacher, and pupils being taught and to the organisation of the school.

Mr. Cox referred to his personal problems in fulfilling his trade union duties. Performance of his national duties prevented him from fully undertaking his local duties. His duties placed him under a great deal of stress, particularly in the previous year, and his work/life balance was under strain.

Members retired to consider this matter and upon their return it was

AGREED -

(1) T H A T in principle support be granted to Mr. Cox's request for increased funding for additional representation.

(2) T H A T in view of Mr. Cox's expressed concerns regarding his wellbeing, Mr. Cox be asked to reduce his discretionary activities to maintain his work/life balance at this point in time.

(3) T H A T Mr. Lightman's situation regarding funding be supported in principle for two years.

(4) T H A T a further report be produced for the Joint Consultative Forum regarding the operation, funding and financial implications of the above.

(e) Draft Report on Personal Use of the Internet for Staff -

The Forum considered a revised draft Computer Code of Practice policy which was subject to further consultation prior to progressing to the Corporate Management Team and Cabinet.

The Council currently had a Computer Code of Practice which prohibited personal use of the internet completely. Earlier this year, the Council had approved a change in the Computer Code of Practice for Members to allow Elected Members personal use of the equipment and facilities provided to them by the Council for personal use as there were no additional cost implications. This was envisaged as a trial to ascertain any impact on the Council's infrastructure with the possibility of personal use being extended to staff at a later date.

Staff had previously been disciplined for inappropriate use of the internet during work hours, even with the existing strict policy of no personal use. Any loosening of this policy would be strongly resisted by both internal audit and ICT on the grounds that it would be more difficult to monitor abuse and it would increase the threat to the Council's infrastructure from the downloading of illegal software, music files, viruses and other malware.

In an attempt to provide access without compromising the Council's IT systems, it was proposed that departments procure a number of PC's that could be located in suitable areas within the Council's buildings from which staff would have free access to the internet for personal use in the same was as if they were using one of the Council's libraries where similar facilities were already available.

With regard to the downloading of music files, a view was expressed that the proposals should be more flexible in view of the existence of the Council's firewall and the amount of space available on the Council's system, and the downloading of media files onto the Council's system should be explored. The view was also expressed that the Council should trust its staff not to abuse the internet.

In response, the Head of Strategic IT advised:

- The Council's IT system existed to meet the business needs of the Council.
- Whilst there may be no objection to people bringing their personal i-Pods to work following agreement with their manager, the use of the Council's IT system for personal storage could not be advocated in view of limited storage space.
- Whilst the majority of the Council's staff could be trusted, experience indicated that a small minority would abuse the system. Whilst "occasional use" of the internet outside working hours was not, in practice treated as a disciplinary offence, prolonged use was a different matter.
- Whilst the Council's system did make use of a firewall, unfettered use of the internet could result in severe strains being placed on the firewall.
- It was felt that the proposals in the draft report represented a fair compromise.

Members of the Forum noted that "occasional" personal use of the internet by the Council's staff outside normal office hours was, in practice, not the subject of

disciplinary action and felt that this should be formalised within the Council's Computer Code of Practice.

The Forum also requested that it receive a further report detailing internet usage by the Council's staff over the previous six months.

A trade union representative referred to a previous decision (Minute No. C2278 (b) (3) refers) to remove the swap shop from the Council's Intranet site, and proposed that this decision be rescinded.

Following further discussion of the above, it was

RECOMMENDED -

(1) T H A T the proposals contained in the report be supported subject to it being recorded that "minor" and "occasional" use of the internet by staff outside normal working hours was permissible.

(2) T H A T any security issues surrounding the use of the internet by staff be referred to the IT User Group for consideration.

(3) T H A T the JCF receive a report outlining the internet usage by staff during the previous six months.

(4) T H A T the decision to remove the Swap Shop facility from the Council's Intranet be rescinded.

(f) Draft Corporate Smoke Free Work Place Policy -

The Forum were advised that the issue of passive smoking had been raised by building staff who undertook repairs in tenants houses where there may be heavy smokers. This had been discussed at a previous meeting of the Forum. Passive smoking affected all staff who assumed such duties as home visits/inspections on behalf of the Council. The hazards of passive smoking had been included in the draft together with changes to comply with the legislation coming into force on 1st April, 2007. As of this date, all public places and work places had to become smoke free. It was hoped to introduce the revised policy from 1st January, 2007.

A draft report which contained headings on policy statement, support, hazards of passive smoking, visiting clients premises, managers responsibilities, employees responsibilities and exceptions was currently undergoing consultation within the Council.

The contents of the report were noted.

(g) Handling Organisational Change - Staffing Issues -

The Forum received two documents:

- *handling organisational change, staffing issues*
- *key reminders*

which had come about following extensive consultation mainly due to OneVale but also relating to other organisational changes.

It was proposed to formalise the documents as Council policy in order to manage staffing issues for current and future organisational change.

Having considered the documents, Members enquired, in relation to “matching”, whether provision existed for salary protection. In response, Members were advised that the member(s) of staff involved would be entitled to two years salary protection.

Members also requested that the words “it is presumed that” be deleted from the first sentence of the first paragraph of Section 3.

RECOMMENDED - T H A T Cabinet be requested to approve the Handling Organisational Change - Staffing Issues and Key Reminders documents subject to:

- 1. Reference to “two years salary protection where appropriate” being included within Section 2 of the Handling Organisational Change - Staffing Issues document.*
- 2. The words “it is presumed that” being deleted from the first sentence of the first paragraph of Section 3 of the Handling Organisational Change - Staffing Issues document, i.e. the sentence to read “all posts will be advertised internally first and filled on merit”.*

(h) Feedback on Policy Development -

AGREED - T H A T the details as submitted relating to the above, which included those policies recently approved, those about to be submitted for approval, those concerning which ongoing discussions were being taken and those in the process of being drafted, be noted.

(i) Grievance Procedure - Appeals -

The Forum considered a draft grievance procedure and appeals procedure.

The draft grievance procedure had a revised Stage 3 which contained the proposal that the Stage 3 grievance be considered by Chief Officers rather than Members.

Following consideration of the above, it was

AGREED - T H A T Cabinet be recommended to retain the involvement of Members in the Stage 3 grievance procedure.

Having considered the views of the Joint Consultative Forum, it was

RESOLVED -

- (1) T H A T the recommendations contained in Minute (c) be adopted.
- (2) T H A T a further report be brought before Cabinet relating to the wider implications of the recommendations contained in Minute (d).
- (3) T H A T a further report be brought before Cabinet relating to the issues raised in Minute (e).
- (4) T H A T a further report be brought before Cabinet relating to the issues raised in Minute (g).
- (5) T H A T the recommendation contained in Minute (i) be agreed

**C2759 CABINET ADVISORY COMMITTEE FOR REGENERATION,
TOURISM AND LEISURE -**

The following minutes of a meeting held on 30th October, 2006 were submitted:

Present: Cllr. M.R. Harvey (Chairman)
Cllr. H.J.W. James
Cllr A.M. Ernest
Cllr M. Kelly-Owen
Cllr S.T. William
Chris Fray (Head of Development & Leisure)
Dave Knevett (Operational Manager: Leisure & Tourism)
Emma Smith (Town Centre Manager)
Sarah Jones (Events Officer)
Beverly Noon (OM: Corporate Policy and Communications)
Rhian Thomas (Acting Consultation Officer)
Gary Price (Managing Director, Bro Radio)
Danny Chang (Commercial Development Director, Bro Radio)
Mark Petherick (Cabinet Officer)
Sarah Hicks (Cabinet Assistant)

Apologies for Absence:

Cllr G.A. Cox, Claire Evans

(a) MINUTES-

Recommended – That the minutes of the meeting held on 27th July 2006 be approved.

Recommended – That the minutes of the meeting of the Dyffryn Advisory Group held on 8th December 2006 and 3^d April 2006 be noted and approved.

(b) DECLARATIONS OF INTEREST-

None were declared.

(c) Vale of Glamorgan Community Radio - Presentation

The Managing Director and the Commercial Development Director of Bro Radio provided the committee with a video presentation and details of the proposals for the project. It was requested by the Managing Director of Bro Radio that the Council provide a letter of support for the project. A copy of the Business Plan Presentation is attached at appendix A.

Recommended – That Cabinet be requested to consider the following proposal:

- 1. That the Leader write a letter of support in principle for the project due to the urgency of the matter. That Cabinet confirm their support for the proposed project following the letter from the Leader.***

Reason for Recommendation

- 1. In order for the project to progress.***

(d) Leisure and Tourism Strategy Research - Presentation

A powerpoint presentation was made to the Committee by the Operational Manager for Corporate Policy and Communications and the Acting Consultation Officer. The presentation detailed the findings of the recent Leisure and Tourism Strategy Research. The presentation is attached at appendix B

Recommended – That Cabinet be requested to consider the following proposal:

- 1. That the presentation be noted and that the Operational Manager for Corporate Policy and Communications meet with the Operational Manager for Leisure and Tourism to progress the Leisure and Tourism Strategy research and report to Cabinet on the findings in the New Year.***
- 2. That the Tourism Strategy be developed to focus not only on tourism marketing, but also in improving the tourism 'product'. The Council's***

primary role in this would be to develop the infrastructure to support increased tourism, to influence key members of the community (including the business community) and to define a vision for tourism.

3. ***That the Tourism Strategy consider taking an approach based on market (or geographical) segments rather than a Vale wide approach.***

Reason for recommendation

(1) – (3) To progress the matter

(e) Air Show Wales

The Cabinet Advisory Committee for Regeneration, Tourism and Leisure received a report seeking approval to enter into discussions with the organisers of Air Show Wales. See report attached at Appendix C

Recommended – That Cabinet be requested to consider the following proposal:

1. ***That the director of Environmental and Economic Regeneration prepare a letter outlining, in principle, support for Wales Air Show***
2. ***That relevant officers continue to meet with Air Show Wales to discuss their proposals with specific reference to the Vale of Glamorgan.***
3. ***That representatives of Air Show Wales be invited to give a presentation to a future meeting of the Cabinet Advisory Committee for Regeneration Tourism and Leisure.***

Reason for Recommendation

1. ***To provide initial support to an event which could have positive benefits for the Vale of Glamorgan***
- 2 & 3 ***To find out more information regarding the proposed Wales Air Show***

(f) Grant Aid to Vale Council Owned Community Centres

This report has been held over for a future meeting due to the need for further discussions between the Leader and the Director of Finance, ICT and Property on the issue.

(g) Barry Waterfront Tall Ship Festival 2006: Post Event Evaluation

The Cabinet Advisory Committee for Regeneration, Tourism and Leisure received a post event analysis on the Barry Waterfront Festival 2006 from the Events Officer. Report attached at appendix D

The Chairman wished to express his thanks to the staff for their hard work over the festival period.

Recommendations – That the Committee recommend to Cabinet the following:

1. **The utilisation of the events provision to support the continued development of the Tall Ship Festival in Barry Waterfront**
2. **To consider the possibility of increased wet weather facilities at future festivals**
3. **To consider the provision of extra facilities to allow additional ships to attend the festival**

Reasons for Recommendations:

- 1 & 3 **To continue to develop the Tall Ship Festival as a major event held in the Vale of Glamorgan**
2. **To reduce the threat of bad weather at future events.**

(h) Leisure Centres: Holiday Opening Hours

The purpose of this report is to seek approval for Christmas opening hours at the Council's Leisure Centres and for future opening hours on Bank Holidays. Report attached at appendix E

Recommended – That Cabinet be requested to consider the following proposals:

1. **That the Christmas opening hours details in Appendix 1 be approved.**
2. **That the principle of opening one large and one small Leisure Centres between the hours of 8.00am and 5.00pm be adopted for future Bank Holidays.**

Reasons for Recommendations

1 & 2 To ensure that the Council's Leisure Centres are open during holiday periods at times that they are most likely to be used.

(I) Forward Work Programme**Tourism and Leisure Successes**

The Operational Manager for Leisure & Tourism wished to bring to the attention of the Committee the success of the Leisure and Tourism Team. The Leisure and Tourism Team were awarded the Best Communicating Team Award at the Vale of Glamorgan Council Team Awards 2006. It was also brought to the attention of the Committee that the Tourism Unit has undergone a BSI Assessment and have consequently been awarded a quality stamp.

Recommended – That Cabinet be requested to consider the following proposals:

- 1. That the Committee note the recent success of the Leisure and Tourism Team**

Reasons for Recommendations

- 1. To acknowledge its success**

Ryder Cup

The Committee briefly discussed the Ryder Cup and requested that due consideration be given to the relationship between the golf related development and the Local Development Plan.

Recommended – That Cabinet be requested to consider the following proposals:

- 1. That the Committee receive an update on the Ryder Cup at a future meeting**

Reasons for Recommendations

- 1. To enable the Committee to progress matters.**

RESOLVED - T H A T the recommendations contained therein be adopted.

**C2760 VALE OF GLAMORGAN LOCAL HEALTH BOARD:
APPOINTMENT OF REPRESENTATIVE (CX) (SCRUTINY - CORPORATE
RESOURCES) -**

Cabinet considered the nomination of a representative to maintain the Council's representation on the Vale of Glamorgan Local Health Board.

RESOLVED - T H A T consideration of this item be deferred pending an exploration of expressions of interest for the appointment from all Members of the Council.

Reason for decision

To maintain full representation on the Vale of Glamorgan Local Health Board.

C2761 CAVITY WALL AND LOFT TOP UP INSULATION PROJECT FOR ALL LOCAL AUTHORITY HOUSING (DCS) (SCRUTINY - COMMUNITY WELLBEING AND SAFETY) -

Cabinet were advised of progress in the cavity wall and loft top up insulation project for all local authority housing, and approval was sought to pay directly to Scottish Powers sub-contractor.

The scheme had been progressing well, and a firm Domestic and General, had been sub-contracted by Scottish Power to undertake the work. To date all work had been carried out to specification and to agreed standards.

To facilitate a speedier financial response and to minimise unnecessary paperwork, it had been requested that payment be made direct to the sub-contractor and not through Scottish Power.

To ensure no future call was made against the Council, written confirmation from Scottish Power had been requested and would be received prior to any arrangement being initiated.

This was a matter for Executive decision.

RESOLVED - T H A T, following agreement reached with Scottish Power, the Vale of Glamorgan Council pays invoices provided by their sub-contractor, Domestic and General Limited, for approved work undertaken and completed, directly to Domestic and General Limited, and not to Scottish Power for subsequent redistribution.

Reason for decision

To enable a more efficient and direct payment of invoices for the work undertaken.

C2762 LOCAL AVERAGE INTEREST RATE (DFICTP) (SCRUTINY - CORPORATE RESOURCES) -

Cabinet received a report which recommended the rate of interest to be charged on Council mortgages.

This was a matter for Executive decision.

RESOLVED - T H A T the authority declare an unchanged rate of interest on all new and existing variable housing loans including the sale of Council dwellings of 6.28% with effect from 1st December, 2006.

Reason for decision

Interest rate recalculated in accordance with statutory requirements.

**C2763 INITIAL CAPITAL PROGRAMME PROPOSALS 2007/08 (DFICTP)
(SCRUTINY - ALL) -**

Approval was sought for the revised capital programme for 2006/07 and the initial capital proposals for 2007/08 so that they may be submitted to Scrutiny Committee for consultation.

With regard to the 2006/07 capital programme, it was requested that Cabinet approve the following changes to the capital programme and refer their recommendations to Council for approval.

Policy

Dyffryn House Enveloping - enveloping works commenced on site during September 2006 and were due for completion during July 2007. It was requested that £796,000 be carried forward into 2007/08 and £35,000 into 2008/09 to reflect the revised timescale.

Barry Town Hall - practical completion was achieved on this scheme during 2006. The consultants were now in the process of agreeing the final account with the contractor. Since the last report to Cabinet, the projected outturn had increased by £585,000. This was due to several reasons, including the requirement for additional steel work, removal of contaminated soil and the agreement of an extension of time. It was proposed that these additional costs be funded from the project fund.

Uncommitted Budgets Over 18 Months Old

Council on 12th October, 2005 gave Cabinet the authority to withdraw a budget from the capital programme if the scheme was not contractually committed within 18 months of being included in the capital programme. If this happened, a new bid would have to be submitted as part of the coming years budget setting process to reintroduce the scheme into the capital programme. The following schemes remained contractually uncommitted 18 months after approval and a proposal for the way forward had been made against each scheme.

Directorate of Learning and Development

Accommodation for Cogan Hall Farm - this budget was allocated to accommodate an increase in pupil numbers, as a result of the Cogan Hall Farm housing development. The required works, at various schools, had now been identified and would commence during the Easter and summer holidays 2007. It was requested that the £150,000 be carried forward into 2007/08.

Nursery Units - a total budget of £650,000 had been allocated for a three year period, commencing in 2005/06, for a review of nursery units. There had been a

range of technical difficulties and the projects were now due to commence in 2007/08. The budget was required to enable the Council to provide the necessary school places and it was therefore requested that the budget be carried forward to future years.

Directorate of Environmental and Economic Regeneration

Cesspits, Marcross - this scheme had not progressed as there were outstanding legal issues to be resolved. A report would be prepared updating Cabinet on the issues in the near future and it was therefore proposed that no reduction be made to the budget at this stage.

With regard to the 2007/08 capital programme, it was reported that the Welsh Assembly Government had announced a provisional 2007/08 general capital funding. The provisional allocation for 2007/08 was £8,175,000, which was a £297,000 increase over the current year. The final settlement was expected to be announced during December 2006.

The Major Repairs Allowance which was the grant that provided capital funding the housing revenue account, had not yet been announced by the Welsh Assembly Government. Cabinet, on 6th September, 2006 had approved the use of the 2007/08 Major Repairs Allowance for schemes totalling £850,000. Any further proposals for 2007/08 HRA capital programme would be reported at a later date. At year end, any unspent Major Repairs Allowance could be carried forward into the new year, subject to approval from the Welsh Assembly. At the end of 2005/06, grants totalling £2.8 million remained unspent. Approval to carry forward this balance had not yet been received, and Cabinet would be advised of the outcome via a future report.

In addition to funding from the Welsh Assembly Government, the Council would finance part of the capital programme from its own resources, e.g. capital receipts and reserves.

Appendix B to the report outlined the indicative 2007/08 capital programme. The table below detailed the general capital funding allocated by the Assembly and internal resources required to fund the proposed schemes:

Analysis of Net Funding Required for the Indicative 2007/08 Capital Programme	£000	£000
General Fund Resources from Welsh Assembly Government		
Supported Borrowing	6,143	
General Capital Grant	<u>2,032</u>	
		8,175

Council Resources

Capital Receipts	5,438	
Reserves/Leasing	8,906	14,344
Net Capital Resources		22,519

The indicative 2007/08 capital programme shown at Appendix B to the report included allocations already approved by Council and the slippage requests mentioned earlier in the report.

Indicative asset renewal budgets had been included within Appendix B, as follows:

- Education £800,000
- Social Services £150,000
- Visible Services £800,000
- Leisure Services £150,000
- Miscellaneous Buildings £200,000

and these constituted an un-earmarked general provision. In addition, Directors had made specific bids which had been classed as asset renewals. Due to the inclusion of the indicative asset renewal budgets, these specific bids had been shown as a specific heading within Appendix C to the report, which listed the unsuccessful bids. Specific asset renewal schemes would be reported to a future Cabinet meeting.

Three schemes were currently planned to be funded from next years asset renewal budget. It was requested that Cabinet approve the allocation of the budget for these schemes at this early stage to enable work to proceed within the planned timescale:

- St. Athans Primary Cladding Phase 2 - it was proposed that this scheme be funded from the Education Asset Renewal/School Buildings Improvement Grant budget. Design work would be funded from this year's programme and tender acceptance was planned for January 2007. This would enable works to commence during the Easter holidays and it was requested that £302,000 be approved from the 2007/08 budget and £8,000 from 2008/09, to allow the scheme to be undertaken within the planned timetable.
- Gwaun Y Nant/Oakfield Roofing - it was proposed that this scheme be funded from the Education Asset Renewal/School Buildings Improvement Grant budget. Design work would commence this year and tender acceptance was planned for March 2007. This would enable works to commence during the summer holidays and it was requested that £200,000 be approved from the 2007/08 budget and £5,000 for 2008/09, to allow the scheme to be undertaken within the planned timetable.
- Barry Leisure Centre Ventilation - there was currently a budget of £41,000 included within this years Leisure Asset Renewal budget for the scheme. This budget would only allow part of the required works to be undertaken and was not considered to be an effective use of money. It was proposed that £49,000 be allocated in 2007/08 to allow a larger scheme to be undertaken. Works

would commence at the end of January 2007 and continue into the new financial year.

It was proposed that Cabinet be given delegated authority to approve certain budgets being brought forward during 2007/08 if the schemes progressed ahead of schedule. These schemes were identified with an asterisk within Appendix B to the report. Some capital schemes spanned more than one financial year and to allow the scheme to proceed, the total budget needed to be approved and not just an individual year. It was therefore proposed that where schemes are shown in bold within the Appendix, the total budget across all years be now formally approved.

In addition to the capital bids shown in Appendix B to the report, Appendix C included capital bids received that had not been put forward for inclusion in the 2007/08 programme. The Corporate Asset Management Group had prioritised schemes that fell within their remit.

Council on 12th October, 2005 approved the School Investment Strategy. It approved that the School Development Budget be increased by £500,000 in 2007/08 and £1 million from 2008/09 onwards. These budget changes had been included within Appendix B to the report. It also approved that the £9 million one off School Building Improvement Grant and £1.4 million of existing useable capital receipts be utilised for the School Investment Strategy. These budgets had not been included within Appendix B. Approval had also been given for capital receipts generated by schools to be ring-fenced for the investment strategy up to £6.5 million and that unsupported borrowing of up to £7.3 million could be undertaken. MACE were the successful consultants who had been appointed as external technical advisors and a report had been presented to Cabinet on 20th September, 2006 outlining their recommendations. The consultants were undertaking further work, which was due for completion by April 2007 and it was reported that the capital programme would then be amended.

Included in the new bids shown in Appendix B to the report were works that were a requirement of previous planning applications. As capital funds were very restricted and to ensure that all capital commitments were included in the programme, it was proposed that bids for schemes should include all costs, including those that are a condition of planning consent. This would avoid the Council committing to future expenditure that it was unable to fund.

Bids had been received for schemes that were 100% grant funded, even though grant approval had not yet been received. Whilst the schemes had no cost to the Council, it was proposed that they are not included in the programme at this stage, as it was not certain whether approval would be received and inclusion of these budgets could lead to slippage. The schemes are Central Station land purchase - £1,400,000 and safety cameras - £50,000.

Included within the unsuccessful bids shown in Appendix C to the report, were two bids which related to the required match funding for applications submitted to the Welsh Assembly Government for Physical Regeneration Fund grant. The outcome of the applications was not due to be announced until December 2006 and it was proposed that if the bids were successful, £757,000 be made available for the

Chapter Arts Centre 2: Enveloping of the Hydraulic Pumphouse Scheme and £104,000 for the Penarth Town Centre Regeneration Action Plan Scheme, from the Project Fund. The value of the Physical Regeneration Fund grant applied for was £1,400,000 and £1,335,000 respectively.

Cabinet were advised that the next stage was for the estimates to be submitted to Scrutiny Committees for consultation. Scrutiny Committee (Corporate Resources) was the lead Scrutiny Committee and would consider both the initial budget proposals and the comments that other Scrutiny Committees had made. Responses of Scrutiny Committee must be made by no later than 15th December, 2006.

Each Scrutiny Committee would be asked to first consider the indicative capital proposals and the priority given to new bids in the light of the limited resources that were available. They then may make recommendations for changes. If the Scrutiny Committees wished to make a change, the reason for this needed to be recorded in order to assist the Cabinet and the Cabinet Budget Working Group draw up the final proposals.

As well as considering the priority awarded to capital bids within its own services, the Scrutiny Committee (Corporate Resources) would be asked to look at the priority for bids across the whole range of Council services.

Cabinet's final capital programme proposals would be considered at a meeting of the Council to be held on 19th February, 2007.

The proposals to the making of the budget did not need to be referred to Council. However, the final 2007/08 budget would require the approval of Council. The requests for slippage were a matter for consideration by Council.

RESOLVED -

(1) T H A T the initial budget proposals be approved for consultation with Scrutiny Committees.

(2) T H A T budgets be carried forward from 2006/07 into future years and that the amendments be referred to Council:

- Dyffryn House Enveloping - reduce budget from £1,381,000 to £550,000 (carry forward £796,000 into 2007/08 and £35,000 into 2008/09).
- Accommodation for Cogan Hall Farm - reduce budget from £150,000 to nil (carry forward £150,000).
- Nursery Units - reduce budget from £75,000 to nil (carry forward £75,000).

(3) T H A T the Council be requested to increase the Barry Town Hall 2006/07 budget by £585,000 and that this increase be funded from the Project Fund.

(4) T H A T the allocation of the following budgets be approved and referred to Council:

- £302,000 of the Education Asset Renewal/School Buildings Improvement Budget for 2007/08 and £8,000 of the 2008/09 budget be approved for the St. Athans Primary Cladding Phase 2 scheme.
- £200,000 of the Education Asset Renewal/School Buildings Improvement Budget for 2007/08 and £5,000 of the 2008/09 budget be approved for the Gwaun Y Nant/Oakfield Roofing scheme.
- £49,000 of the Leisure Asset Renewal Budget for 2007/08 be approved for the Barry Leisure Centre Ventilation scheme.

(5) T H A T capital bids for schemes should include all costs, including those that are a condition of planning consents.

Reasons for decisions

- (1) To allow full consultation on the future capital programmes.
- (2) To amend the 2006/07 and future years capital programmes.
- (3) To amend the 2006/07 capital programme.
- (4) To allow schemes to be let prior to the beginning of 2007/08.
- (5) To avoid the Council committing to future expenditure that it was unable to fund.

C2764 INITIAL REVENUE BUDGET PROPOSALS 2007/08 (DFICTP) (SCRUTINY - CORPORATE RESOURCES) -

Cabinet approval for the amended original budget for 2006/07 and the initial revenue budget proposals for 2007/08 were sought in order that they may be submitted to Scrutiny Committees for consultation.

The Council's budget was determined largely by the Revenue Support Grant (RSG) settlement set by the Welsh Assembly Government. A provisional settlement had been announced on 25th October, 2006 with details of the final settlement expected in late November early December.

SSA (Standard Spending Assessment) represented WAG's view of the resources needed to provide a standard level of service in each local authority in Wales and its primary use was to allocate RSG to these authorities. For 2007/08, the Council's provisional SSA had been notified as £181,045,000 a headline increase of 5.8% over the unadjusted 2006/07 figure.

The Council had been provisionally advised that for 2007/08, it would receive from WAG, RSG of £107,041,000 and non-domestic rates (NDR) of £29,117,000. Together, these sums constituted the Council's aggregate external finance (AEF). The AEF represented an increase of 5.2% over that received for 2006/07 (after adjusting for transfers into the settlement) and is net of an assumed 1% efficiency savings. The provisional settlement included additional resources for new

responsibilities including smoke free legislation, schools councils and EU food hygiene.

WAG had announced that the Council would provisionally receive a deprivation grant of £167,000 and a performance grant of £1,239,000. These were both unhypothecated grants. Confirmation of the continuation and/or amounts receivable in the form of other specific and special grants had yet to be received.

Appendix 1 to the report set out the necessary amendments to the original estimate for 2006/07, which were required to be made as follows:

- Asset Rents - changes to the amounts charged to services for the use of assets in accordance with revisions to the Accounting Code of Practice. It was mainly due to the removal of the capital financing charge element (interest).
- Recharges etc - movement in charges between internal Council services.
- Budget Transfers - budget adjustments to reflect transfers of functions and responsibilities between services. Primarily, this related to:
 - the transfer from Education to Lifelong Learning in respect of a Youth Scheme Co-ordinator and other cost pressures (£102,000)
 - the transfer from libraries of a member of staff to ICT and monies held in respect on Town Hall costs to Policy (£91,000)
 - the transfer from Visible and Building Services to Chief Executive re Contact Centre (£26,000)
 - the transfer from Policy to Visible Services re additional staff costs at Dyffryn (£53,000).

The amended original budget was compared with the estimated outturn for 2006/07, and reasons for the variances were provided:

Learning and Development - a saving of £120,000 on education and schools arising from a lower than expected inflation increase on renewed large contracts such as school transport together with staff vacancies within the Education Department had been used to off-set the overspending on Lifelong Learning Job Shop Extra (£10,000) and the Training and Heritage Skills Centre (£110,000). The adverse variance on libraries (£267,000) was due to the costs of the new library.

Community Services - the overspend of £1,481,000 on Children's Services was primarily due to the cost of child placements, with a further £665,000 expenditure on this area as a result of a lower than anticipated available balance on the social services reserves. Community Care and Health were projecting an overspend of £2,846,000 a significant proportion of which was due to the number and cost of care packages. The adverse variance of £130,000 on catering was mainly due to a reduction in the number of meals being provided and increased costs in meeting Assembly requirements on nutritional standards. The underspending on private sector housing/community safety (£118,000) was mainly attributable to an increase in subsidy income and savings on staff salaries.

Environmental and Economic Regeneration - included in the figures was an anticipated deficit on leisure management (£150,000) due to significant increases in utilities costs and on Building Maintenance (Trading Unit) (£150,000) attributed

to pricing policy. These deficits were to be off-set by an underspending from within the Directorate.

Policy - the underspending of £600,000 was mainly attributable to additional external interest earned.

There was an estimated Council Tax surplus for 2006/07 in the sum of £1million. This would be transferred to the General Fund.

The overall deficit of £4,664,000 would need to be funded from reserves, in addition to the £2,250,000 required to balance the 2006/07 budget. General reserves as at 1st April, 2006 amounted to £6.4 million and consequently, as a prudent minimum level for the General reserve was £4 million, some specific reserves would need to be “un-earmarked”.

The budget strategy for 2007/09 outlined that:

- In order to establish a baseline, services were to prepare initial revenue budgets for next year based on the cost of providing the current level of service and approved policy decisions. This meant the cost of price increases and pay awards should be included.
- Increases to budgets approved during the course of a financial year could restrict the freedom the Council had to allocate its resources to priorities during the following budget cycles when it was aware of all the competing demands. Consequently:
 - supplementary estimates would only increase the base budget if Council had given specific approval to this effect. Increases met by virement within a year would not be treated as committed growth.
 - Directors should find the cost of increments and staff changes from their base budget unless the relevant specific approval had been given for additional funding.
 - The effect of replacing grant from outside bodies that had discontinued would not be treated as committed growth. In addition, before any project or initiative was to be met either wholly or partly by way of grant may proceed, the exit strategy must be approved.
 - Certain items of unavoidable committed growth would continue and these included the effect of interest changes and the financing cost of a capital programme, increases in taxes, increases in levies and precepts charged by outside bodies and changes to Housing Benefits met expenditure.
 - Services would be expected to identify and achieve the current efficiency savings equivalent to 1% of their budget.
- The eventual level of Revenue Support Grant settlement that made up the bulk of the Council’s funding would be influenced by WAG expectations for efficiency savings in local government as set out in their “Making the Connections” document. As such, it was envisaged that the costs of service delivery would need to be met from within the respective services from the efficiency savings that they identified; inefficient works may need to be prioritised within a service to meet any higher priority demands. Services had therefore been asked to identify any burgeoning revenue cost pressures.

A summary of the overall base budget for 2007/08 was attached at Appendix 2 to the report. This had been arrived at by adjusting the 2006/07 budget for items such as inflation and unavoidable growth.

Inflation amounted to £4.3 million of which £1.5 million related to pay awards and £2.8 million for general price increases. It was noted that these figures excluded inflation for schools.

Committed growth totalled £4.324 million and related to the following items:

- Libraries - cost of accommodation at Town Hall/library - £509,000
- Environmental and Economic Regeneration - economic development and leisure - loss of income to the Council resulting from the sale of Vale workshops - £102,000 and cost of accommodation at Town Hall/library - £5,000
- Visible Services - £150,000 for landfill tax costs.
- General policy - General policy - £2,250,000 use of balances during the 2006/07 budget process, reduction in interest receivable of £320,000 as a direct result of the use of balances, £200,000 is the estimated cost to the General Fund of the interest due to the project fund following the estimated advance, £300,000 increased cost of funding the capital programme, £390,000 for ICT software licences and £98,000 for the cost of accommodation at the Town Hall/library.

A list of the 2007/08 cost pressures as identified by services was attached at Appendix 3 to the report. These were not shown in any order of priority and included costs relating to social services that were a continuation of the level of overspending in 2006/07, no reduction of costs had been taken into account which may arise from the Action Plan. Altogether these totalled £16.842 million and some would need to be met. They excluded the cost of redundancies which may be incurred in order to maintain the budget within the resources available. It was reported that these costs could be significant.

It was reported that the continued level of overspending on Social Services (around £5 million for this year) was of particular concern. The cost pressures identified for 2007/08 assumed that the overspend was not addressed. However, this was not sustainable and to be financially stable the Council must address this issue in next years budget. It was not financially prudent to fund current expenditure from reserves except for a very limited time whilst a recovery plan was actioned to bring expenditure down. In any case, reserves were under pressure. Consequently, the Council was faced with two options. The first being to reduce Social Services overspending. The second option was to increase the service's base budget. This could only be achieved by transferring resources from other services with a consequent impact on that service(s) or increasing the level of Council Tax to generate additional resources.

Cabinet were advised that it was absolutely essential that the underlying causes for the Social Services overspending were identified and resolved. If not, no matter what the level of budget was, overspendings could continue and threaten not just the financial stability of the Council but its ability to deliver other statutory services.

Each year the purpose, nature and level of earmarked reserves were reviewed and would again be reviewed as part of the 2007/08 budget process. The projected overspend in Social Services in 2006/07 would require the un-earmarking of certain of these reserves as otherwise the General Reserve could be completely extinguished. This meant that the Council priorities for which such reserves were initially set up may not now be achieved and certain schemes may not go ahead (this could have a detrimental impact upon capital programme schemes). The risks to the Council were also increased if certain reserves were diminished (e.g. Job Evaluation). The exercise could also act as a disincentive to good financial management. Some reserves had been built up by services setting aside small underspends to meet future known liabilities. If these were now taken, they may view it as being penalised for their own prudence and in future spend any used budget at the year end. This could result in expenditure on low priority items, limited the service's ability to financially manage and reduce future options for the Council.

The next stage in the process was for the estimates to be submitted to Scrutiny Committees for consultation. Scrutiny Committee (Corporate Resources) was the lead Scrutiny Committee and would consider both the initial revenue budget proposals and any comments that other Scrutiny Committees had made. The responses of Scrutiny Committee was required by now later than 15th December, 2006.

Cabinet's final budget proposals would be considered at a meeting of Council to be held on 19th February, 2007.

The proposals in the report did not need to be referred to Council. However, the final 2007/08 budget would require the approval of full Council.

RESOLVED -

- (1) T H A T the amended original budget as set out in Appendix 1 to the report for 2006/07 and the funding from Policy of the additional costs of the new library be approved.
- (2) T H A T the initial revenue budget proposals for 2007/08 be approved for consultation with Scrutiny Committees.
- (3) T H A T the Leader respond to WAG on the provisional Revenue Support Grant settlement in view of the Vale of Glamorgan Council's financial position.

Reasons for decisions

- (1) To facilitate monitoring of the budget.
- (2) In order that Cabinet be informed of the comments of Scrutiny Committees before making a final proposal on the budget.
- (3) To inform WAG.

C2765 INITIAL HOUSING REVENUE ACCOUNT BUDGET PROPOSALS 2007/2008 AND REVISED BUDGET 2006/2007 (DCS AND DFICTP) (SCRUTINY - COMMUNITY WELLBEING AND SAFETY AND CORPORATE RESOURCES) -

Cabinet approval was sought for the revised estimates 2006/07 and the initial budget proposals for 2007/2008, so that they may be submitted to Scrutiny Committee for consultation.

Cabinet were advised that, comparing the original current budget with the proposed revised estimate, a net increase of £120,000 was indicated and which was due to several reasons. An increase in security measures at High View was likely to cost around £80,000. Electricity and gas prices had also risen by approximately £55,000 on sheltered properties and communal lighting during the year. General efficiency savings accounted for any reduction in budget.

The budget strategy for 2007/08 outlined that, in order to establish a baseline, services should prepare revenue budgets for next year based on the cost of providing the current level of service and approved policy decision. This meant the cost of price increases and pay awards should be included.

Due to the nature of the Housing Revenue Account in that it is ringfenced and any growth had to be funded from the balance, no cost pressures had been formally identified. The budget was presented in the traditional objective analysis format.

The proposed 2007/08 budget was set out at Appendix A to the report. An estimated rent increase of 4.6% had been included.

- (a) HRA (General) - this budget head related to general expenditure such as insurance and audit fees and income from rents. It included an estimated increase in rents and an estimate of the housing subsidy payable to WAG. However, no increase in the management allowance per property, as distributed via the housing subsidy had been taken into account.
- (b) General Management - this budget head related to the general management of the Council's housing stock, for work carried out within the Housing Division, and for various issues relating to the Council tenancies excluding the repairs and maintenance function.
- (c) Special Services - this budget related to the running expenses and the cost of staff employed directly within the Housing Division, in relation to functions such as elderly services, running the hostel etc. The increase was largely due to increased security at High View (Penarth Heights) and increased fuel costs for sheltered homes and communal lighting.
- (d) Housing Repairs Fund Contribution - this budget related to the repairs and maintenance service for the Council Housing stock.
- (e) Central Support and Operational Building Charges - this budget related to the services provided by other Departments, and the cost of office accommodation occupied by the Housing Divisions staff.

(f) Capital Financing - this budget included debt charges for any capital works undertaken relating to the Housing Revenue Account.

The charges for rent and other services provided by the Housing Division were reviewed annually. These would be subject to a future report once the information had been received from WAG. However, until the work currently being undertaken by the consultants on the rent review had been finalised, it was proposed that, for next year, annual rent levels would continue to be linked to pre 2005/06 Council Tax bands.

In summary the change in budget was itemised as follows:

2006/2007 Original Budget £0'000	Inflation/ Pay Award £0'000	Committed Growth/ Savings £0'000	Estimated Rent Increase £0'000	2007/2008 Proposed Budget £0'000
(127)	135	652	(500)	160

The committed growth of £652,000 was due to an increase in the subsidy repayable to WAG (£747,000), a reduction in rent income due to rights to buy sales reducing the stock level (£39,000) and an increase in central recharges (£38,000). Increases in income, such as recalculation of interest expected on the HRA working balance (£110,000), second phase of the 40% increase on heating charge services (£16,000), and general budget adjustments and efficiency savings (£46,000) have off-set this.

The next stage was for the estimates to be submitted to Scrutiny Committee for consultation. Responses from the relevant Scrutiny Committee (Community Wellbeing and Safety) and (Corporate Resources) would need to be made by 15th December, 2006 so that the Cabinet may make its recommendations on the final budget proposals by 14th February, 2007.

Cabinet's final budget proposals would be considered at a meeting of the Council to be held on 19th February, 2007.

The final 2007/2008 budget would require the approval of Council.

RESOLVED -

- (1) T H A T the revised estimate for 2006/07 be approved.
- (2) T H A T the initial budget proposal for 2007/08 be approved for consultation with Scrutiny Committees.
- (3) T H A T the increase suggested for rent and other services be subject to a future report as soon as the information is available from the Welsh Assembly Government.

Reasons for decisions

- (1) To facilitate monitoring of the revised budget.

(2) In order that Cabinet be informed of the comments of Scrutiny Committees before making a final proposal on the budget.

(3) In order to meet the statutory deadline to notify tenants of the new charges as required by Statute.

C2766 COMPLAINTS OF MALADMINISTRATION AGAINST THE COUNCIL (MO) (SCRUTINY - AS INDICATED IN THE REPORT) -

Cabinet were advised of the outcome of investigations conducted by the Commissioner for Local Administration in Wales into allegations of maladministration against the Council.

This was a matter for Executive decision.

RESOLVED - T H A T the contents of the report be noted.

Reason for decision

To inform the Cabinet and Council.

C2767 MATTERS WHICH THE CHAIRMAN HAD DECIDED WERE URGENT -

RESOLVED - T H A T the following matters, which the Chairman had decided were urgent for the reasons stated, be considered.

C2768 SOCIAL SERVICES BUDGET ISSUES (REF) -

Urgent by reason of the need to apprise Cabinet of the recommendations of the Audit Committee

The Audit Committee on 24th October, 2006 had considered a reference from Cabinet on 20th September, 2006 in the form of a report of the Director of Community Services and accompanying Action Plan outlining options for addressing the current budget issues within Social Services in the light of a projected overspend in the current financial year estimated at £5m.

As part of these deliberations, Audit Committee had felt that the role of the Committee would be best served if the Committee were to investigate the history and reasons for the current budget issues within Social Services.

Audit Committee on 21st November, 2006 received an analysis of the budgeted and actual expenditure for Social Services in each of the financial years from 2003/04, including projections for 2006/07. The trend showed significant expenditure in excess of the allocated base budget, the majority of which was attributable to Children and Family Services (primarily the costs of "Out of County")

placements) and Community Care and Health (where the increasing numbers and cost of care packages had impacted across all service functions, in particular Learning Disabilities).

Whilst the establishment of the £5m. Children's Management Fund in 2003/04 enabled Children and Family Services to draw upon funding whilst the Children's Placement Strategy was implemented, overspends on Community Care and Health were increasingly reliant on central support and retrospective Assembly funding (e.g. Supporting People and Residential Allowances Grants). This situation continued until 2005/06 when the Children's Management Fund was re-classified as the Social Services Reserve and brought back to a balance of £5m. All but £0.4m. of this balance was then expended during 2005/06 (£2.2m. for Children and Family Services and £2.4m. for Community Care and Health).

Of the £5m. anticipated overspend in 2006/07, as at September 2006, £2.2m. related to Children and Family Services (of which £0.6m. was due to a lower than anticipated balance in the Social Services Reserve) and £2.8m. to Community Care and Health. However, based upon the Children's Placement Strategy, the maximum draw-down in 2006/07 was projected at £1m. (and the minimum draw-down was nil, indicating break even). Whilst reports were produced on individual issues, no overall strategy was put in place to address the Community Care and Health deficit.

Monthly budget monitoring reports to both Cabinet and Scrutiny Committees had highlighted the building financial pressures within Social Services that resulted in these additional costs. In addition, annual reports on the Council's final budget proposals had emphasised the unsustainable nature of the Social Services overspend. This message had also been repeated in the Council's Medium Term Financial Plan, which had also predicted additional costs falling on the Service in future years.

The Medium Term Financial Plan 2006/07 to 2009/10 emphasised the need to ensure that a sustainable budget was achieved and funding identified for future service development. As such, it identified the Social Services overspend as being the single biggest challenge now facing the Council.

Notwithstanding the steps being taken and proposed to reduce the level of overspend, it was nevertheless essential for the Council to develop a firm view of the future resources required to run Social Services in the light of the overall resources available to the Council and its various statutory obligations and to address this as part of the 2007/08 budget process. It was also incumbent upon the Director of Community Services to deliver the required services within the allocated resources.

Councillor A.J. Readman spoke on the above with the consent of the Committee.

Following consideration of the contents of the report, it was

RECOMMENDED -

(1) T H A T the report be noted.

(2) T H A T the report be referred to Cabinet and that Cabinet be advised of the great concerns of the Audit Committee at the situation.

(3) T H A T Cabinet be informed of the view of the Audit Committee that it was essential for the Council to develop a firm view of the future resources required to run Social Services in the light of the overall resources available to the Council and its various statutory obligations and to address this as part of the 2007/08 budget process, and the view that it was also incumbent upon the Director of Community Services to deliver the required services within the allocated resources.

Cabinet, having considered the recommendations of the Audit Committee,

RESOLVED - T H A T the recommendations of the Audit Committee be agreed.

C2769 SOCIAL SERVICES ACTION PLAN - RISK ASSESSMENT (REF) -

Urgent by reason of the need to apprise Cabinet of the recommendations of the Audit Committee

The meeting of the Audit Committee on 24th October, 2006 had considered a reference from Cabinet on 20th September, 2006 in the form of a report of the Director of Community Services and accompanying Action Plan outlining options for addressing the current budget issues within Social Services in the light of a projected overspend in the current financial year estimated at £5m.

As part of its deliberations, the Audit Committee had resolved that the Action Plan should be the subject of a formal risk assessment. This had been undertaken in accordance with the Council's Risk Management Strategy.

Audit Committee on 21st November, 2006 received a copy of the Risk Management Strategy which illustrated the matrix used to formulate the score for each risk. This was assessed according to the impact that each risk would have on both the clients and the Council's ("Magnitude"). This would include public wellbeing, environmental and social, reputational and health and safety implications as well as financial consideration. The probability of each risk occurring (likelihood) was then assessed and the two scores multiplied. The higher the resulting score, the greater the risk and the more important it was then to take appropriate action in the form of counter measures to control the risk.

Appendix B to the report showed the detailed results of the risk assessment for each of the Action Plan items. Whilst a number of options appeared to have little or no risk associated with the implementation (e.g. risks CCH8, CCH10), their projected savings in relation to the total Social Services overspend was small. A number of other options (e.g. CCH11, CF11) were considerably under-developed in their potential for delivering the savings indicated and could also have significant cost implications for the Council which had yet to be properly assessed (including their evaluation in the context of an overall Asset Management Strategy for the Council).

In addition, following discussions between the Directors of Community Services and Legal and Regulatory Services, emanating from matters relating to the Council's Policy Framework, it was reported that Action Plan proposals CCH1 and 2 had now been withdrawn. In the short term, at least, the savings of £400,000 identified in the Action Plan were not now likely to materialise.

In viewing the Action Plan as a whole, the view was expressed that many of the proposals appeared at present to be disparate and lacking any overall strategic direction for the Service. It currently fell £2m. short in addressing the current projected level of overspend and, with the withdrawal of actions CCH1 and 2, it was also far from certain that this shortfall would not now be even greater and the £1m. target for 2006/07 achieved.

If this situation was to be properly addressed, it would be essential that managers had a clear understanding of exactly why the overspends were occurring in order to be able to take the appropriate remedial action as part of a planned and structured programme of future service delivery.

For this reason, the present overall assessment of the Action Plan was that of high risk, scoring 4 for magnitude and 3 for likelihood. If allowed to continue, the level of overspend also posed a significant risk to the Council's finances and its ability to deliver services across the board.

However, both during the risk assessment process and, as a result of work undertaken separately by the Director of Legal and Regulatory Services, two significant risks had been identified that were central to the issues of the overspend on Social Services. These had not been identified in the Action Plan as options but, as indicated above, relate instead to issues surrounding the proposals made in CCH1 and 2 and also CF1.

Specifically, the risks were the review and setting of eligibility criteria for all Community Care and Health Care packages having regard to the available resources in relation to client needs for Community Care and Health and the review and successful delivery of the Children's Placement Strategy. Together with the improvements required in budgetary control as outlined in CS1, 2 and 3, taking the appropriate counter measures to control these risks as part of an overall strategy for Social Services should result in significant savings in the current level of overspend. This would be essential if services to those clients most in need were to be maintained and the interest of future clients protected.

It was reported by the Chairman that the Department of Works and Pensions was about to embark on a review of previous decisions relating to the granting of benefits. It was assumed that the general thrust of this review would be in a downwards direction, which could have a significant impact on the operation of the Council's eligibility criteria.

Following the withdrawal of Action Plan Proposals CCH1 and 2, Members were advised by the Director of Community Services that the Council's eligibility criteria was being reviewed and that a draft report would soon be available. It was acknowledged by Members that decisions relating to the operation of the eligibility criteria could result in conflicts with the Council's Community Care partners.

It was also felt that the proposal within Action Plan CCH4 relating to the employment of a specialist nurse to challenge decisions made by the Local Health Board on Continuing Health Care Issues, would also lead to conflict with the Local Health Board.

(Councillors Ms. M.E. Alexander and A.J. Readman spoke with the consent of the Committee).

Having considered the contents of the report and discussions made, it was

RECOMMENDED - T H A T, in considering the proposals contained in the Social Services Budget Action Plan, Cabinet be requested to pay particular attention to those Action Plan references categorised as being High / Medium risk.

Cabinet, having considered the recommendations of the Audit Committee,

RESOLVED - T H A T the recommendations of the Audit Committee be agreed.

C2770 SOCIAL SERVICES - REVIEW OF ELIGIBILITY CRITERIA (REF) -

Urgent by reason of the need to apprise Cabinet of the recommendations of the Audit Committee

The meeting of the Audit Committee on 24th October, 2006 had considered a reference from Cabinet of 20th September, 2006 in the form of a report of the Director of Community Services and accompanying Action Plan outlining options for addressing the current budget issues within Social Services in the light of a projected overspend in the current financial year estimated at £5m.

As part of these deliberations, Committee had resolved that a report be produced on the eligibility criteria as applied by Social Services. This related specifically to Community Care and Health as there were other considerations that influenced decisions on Children and Family Services.

Audit Committee, on 21st November, 2006 received a report which informed that of the overall deficit projected for Social Services during this financial year, £2.8m. related to the Community Care and Health Service and in particular the number and cost of packages for both domiciliary and residential care.

The Action Plan produced by the Director of Community Services in response to the overspend included proposals to restrict the funding available for new care packages during any week to 50% of the savings identified in the previous week (Action Plan references CCH1 and CCH2 refer). However, following discussions between the Director of Community Services and the Director of Legal and Regulatory Services, emanating from issues connected with the Council's Policy Framework, implementation of these options had now been withdrawn

As a consequence of the above, extensive research undertaken by the Director of Legal and Regulatory Services (including the opinion of Counsel), had revealed

considerable emphasis in Welsh Assembly Government and Department of Health guidelines on the setting of eligibility criteria for Community Care and Health Care packages that had regard to the budget available.

Having regard to these guidelines, the budget process was summarised below:

- estimate the numbers of adults currently receiving services and those who may be potentially referred to it;
- attempt to categorise those individuals needs into the four bands of the eligibility framework (critical, substantial, moderate, low);
- estimate the kinds of service that typically would be required to meet the needs of each band, including immediate needs and developing needs;
- cost this service provision with respect to prices typically faced when commissioning and purchasing services;
- add up the costs of meeting the needs falling into each eligibility band;
- starting with the critical band, if the estimated costs of providing services to individuals with needs in this band equals the resources locally available to adult social care, then the Council's eligibility framework would simply comprise the critical band (although account must be taken of the impact of not providing any services falling in the substantial band);
- consider how each band could be separated into sub-bands;
- the budget and eligibility criteria are then set accordingly;
- eligibility criteria should be reviewed at least annually in consultation with partners;
- if there were major changes or other factors then review the criteria in the year.

Further developments in respect of the assessment and provision of care packages arise from case law whereby councils can take into account resources when considering meeting needs under Community Care legislation. Officers were reviewing how best to ensure the Council's liability and statutory duty was met under this legal framework within current policy and resources available, whilst also ensuring that it was not liable for NHS continuing health care expenditure.

In the light of the above, the Director of Community Services had initiated a review of care packages across the whole of Community Care and Health. This was presently ongoing but it was important to note that this review must be undertaken as part of a clear and coherent strategy for Social Services that was coupled with strong financial management in order to ensure that services to vulnerable client groups were maintained and allocated budgets were not exceeded.

Members expressed the view that it was essential to ensure the full take-up of benefits in order that the Council's eligibility criteria could be as effective as possible, although it was acknowledged that imminent changes to the operation of the benefits assessment procedures by the Department of Works and Pensions could further impact on the Council's proposals.

Having considered the report, it was

RECOMMENDED -

(1) T H A T the contents of the report be noted.

(2) T H A T Committee be updated by the Director of Community Services on future developments relating to the review of the Council's eligibility criteria.

(3) T H A T Cabinet be urged to make all efforts to ensure the full take-up of benefits.

Cabinet, considered the recommendations of the Audit Committee.

With regard to the references from Audit Committee (Minutes: C2768, C2769, and C2770, the Leader first thanked the Audit Committee for its work and stated that the Risk Assessment had proved extremely useful.

Cabinet had previously considered recommendations from Scrutiny Committees and the Voluntary Sector Joint Liaison Committee, and Cabinet has accepted their proposals to review the department. The decision of the Scrutiny Committee (Community Wellbeing and Safety) to hold a public meeting had afforded an excellent opportunity to seek feedback from stakeholders.

The Leader made it clear that the Action Plan had come from the Directorate of Community Services. The Leader's brief for officers had been to bring the service back to base budget. The Action Plan as currently drafted was inadequate inasmuch as it did not deliver the requisite savings nor did it appear to demonstrate effective management of high risk situations given the work done by the Audit Committee.

As a consequence, and having regard to the recommendations of the Committee, the Chief Executive, as Head of Paid Service, had been requested to undertake the following:

- deliver by Christmas a revised Plan with clear financial targets linked to a coherent vision and strategy for delivering sustainable social services in the Vale having regard to budget requirements
- conduct a full review of how services are configured and delivered in the Directorate in line with the recommendation from Scrutiny Committee (Community Wellbeing and Safety)
- identify the underlying reasons for the overspend and recommend appropriate action.

The Chief Executive would be assisted in these tasks by the SOLACE advisor whose remit has been extended until Christmas. The Chief Executive would be expected to provide regular updates to the All Party Social Services Budget Task Group, to Cabinet and to the relevant Committees.

RESOLVED -

(1) T H A T the recommendations of the Audit Committee be agreed.

(2) T H A T the Chief Executive be instructed to undertake the following:

- (i) deliver by Christmas a revised Plan with clear financial targets linked to a coherent vision and strategy for delivering sustainable social services in the Vale having regard to budget requirements
- (ii) conduct a full review of how services are configured and delivered in the Directorate in line with the recommendation from Scrutiny Committee (Community Wellbeing and Safety)
- (iii) identify the underlying reasons for the overspend and recommend appropriate action.

C2771 EXCLUSION OF PRESS AND PUBLIC -

RESOLVED - T H A T under Section 100A(4) of the Local Government Act 1972, the press and public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in Part 4 of Schedule 12A (as amended) of the Act, the relevant paragraphs of the Schedule being referred to in brackets after the minute heading.

C2772 HIGHWAY ASSET MANAGEMENT PLAN (DEER) (EXEMPT INFORMATION - PARAGRAPH 20) (SCRUTINY - ECONOMY AND ENVIRONMENT) -

Cabinet were requested to grant an exemption from Contract Standing Orders in accordance with Contract Standing Order 6.1.2 to enable the Highway Asset Management Plan to be further developed by Opus International Consultants (UK).

This was a matter for Executive decision.

RESOLVED -

(1) T H A T a contract be entered into between the Vale of Glamorgan Council on behalf of CSS (Wales) with Opus International Consultants Limited for two years and that the Director of Legal and Regulatory Services be authorised to prepare an enter into such a contract on behalf of the Council having agreed suitable terms and conditions.

(2) T H A T the contract referred to above be only entered into upon the execution of a formal, binding contract between the Vale of Glamorgan Council and all other participating Councils from CSS (Wales) confirming that they will indemnify the Council in respect of their pro rata share of the costs and expenses. A minimum of 16 participating Councils being required to commission the work.

(3) T H A T the Director of Legal and Regulatory Services be authorised to draft and complete the contract with the other authorities making up CSS (Wales) based on suitable terms and conditions.

(4) T H A T an exception from the provisions of Contract Standing Orders be approved to enable to contract between the Vale of Glamorgan Council and Opus International Consultants Limited be extended and that Opus International Consultants Limited be commissioned in the sum of £67,000 per year (estimated costs) with a second year costs to rise in line with the cost of living index. The costs to be shared amongst participating Welsh Authorities.

Reasons for decisions

- (1) To enter into the contract.
- (2) To ensure that the Council does not sustain any losses.
- (3) To complete a contract with the other authorities making up CSS (Wales).
- (4) To exempt the contract from the requirements of the Contract Standing Orders and the Financial Regulations.

**C2773 RESTRUCTURE OF THE LIFELONG LEARNING SERVICE -
EMPLOYMENT TRAINING SECTION (DLD) (EXEMPT INFORMATION -
PARAGRAPH 23) (SCRUTINY - LIFELONG LEARNING) -**

Cabinet approval was sought to restructure the employment training section of the Council's Lifelong Learning Service in order to reduce potential overspends in financial year 2006/07.

The number of clients referred to the programmes and the value of funding for the delivery of the contracts had been reduced significantly, particularly during this financial year, to such an extent that there was currently an adverse variant of £53,000 on the profiled budget, with a potential overspend of £115,000 by the end of the financial year if this issue was not addressed.

Submissions had been made to secure additional contracts, but there had been no notification of any success to date. One of the reasons for the financial difficulties facing this section was the reduction in job seekers requiring support in the Vale of Glamorgan.

The Council had been informed by DELLS that its work based learning contract would not be renewed as the available client base was insufficient to generate the income necessary to ensure effective and high quality support. In future, these needs would be met locally through the VGTA provision at Barry College.

In order to secure the operational and financial viability of the remaining contracts, the following was recommended.

1. deletion of one trainer/assessor post on the Vale Training Services establishment.
2. the deletion of one projects supervisor post on the New Deal establishment.

3. the closure of the Holm View coffee shop with two potential staff redundancies.
4. discontinuation of Job Shop Extras ICT training programmes with the potential of two staff being made redundant (subject to redeployment).
5. the termination of the lease arrangement of Job Shop Extra's premises in Penarth.

This was a matter for Executive decision.

RESOLVED -

- (1) T H A T the proposals detailed in the report, within the establishment of the Employment Training Section of the Lifelong Learning Service be approved.
- (2) T H A T those displaced employees be supported under the provisions of the Council's Redeployment Policy.
- (3) T H A T the Director of Finance, ICT and Property and the Director of Legal and Regulatory Services be instructed to proceed with the termination of the lease for Stangate House, Penarth.
- (4) T H A T a further report on progress be submitted to Cabinet in January 2007.

Reasons for decisions

- (1) The agreed budget savings can be introduced.
- (2) The appropriate arrangements be implemented as soon as possible to assist displaced staff.
- (3) The process of disposal can commence without delay.
- (4) To keep Cabinet informed of progress.