

## ENVIRONMENT AND REGENERATION SCRUTINY COMMITTEE

Minutes of a meeting held on 23<sup>rd</sup> July, 2019.

Present: Councillor Ms. B.E. Brooks (Chairman); Councillors V.J. Bailey, Mrs. P. Drake, V.P. Driscoll, G. John, M.J.G. Morgan, A.R. Robertson, L.O. Rowlands, Ms. S. Sivagnanam and S.T. Wiliam.

Also Present: Councillors L .Burnett (Deputy Leader and Cabinet Member for Education and Regeneration), P.G. King (Cabinet Member for Neighbourhood Services and Transport and N. Moore (Executive Leader and Cabinet Member for Performance and Resources).

182 MINUTES –

RECOMMENDED – T H A T the minutes of the meeting held on 25<sup>th</sup> June, 2019 be approved as a correct record.

183 DECLARATIONS OF INTEREST –

No declarations were received.

184 HIGHWAY RESURFACING THREE YEAR PLAN 2019-2022 (REF) –

Cabinet, on 1<sup>st</sup> July, 2019, had approved in principle the revised Highway Maintenance 3 Year Resurfacing Plan 2019 to 2022 attached at Appendix A to report. The matter had also been referred for the Scrutiny Committee's consideration.

The Operational Manager Engineering presented the revised Highway Maintenance 3 Year Resurfacing Plan 2019 – 2022 report, the purpose of which was to provide a foundation for delivering a well-maintained and managed highway infrastructure that was essential to sustain the Vale of Glamorgan's economic and transportation needs.

The proposed Plan was attached at Appendix A to the report, with priority roads identified by the Council's Highway Engineers as requiring treatment. All roads listed within the Plan for resurfacing had been assessed in accordance with the 'Carriageway Resurfacing Prioritisation Scoring System' at Appendix B to the report.

The roads for micro-asphalt and surface dressing were preventative treatments determined by engineering assessment only and listed alphabetically in Appendix A. All works on the micro asphalt and surface dressing lists would be carried out this financial year at an estimated cost of £750k to £1m.

The remainder of the budget would be spent on resurfacing works in line with the priority listing in the Plan. It was anticipated that the budget would enable resurfacing to roads scoring a total of 270 points or above this financial year on the

Plan. Those roads that did not receive works this year would be reviewed for next year's Plan.

The total budget available to deliver this year's programme of works identified in the Plan was £2.507m for 2019/20 compared to a budget of £2.436m to complete all resurfacing works in 2018/19.

In considering the report, the following discussion took place:

<b>Question</b>	<b>Officer Response</b>
The resurfacing work currently being undertaken on the Llantwit Major road needed to be inspected.	This would be checked.
Gas works on Colcot Road appeared to be going on for longer than anticipated.	An enquiry would be made.
What was the value of third party claims made against the Council?	This was difficult to put into figures as the amount would vary from year to year. Information would be provided to Members.
Clarity as to why 13 of the 62 Micro-asphalt treatment works were located in Dinas Powys?	Assessment of roads was based on the condition of the surface upon inspection and also on the best course of treatment available.
It would be useful for the Committee to undertake site visits to the highway works that had been highlighted by Members.	These were completed last year and visits would be arranged.
In the Officers opinion had the condition of the road network in the Vale improved?	Difficult to answer as this was dependent on the level of investment available. Looking over the past 5 to 10 years, there had been a large investment by the Council assisted through local government borrowing. Over the past 3 years, it had been identified that £2m was required annually to maintain roads. This amount had been met and so improvement to the road network had been observed. However, if investment was to fall below the £2m, then it would not be very long before roads deteriorated. At the moment, the position was moving forward positively.
Had further consideration been given to the idea of reinvestment through local government borrowing schemes?	This would be taken away and considered.

The Cabinet Member for Neighbourhood Services and Transport, with permission to speak, stated that in terms of roads, an important consideration was the need to respond to the recent 'climate emergency' declared by Welsh Government. The

Cabinet Member explained that he was somewhat reluctant to promote road expansion and take on further borrowing unless it was combined with a programme to improve active travel. Furthermore, the Executive Leader and Cabinet Member for Performance and Resources with permission speak, stated that borrowing would be looked into but it was important to recognise that the Council would already be 'stretched' by the extensive programme of works, so it was vital to see how much capacity remained.

In addition the Operational Manager reiterated that an amount of £2m annually was needed to maintain the roads to a 'steady standard'. He explained that in terms of borrowing, he attended County Surveyors Society Wales meetings, which as an organisation had lobbied Welsh Government for further funding. As a result Welsh Government had set aside an additional £2.5m, so they had responded to concerns.

The Committee also requested for a report to be provided outlining the impact of severe weather on roads over a period of several years.

Subsequently, it was

RECOMMENDED –

- (1) T H A T the contents of the revised Highway Maintenance 3 year Resurfacing Plan 2019 to 2022 attached at Appendix A be noted and endorsed.
- (2) T H A T a report be provided detailing the impact on the road network following severe adverse weather over a period of several years.

Reasons for recommendations

- (1) Having regard to the Highway Maintenance 3 year Resurfacing Plan 2019 to 2022 attached at Appendix A.
- (2) In order to assess the impact on the road network following several years of severe adverse weather conditions.

185 PROPOSALS FOR A STRATEGIC DEVELOPMENT PLAN (SDP) FOR THE CARDIFF CAPITAL REGION (REF) –

Cabinet, on 15<sup>th</sup> July, 2019 had endorsed proposals to prepare a Strategic Development Plan (SDP) for the Cardiff Capital Region. The SDP had been referred to the Scrutiny Committee for its consideration.

The Operational Manager for Planning and Building Control presented the report which highlighted that the decision to proceed with an SDP required endorsement from all ten Councils in the region prior to submission to Welsh Government. A summary report was therefore being presented to each of the ten relevant Councils over the coming months.

The report outlined that an SDP was a regional level Development Plan that sat above a Local Development Plan (LDP) and below the Welsh Government National Development Framework. The SDP provided a strategic framework for LDPs to be prepared at a more local level. A statutory SDP provided certainty to developers, investors and communities that key strategic decisions around housing, transport, employment and infrastructure provision were being taken at an appropriate regional level, whilst still allowing key decisions on planning proposals to be taken locally through LDP allocations and policies and thereafter in developmental management decisions.

The report identified some key issues for consideration around the preparation of the SDP, in particular defining the Strategic Planning Area Boundary, governance arrangements, scope, content and Plan period.

The process required identification of a Responsible Authority to submit the proposal to Welsh Government, and it was recommended that the Vale of Glamorgan Council should take this role.

The preparation and adoption of the SDP was undertaken by a Strategic Planning Panel, with representatives from every Local Planning Authority within the boundary having a weighted vote. This was detailed in paragraph 2.13 of the report. It was recommended that the Cabinet Member for Education and Regeneration should represent the Vale of Glamorgan Council on the Panel.

Members noted that if all Councils agreed to proceed, a proposal would be submitted to Welsh Government, who would prepare appropriate regulations and the work on the preparation of the SDP would commence.

In relation to the formation of the Strategic Planning Panel, made up of one Member per Authority, a Committee Member expressed concern around the lack of representation for certain political groups. He stated that it would be better if the Panel was made up of 23 Members has had been previously suggested. The Member also had concern with the weighting of votes apportioned to some Local Authorities.

Another Committee Member queried why the same voting weighting methodology for the Cardiff City Deal Regional Cabinet had not been used. The Member added that Welsh Government had set targets for the number of houses to be built, and so when it came to new developments in the Vale, then the Council would not have control and could be 'outvoted'. In response, the Operational Manager stated that the governance arrangements were different for the SDP as it related to the specific use of land. For some Authorities, and using Cardiff as an example, the weighting of votes had been agreed as Cardiff had a greater population. Similarly, Monmouthshire had been granted additional votes as it was geographically a large area. In terms of future economic growth and new developments, the Operational Manager stated a key point was that over recent years most new housing schemes in the region had been seen in the Vale of Glamorgan. The SDP was therefore recognised as the best opportunity to spread developments and economic growth across the region and for other parts to have their fair share. If the SDP was not implemented, then it was likely that the Vale of Glamorgan would be required to

undertake a joint Local Development Plan with a neighbouring Authority, which would make it even more difficult to control the number of large scale developments in the Vale.

A number of Committee Members considered it more appropriate that the weighting of votes should be one vote per Authority, and a motion was put forward to reflect this. The motion having been seconded and voted upon was not carried.

Concerns were further expressed regarding the loss of local control following a possible increase in demand for housing developments in the Vale of Glamorgan. Concern was also expressed with the apparent difficulty that House Builders were experiencing in selling homes recently built. The Deputy Leader and Cabinet Member for Education and Regeneration with permission to speak, explained that the SDP was a strategic plan on a regional basis. The purpose of the SDP was to try and increase economic growth where it was most needed. The Cabinet Member added that the City Deal was a positive development and she welcomed the 'gender balance' that had been achieved for the Strategic Planning Panel. She explained that this provided an opportunity for the 10 Local Authorities to work together and so could not be 'thrown away'.

The Executive Leader and Cabinet Member for Performance & Resources with permission to speak, reiterated that the weighting of votes had been based on population and geographical area so there was a balance to reach. The Leader emphasised that the SDP would encourage developers to look at areas north of the M4 motorway, and this would lead to Local Authorities working together that would be coupled with the Transport Plan and the Metro. The whole strategy was aimed at creating habitats in Valley communities that would lead to economic growth and further developments in those areas. The Leader reiterated that without an SDP, a joint LDP with a neighbouring Authority would be required. The Committee also noted that updates on progress would be provided to the Scrutiny Committee as well as to the City Deal's Joint Scrutiny Committee.

With regard to the impact on the status of the Council's Local Development Plan (LDP), the Operational Manager stated that all planning related decisions had to be taken in accordance with the SDP. The LDP had to be closely aligned to the SDP, and both would have to be based on the same evidence, but would be looking at things from a different level and focus. She added that the timing for the Vale was appropriate as the LDP would run until 2026, and so from then, the SDP would provide a 'clear steer' on areas such as housing need and new settlements.

Subsequently, it was

**RECOMMENDED – T H A T** the content of the report be noted.

#### Reason for recommendation

To update Members on progress made.

186 PENARTH CARDIFF BARRAGE SUSTAINABLE TRANSPORT CORRIDOR  
WELTAG STAGE ONE AND STAGE TWO UPDATE (REF) –

On the 15<sup>th</sup> July 2019, Cabinet and been provided with an update on progress of the WelTAG Stage One Penarth Cardiff Barrage Sustainable Transport Corridor Study.

The draft WelTAG Stage One Strategic Outline Case had been received from Capita and identified five options for Stage One appraisal encompassing:

- Option 1 – Active travel proposals for Penarth within the Vale of Glamorgan's Active Travel Integrated Network Map;
- Option 2 – Bus Park & Ride and sustainable transport links across Cardiff Barrage;
- Option 3 – Multi-modal sustainable transport interchange;
- Option 4 – Opening Cardiff Barrage to private vehicles during peak periods;  
and
- Option 5 – Do Minimum.

Following completion of the Stage One appraisal, the report subsequently made the following recommendations:

That OPTION 1 be progressed for further appraisal at WelTAG Stage Two.
That OPTION 2 be progressed for further appraisal at WelTAG Stage Two.
That OPTION 3 be taken forward to WelTAG Stage Two appraisal in conjunction with Transport for Wales.
It is recommended that OPTION 4 is not taken forward to WelTAG Stage Two due to their likely negative impact on many policy objectives, the study objectives and on many economic, environmental, social and cultural criteria.
Although OPTION 5 did not perform well in the appraisal, is recommended that the “Do Minimum” option be progressed to WelTAG Stage Two to provide the baseline against which the recommended options will be assessed.

Cabinet, following consideration the report, noted the contents and had endorsed the progression of the WelTAG studies for the Penarth Cardiff Barrage Sustainable Transport Corridor to WelTAG Stage Two, subject to consideration by the Scrutiny Committee.

A Committee Member queried whether the Council was in favour of a route around the Penarth Headland Link. In reply, the Executive Leader and Cabinet Member for Performance and Resources with permission to speak, stated that at the moment the Council was at the feasibility phase. The Headland Link was a scheme that had been raised a few years ago, but it would be good if this was included as part of the Coastal Path.

In relation to this, a Member stated that the cost benefit for the Headland Link 'did not look good', and he queried whether this could have any impact on schemes relating to Dinas Powys. In response, the Group Manager Transport Services stated that any new Headland Link proposal would need to be considered through the WelTAG process. In terms of schemes for Dinas Powys, the Officer advised that funding had been made available to improve bridges in the area which was linked to active travel.

Having considered the report, it was

**RECOMMENDED - T H A T** progress made on the Penarth Cardiff Barrage Sustainable Transport Corridor WelTAG Stage One Study relating to improving sustainable connectivity through the corridor between Penarth and Cardiff Barrage be noted.

Reason for recommendation

To update Members on progress made on the scheme.

187 CLOSURE OF ACCOUNTS 2018/19 (DEH) –

The Principal Accountant presented the report which informed Members of the provisional financial position of the Council for the 2018/19 financial year.

Members were advised that for the year end revenue position, there was an adverse variance of £89k after net transfers from reserves of £1.648m. A revenue savings target of £1.0298m was set for 2018/19, however savings of £277k (27%) were actually identified in year.

Neighbourhood Services and Transportation – Adverse variance of £92k

There had been adverse variances across the service of £2.885m. The Neighbourhood Services staff budgets had an adverse variance of £976k, mainly resulting from the resources required for waste collection. The Waste Collection Service had had to incur additional resources due to the downtime involved in travelling to Cardiff to dispose of waste and recent service changes which introduced the two black bag limit for residual waste. There had also been additional staff resources employed as Waste Wardens to assist residents in the change in waste collection. There had also been additional employee resources required at Barry Island due to the popularity of the resort during the period of good weather last summer. Also due to the recent restructure within Neighbourhood Services redundancy costs had been incurred in the financial year. Transport costs had an adverse variance of £204k which was mainly due to the increased cost of the fleet of food waste vehicles. Several of the original food waste vehicles were purchased via grants from Welsh Government and now these vehicles were being renewed there was an additional cost to the budget. There was also an adverse variance of £516k on the Supplies and Services budgets mainly due to the increased cost of the recycling treatment contract since China had made a decision to reject elements of mixed recycling. External income had an adverse variance of £37k which was due

to lower than anticipated income from the bulky collection service as a result of a reduced level of demand. The planned drawdown from reserves for Big Fill and Patching was £294k less than budgeted. Transport costs had an adverse variance of £87k which was mainly due to the increased cost of winter maintenance vehicles. Internal income budgets for the Engineering department had an adverse variance of £330k which was mainly due to the Highways Construction team undertaking less work than anticipated on capital schemes. There was also an adverse variance of £20k for security costs incurred at car parks as planned reductions in security had not occurred.

Transportation Employee costs had an adverse variance of £22k mainly due to redundancy costs and there were other non-staffing adverse variances of £24k.

The Civil Protection budget had a £5k adverse variance at year end.

£370k of the savings target budget for 2018/19 was not allocated to services and savings were not identified in the year to offset this target.

There had been favourable variances across the service of £1.198m. There had been a number of vacant posts within the service which had led to a favourable variance of £168k against the Engineering staff budget. There had been a favourable variance of £411k from external income which was mainly due to additional income being received via the Highway Development Service. There had been a favourable variance of £232k against the Highways repair budgets mainly due to lower than anticipated highway patching costs. There had also been a favourable variance of income from other departments of £212k.

Transportation had a favourable variance of £175k relating to external income mainly due to increased S106 income utilised, grant income and additional funding received from other Authorities for cross boundary bus routes.

There were transfers from reserves of £1.595m to cover adverse variances. There were transfers from the Neighbourhood Services reserve of £745k which was a sum that had previously been set aside to offset the known pressures within the Waste Service. £370k was used to cover the known shortfall in the savings target and £167k was used to fund in year redundancy costs. £313k was transferred from the Winter Maintenance reserves to cover additional costs.

There was a planned transfer of £501k from the Neighbourhood Services reserve for Big Fill and Patching. £330k had been transferred from the Neighbourhood Services reserve to the ICF Capital Fund. This was because grant income was received in 2018/19 which was used to displace capital expenditure and the drawdown from the Neighbourhood Services reserve to finance capital expenditure was therefore reduced by this sum and had become available to transfer to this new reserve.

**Building Services – Favourable variance of £3k**

The Building Services trading unit had a turnover of £5.2m and made a surplus of £2k. The Building Cleaning and Security trading unit had a turnover of £2.7m making a surplus of £9k. In addition the Courier Service made a surplus of £2k.



The Building Services Twin Hat function had a favourable variance of £45k at year end. This was mainly due to underspends against transport budgets and general supplies and services budgets.

All of the above were offset by a £55k transfer to the Building Services Reserve to fund the ongoing costs of apprentices within the area. This was after a planned transfer from reserves of £15k towards the costs of apprentices in 2018/19 and £13k towards the purchase of vehicles within Building Cleaning and Security.

#### Regeneration – Breakeven

There had been a number of adverse variances totalling £162k. £60k related to the Cosmeston Country Park income budget as it was not possible to achieve the proposed target for car parking fees. Planned drawdowns from reserves totalling £86k were not made as there were underspends elsewhere in the Division. There were also various smaller adverse variances totalling £16k.

There were favourable variances totalling £182k. £28k additional customer receipts were generated in the Country Parks Division, due in part to a good summer season last year and additional filming income. There were also favourable variances of £30k on the various workshop facilities budgets, managed by the Division, as income exceeded targets and premises costs were lower than anticipated. The Major Project Managers exceeded their income target by £44k as a higher than anticipated level of their work was rechargeable. The Landscape Team also exceeded their income target by £45k for the same reason. Several drawdowns from reserves (listed below) actually exceeded the planned amounts, by some £35k.

This position allowed a transfer of £20k to the Regeneration Fund.

During the year, there was a planned drawdown from reserves of £207k. £42k of the Regeneration and Planning reserve was used as matchfunding for the Rural Development Programme and £28k was used from the Regeneration Fund. As in previous years, the budget also included a planned drawdown from reserves of £137k for Vale-wide events, including Christmas 2018.

#### Development Management – Breakeven

There was an adverse variance totalling £151k of which £134k related to Development Control income. Though workload remained high, some of the application types received did not generate the expected fees. In addition, a contribution to capital outlay of £17k for a new Building Control vehicle was also made during the year.

There had been a number of favourable variances during the year totalling £277k. There was a favourable variance of £45k relating to Building Regulation fee income as applications had once again been high in 2018/19. In addition, Planning Performance Agreement income of £30k was received during the year and pre-application planning fees showed a £20k favourable variance. As the anticipated annual monitoring review of the Local Development Plan (LDP) would not be

required until Autumn 2019 this resulted in a £40k favourable variance. Staff vacancies / secondment income during the year resulted in a favourable variance of £24k, in part due to the use of planning students to backfill vacancies. A concerted effort to reduce expenditure on supplies and services within Development Control, predicting the reduction in planning fees, resulted in a £32k favourable variance. Secondment income and other staff recharges yielded the Policy Division an extra £13k. There were also other small favourable variances totalling £23k. The sum of £50k was also drawn down from the Building Control reserve for the year relating to the Trading Account.

This favourable position allowed £126k to be transferred into the LDP reserve.

### Trading Operations

The Trading Organisations referred to in this section were made up of Building Maintenance, Caretaking and Security and Building Cleaning and Courier.

The provisional figures for the Trading Services showed an overall gross surplus of £58k. The details are shown below:

	<b>Building Mtce £000</b>	<b>Building Cleaning £000</b>	<b>Caretaking and Security £000</b>	<b>Courier £000</b>	<b>Total £000</b>
(Surplus)/ Deficit	(2)	68	(77)	(2)	(13)
			Plus: Building Maintenance Twin Hat SURPLUS		(45)   (58)

Council, on 28<sup>th</sup> February, 2018 (Minute No. 745) agreed the Authority's capital budget for 2018/19.

Attached at Appendix 2 to the report was a breakdown of the 2018/19 Capital Programme by scheme. The overall outturn for this Committee was a variance of £4.460m. The main variances are detailed below.

### Boverton Flooding – Slippage of £791k

Extremely competitive tender submissions, together with careful management, control and mitigation of contract risks during construction period resulted in the final outturn construction costs being significantly less than originally budgeted. However the final account was in the process of being agreed and it had therefore been requested that £791k be carried forward to finalise the account.

### Llanmaes Flooding – Slippage of £534k

The Phase 1 element of this scheme comprised construction of downstream flood attenuation bund which was completed in 2018/19. The project was still ongoing

with significant Phase 2 element progressing which would incorporate the design, procurement and construction of flood alleviation works within and above Llanmaes village. It had therefore been requested that £534k be carried forward into 2019/20 to fund these works.

#### Waste Grant – Slippage £3.075m

While the full value of this grant was contractually committed prior to 31<sup>st</sup> March, 2019, not all items were received by that date. For example, the orders for new waste vehicles were placed prior to the year end however due to a long build time the vehicles were not delivered until the new financial year. It had therefore been requested that £3.075m be carried forward into 2019/20.

#### Five Mile Lane – Variance of £2.701m

Expenditure had been incurred ahead of the previously forecast target and it had been requested that £2.701m be carried back into 2018/19 from 2019/2020. The programme remained on track for completion in summer 2019. This change had been agreed with Welsh Government.

#### Barry Regeneration Partnership – Favourable variance of £312k with slippage of £309k.

A budget of £234k was required as match funding for the Barry Town Centre Gateway Regeneration Project, which was identified in the Cardiff Capital Region: Regional Regeneration Plan 2018-2021 as a Targeted Regeneration Investment (TRI) Strategic Project. Welsh Government guidance for TRI states that the applicant / Local Authority was required to cover at least 30% of the project's total cost. £25k was required to complete the final phase of the ongoing works relating to the demolition of the former canteen. The remaining works (subject to planning) included the installation of fencing and bollards to secure the site and surfacing of the slab area. £3k was required for project management recharges associated with the delivery of the TRI Thematic Grant Programme (2019/20-2020/21) for Barry Town Centre. A further report would be presented to Cabinet before the recess. The report would cover the acceptance of the funding award; Service Level Agreement with the Local Authority; project governance; and budget management arrangements. £28k was required for complex master planning and land development regeneration project that was steadily being worked up. £4k was required to provide project design and development technical support for regeneration projects particularly relating to Barry Town Centre Gateway scheme. £15k was required for Eastern Approach Cardiff Road Gateway improvements. This work was to be slipped into 2019/20 in order for new signage design to incorporate the new style guidelines being developed in the Barry design toolkit being prepared through the HLF "Thinking Places" project. The design work was now nearing completion which would allow this work to be implemented. It had therefore been requested that £309k be carried forward into 2019/20.

#### Penarth Heights Public Art – Slippage of £314k

This was across a range of projects, some were on target but others had been delayed. The proposed Highway Scheme at Plassey Street – Windsor Road had changed in terms of preferred option and the makerspace scheme at Penarth Library was awaiting listed building approval. It had therefore been requested that £314k be carried forward into 2019/20 to allow the works to be undertaken.

Attached at Appendix 3 to the report was a schedule showing the Committee's reserves as at 31<sup>st</sup> March, 2019.

The condition of the roads in the Vale of Glamorgan was an important issue to the Council. £300k was set aside in the Neighbourhood Services reserve for additional road and pavement resurfacing works in 2019/20 as part of the Final Revenue Budget Proposals report in February 2019. The Council had committed funding for the Big Fill initiative until 31<sup>st</sup> March, 2020. There were still further works to be carried out across the Vale and therefore £350k had been transferred into the Neighbourhood Services reserve to allow the Big Fill initiative to continue into 2020/21 and this would be part of the revenue budget.

Neighbourhood Services had large financial pressures and savings targets to achieve. It was anticipated that in the near future the reserve would reduce to an unacceptable level and therefore it was proposed that this reserve be increased by £520k.

The Events reserve had also been increased by £200k.

There had also been transfers into reserves for reimbursements from services for works where the initial cost was funded from that specific reserve e.g. Vehicle Repairs and Renewals and the Energy Management Fund.

The Chairman highlighted that there was a large number of capital schemes which had slipped into 2019/20. Further to this, a Committee Member raised concern that flood scheme for Llanmaes had been delayed, and he requested an update. The Director of Environment and Housing stated that the scheme was progressing, but there had been a delay around the level that the road needed to be raised to. The Director advised that the funding for the scheme was still there, but the scheme required 'fine tuning' and further assessment by Natural Resources Wales (NRW). Contractors would be on site this year, and a meeting with the Community Council had been arranged for September in order to provide an update.

A Committee Member referred to paragraph 2.5, and an adverse variance of £516k on the Supplies and Services budgets mainly due to the increased cost of the recycling treatment contract since China had made a decision to reject elements of mixed recycling. The Member queried whether the Council was satisfied that material was being dealt with properly. In reply, the Director of Environment and Housing stated that no materials were now being sent to China, but some was sent overseas to other Asian markets and this issue was why it was important for the Council to follow the Welsh Government's 'Blue Print'. The Vale was planning to operate on the basis of a 'circular economy', with all material remaining in the U.K, which was in line with 'Blue Print', and was why source separation of waste material

was being introduced. The Director highlighted that the cost of recycling had increased due to diminishing markets and the Council had a moral duty to ensure that recycling was carried out properly.

In response to a query regarding slipped capital expenditure at Court Road car park, the Operational Manager Engineering explained that there had been issues of vandalism at the car park over several years. Staff had therefore been required to be on site to make it safe. In order to meet savings, a review had been carried out to look at ways to reduce security costs by installing security cameras. It had however, been deemed that this was impractical as cameras would not be able to monitor the entire car park, so security staff were retained and hence the capital had not been spent.

With regard to the three bridges in Dinas Powys, the Operational Manager Engineering clarified that the Directorate had struggled with resources to manage these schemes but this had now been resolved. In relation to the School site, NRW and other bodies had been consulted on the design works, and it had been hoped contractors would begin work over the summer holidays, but this was not practical as it could not be guaranteed that all the works, which including obtaining the relevant permissions from utility companies, may not have been completed within the holiday period, therefore the works had been put back further. For the Murchfield Bridge, the design phase had been complicated by the need to consult with the football club of when works could begin as the fields would be used during the summer holidays. Therefore, further negotiation of when works could start was required. In relation to the third bridge at Cross Common, the Committee noted that works would start this calendar year.

Having considered the report, it was

**RECOMMENDED – T H A T** the provisional financial position and the measures taken and proposed for the financial year 2018/19 be noted.

#### Reason for recommendation

To make Members aware of the provisional financial position and actions that have been taken.

#### 188 REVENUE AND CAPITAL MONITORING FOR THE PERIOD 1<sup>ST</sup> APRIL TO 31<sup>ST</sup> MAY 2019 (DEH) –

The Principal Accountant presented the report, the purpose of which was to advise of the progress relating to revenue and capital expenditure for the period 1<sup>st</sup> April to 31<sup>st</sup> May, 2019.

Even though it was early in the financial year, the service was anticipating an adverse variance by year end and would not achieve its savings target in full this year.

Directorate/Service	2019/20	2019/20	Variance
	Original Budget	Projected	(+)Favourable (-) Adverse
	£000	£000	£000
Neighbourhood & Transport Services	25,443	26,443	(1,000)
Unplanned use of reserves to fund overspend	0	(1,000)	+1,000
Building Services	0	0	0
Regeneration	2,057	2,057	0
Development Management	967	967	0
<b>Total</b>	<b>28,467</b>	<b>28,467</b>	<b>0</b>

Neighbourhood Services and Transport was currently projected to have an adverse variance of £1m against the 2019/20 budget. The savings target for 2019/20 was £932k. Plans for saving this amount were underway and being continually monitored however several of the proposed savings had a long lead in time therefore it was currently projected that only around half of the savings would be found in 2019/20.

Within the Waste Collection Service it was anticipated that there would be an adverse variance of around £450k. There was still pressure on employee and transport budgets due to downtime involved in travelling to Cardiff to dispose of waste. Cowbridge was currently being used as a temporary transfer station for elements of recycling material with the aim of reducing this downtime however additional resource was still being utilised. The planned future service changes to the waste collection service were likely to require further resource in the initial period of service change. There was also pressure on the budget due to the high price currently being paid to treat co-mingled recycling. The price had increased steadily over the last couple of years since China banned elements of recycling such as plastic into the country. Preparations were ongoing to enable the rollout of a kerbside sort method of recycling. It was anticipated that this would reduce the costs currently being spent on treating recycling however the rollout would be phased from around Autumn 2019 therefore the full benefit would not be achieved in 2019/20.

There was also currently a pressure of around £100k on the staffing budget at Barry Island. Due to the popularity of the resort additional resources had been utilised to maintain the expected cleanliness standards of the beach and promenade.

The Directorate was being requested to look at ways of mitigating a projected overspend however, it was anticipated that reserves would have to be utilised to balance this budget in the current financial year.

Regeneration – This budget covered the Countryside, Economic Development and Tourism and Events functions. Although the forecast was shown as a balanced budget at year-end, there remained concern over the income targets for car parking charges and commercial opportunities within the Countryside Division, where there were historic savings targets that may not be able to be achieved this year. Efforts would again be made to achieve a balanced budget at year-end, but the situation would be closely monitored.

Development Management – Fee income was currently slightly ahead of target as a number of major applications had recently been received. In addition, staff movement had meant a slight underspend on staff costs. The Division was also continuing to pursue the use of Planning Performance Agreements and other income generation such as pre-planning application advice to help support the regulatory process. At this early stage of the year it was anticipated that the budget would outturn on target.

As part of the Final Revenue Budget Proposals for 2019/20, a savings target of £1.076m was set for this Committee. Attached at Appendix 1 to the report was a statement detailing all savings targets for 2019/20. Neighbourhood Services and Transport were projecting that they would achieve around half of their saving target. Updates on progress would be provided to Members during the year.

Appendix 2 to the report detailed financial progress on the Capital Programme as at 31<sup>st</sup> May, 2019.

Members were advised that Appendix 2 to the report included requests for unspent committed expenditure to be slipped from the 2018/19 Capital Programme into 2019/20 as approved by Emergency Powers on 20<sup>th</sup> June, 2019.

Waste Collection Blueprint – The Welsh Government had provided the Council with a £2.8m grant to introduce the collections blue print service throughout the Vale of Glamorgan. This grant had been included in the 2019/20 Capital Programme and a further report would be brought to Cabinet in September outlining details of this scheme.

Local Transport Fund – The Vale of Glamorgan Council had been awarded a £1.150m Welsh Government grant for 2019/20. The purpose of the grant was to enable ongoing studies into the development proposals for a new road linking the M4 and A48 and a new park and ride at Junction 34 and the Cardiff-Vale Coastal Transport Network scheme. It had been requested that the 2019/20 Capital Programme be increased by £1.150m.

Local Transport Network Fund – The Vale of Glamorgan Council had been awarded a £105k Welsh Government grant for 2019/20. The purpose of the grant was for the improvement and upgrading works at bus stops along the A48 Strategic Corridor. It had been requested that the 2019/20 Capital Programme be increased by £105k.

Safe Routes in Communities – The Vale of Glamorgan Council had been awarded a £114k Welsh Government grant for 2019/20. The purpose of the grant was to support capital schemes that contributed to the Welsh Government's objectives to improve accessibility and safety and encourage walking and cycling in communities. It had been requested that the 2019/20 Capital Programme be increased by £114k.

Road Safety Capital – The Vale of Glamorgan Council had been awarded a £125k Welsh Government grant for 2019/20. The purpose of the grant was to support schemes and projects that contributed to the Welsh Government objective to reduce

casualties on Welsh roads. It had been requested that the 2019/20 Capital Programme be increased by £125k.

Active Travel Fund – The Vale of Glamorgan Council had been awarded a £282k Welsh Government grant for 2019/20. The purpose of the grant was to increase levels of active travel, improve health and wellbeing, improve air quality, reduce carbon emissions, connect communities and improve active travel access to employment, education and key services, destinations and public transport. It had been requested that the 2019/20 Capital Programme be increased by £282k.

S106 Old Penarthians RFC Changing Rooms - A £15k allocation of community facilities S106 funding has been approved, under delegated authority, to assist the Old Penarthians RFC to refurbish their changing rooms and shower area in their clubhouse.

Penarth Heights Sustainable Transport - To progress with the implementation of a new gateway into Penarth, with improvements for walking, cycling and public transport, a delegated authority has been approved with a value of £1.1m of s106 funding.

The Chairman commented that it was very timely for the Council to follow the Welsh Government's 'Blue Print' around recycling. The Chairman therefore suggested that it would be useful for the Committee to undertake a site visit to the temporary waste transfer station that had been set up in Cowbridge. Later on, this would be replicated on a bigger scale at a site located on the Atlantic Trading Estate. The Director commented that a site visit would be arranged, and a recycling lorry made available.

The Director then referred to actions that were underway to address challenges around waste recycling. The Director outlined that some of the key issues were outside the direct control of the Council, referring to the fact that many waste recycling companies had left Wales and moved to England as there were limited markets for them here as many Welsh authorities were pursuing source separated waste arrangements. The Director reiterated previous comments made in relation to the importance of following Welsh Government's 'Blue Print', which provided statutory guidance. As a result, a purpose built site, supported by Welsh Government funding, was being constructed at the Atlantic Trading Estate which should be operational in 12 - 18 months' time. In the meantime, and to cover the rural part of the Vale which generally had a higher recycling compliance rate, a temporary site had been developed in Cowbridge. The Director added that to improve recycling, a letter to all residents across the Vale would be sent out over the following 10 days, advising not to use plastic bags when putting out recycling and reminding residents that the Vale's recycling containers were free. In addition, and for the introduction of source separation collections, the Council would be holding 6 weeks intensive communications with residents, advising them that there would be 4 types of recycling containers to put out. Later on, following the initial introduction in the rural Vale, source separation would be rolled out to Barry and then to Penarth. At the time of the Penarth area commencing all collections would be sent to the purpose built facility at the Atlantic Trading Estate, and the Cowbridge site would no longer be used.



The Director advised that the cost of transporting recycled material had increased, so it was now more cost effective for the Council to process and sell the materials itself. In addition, there was a greater risk of recycling contamination, due to the increased use of plastic bags to hold recycling so the Council was looking at removing these from the waste stream altogether. Despite the pressures, the Director highlighted that according to the Wales Local Government Association, around the cost per household to collect waste, the Vale was still third or fourth lowest cost in Wales, and recycling performance was still far better than many authorities. In closing, he surmised that waste recycling was improving and going forward the Council should be able to capture new markets.

In terms of savings, the Director explained that since 2015, the Directorate had achieved £8m in savings. For 2019/20 a further target of £932k had been set, on top of savings of £377k brought forward from 2018/19. The Director summarised actions being undertaken to meet the savings targets. These included:

- £180k through School Transport for non-fare paying passengers;
- £97k from Single Use Sports facilities;
- £100k for Car Parking charges;
- £50k for Internal Waste;
- £36k following a review of Passenger Transport, which would be challenging as this was based on demand for free school transport; and
- £600k from the Reshaping Services programme, made up of savings such as grass-cutting, marketing of South Lodge in Penarth, Bus shelter sponsorship, Public Toilets, School Crossing patrols, Traffic Management and post-16 transport.

The Director therefore reassured the Committee that plans were in place to recover the budget position for 2019/20, but he reminded members that unfortunately tough decisions had to be made.

A Committee Member queried whether instances of 'fly-tipping' had increased following introduction of the two black bag rule. The Director confirmed that instances had increased, although this was not as high as had initially been envisioned. A bigger issue was the problem of cross contamination of recycling material, which would be addressed through removing plastic bags from the waste stream and increased enforcement. The Director also advised that it had been recognised that greater public awareness raising of recycling contamination was necessary.

With regard to the burning of waste material as fuel, the Director clarified that some material was more readily recyclable than others. Some plastics would end up being burned as fuel as there was currently no market for it. It was hoped that the new waste recycling arrangements would improve the situation and Welsh Government would be asked to lobby businesses to use locally sourced materials to support the circular economy principle.

In relation to traffic speed restriction zones, a Committee Member suggested that it would be of benefit to the public if the results of traffic surveys could be published

on-line. The Director commented that this would be considered as the Council needed to provide greater information digitally. In addition, the Director outlined that the Council needed to ensure that enforcement was targeted in a better way.

Subsequently, it was

RECOMMENDED –

- (1) T H A T the position with regard to the 2019/20 revenue and capital budgets be noted.
- (2) T H A T a site visit be undertaken to Waste Recycling Transfer facility in Cowbridge.

Reason for recommendation

- (1) So that Members are aware of the projected revenue outturn for 2019/20.
- (2) So that the Scrutiny Committee can observe the working operations of a Waste Recycling Transfer facility.

189 END OF YEAR 2018/19 PERFORMANCE REPORT: AN ENVIRONMENTALLY RESPONSIBLE AND PROSPEROUS VALE (MD) –

The Director of Environment and Housing presented the report, the purpose of which was to present end of year performance results for the period 1<sup>st</sup> April, 2018 to 31<sup>st</sup> March, 2019 for the Corporate Plan Well-being Outcome 2, An Environmentally Responsible and Prosperous Vale. The report also included an update of progress in addressing recommendations and improvement proposals from the Council's external regulators.

The performance report presented the Council's progress at Quarter 4 (1<sup>st</sup> April, 2018 to 31<sup>st</sup> March, 2019) towards achieving our Corporate Plan Well-being Outcomes for Year 3 of the Corporate Plan 2016-20 as aligned to Well-being Outcome 2, "An environmentally responsible and prosperous Vale". It also outlined progress against existing regulatory recommendations and improvement proposals in response to local and national audit work undertaken by the Wales Audit Office.

Overall, good progress had been made in delivering our Corporate Plan priorities in relation to the Well-being Outcome 2 Objectives of, "Promoting regeneration, economic growth employment" and "promoting sustainable development and protecting our environment". This had contributed to an overall Amber status for the Outcome at Quarter 4.

84% (59) of planned activities aligned to "An environmentally responsible and prosperous Vale" had been attributed a Green performance status reflecting the good progress made during the year. 16% (11) of planned actions aligned to this Well-being Outcome had been attributed a Red status. There was a need to progress a number projects as priority including the Cardiff Airport and St. Athan

Enterprise Zone Development (ER001); feasibility studies to get buses over the Cardiff Bay Barrage (ER003); bus, cycling and walking improvements at Cardiff and Barry Roads, Dinas Powys (ER005); structural and access improvements in Dinas Powys (ER009); the national cycling network route 88 (ER012); projects associated with the Council's Carbon Management Plan (ER015); and various schemes to minimise the risk and impact of flooding to Vale residents (ER018).

Of the 46 performance measures aligned to this Well-being Outcome, a performance status was applicable at end of year for 27 PIs. 18 PIs were attributed a Green performance status, a further three achieved Amber status with the remaining six attributed a Red performance status. The PIs categorised as Red (missed target by more than 10%) related to: reported fly tipping incidents which lead to enforcement activity (CPM/016); mileage undertaken by the Council pool car fleet (CPM/151); planning decisions made contrary to officer recommendation (CPM/023); resident satisfaction with cleanliness standards (CPM/031); the value of investment levered into the Council that was dedicated to transport improvement schemes (CPM/161) and the percentage change in carbon dioxide emissions in the Council's non-domestic public building stock (CPM/153). A performance status was not applicable for 19 measures. This related to measures which were either establishing baseline performance in 2018/19 and consequently no target was set or were national well-being indicators for which Welsh Government data was not yet available.

As at April 2019, of the 28 regulatory report actions contained within the Insight tracker, 19 had been completed and nine remained ongoing. Of the nine ongoing actions, six had been attributed an Amber performance status and the remaining three a Red status. There were no regulatory reviews that related directly to Well-being Outcome 2.

The report sought Elected Members' consideration of Quarter 4 performance results as aligned to Well-being Outcome 2 and the proposed remedial actions to address areas of identified underperformance. Upon consideration, the Scrutiny Committee was recommended to refer their views and any recommendations to Cabinet for their consideration.

The Director in summary, stated that generally performance was positive and actions with a Red RAG status were being progressed.

Having considered the report, it was

#### RECOMMENDED –

(1) T H A T performance results and progress towards achieving key outcomes in line with the Corporate Plan Well-being Outcome 2 – “The Vale of Glamorgan has a strong and sustainable economy and the local environment is safeguarded for present and future generations” be noted.

(2) T H A T progress made to date in addressing existing regulatory recommendations and improvement proposals arising from local and national Local Government Studies be noted and the removal of completed actions from the Insight Tracker be endorsed.

Reasons for recommendations

(1) To ensure the Council is effectively assessing its performance in line with the requirement to secure continuous improvement as outlined in the Local Government Measure (Wales) 2009 and reflecting the requirement of the Well-being of Future Generations (Wales) Act 2015 that it maximises its contribution to achieving the well-being goals for Wales.

(2) To ensure the Council implements its regulatory recommendations and improvement proposals and responds appropriately to the recommendations and proposals for improvement identified through the Wales Audit Office's programme of local and national Local Government Studies.