

## **MINUTES**

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### **CABINET MEETING: 16 JULY 2015**

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Cabinet Members Present:	Councillor Phil Bale (in the Chair) Councillor Sue Lent Councillor Peter Bradbury Councillor Dan De'Ath Councillor Bob Derbyshire (Min No 28-38) Councillor Graham Hinchey Councillor Susan Elsmore Councillor Sarah Merry Councillor Ramesh Patel
Observers:	Councillor Neil McEvoy (Min No 28-37) Councillor Dianne Rees Councillor Judith Woodman (Min No 28-38)
Officers:	Paul Orders, Chief Executive Christine Salter, for Section 151 Officer Marie Rosenthal, County Solicitor Joanne Watkins, Cabinet Office

28 : MINUTES OF THE CABINET MEETING HELD ON 2 JULY 2015

**RESOLVED:** that the minutes of the meeting held on 2 July 2015 be approved

29 : LIBRARY SERVICES IN ROATH/ADAMSDOWN

The Cabinet considered the proposals for the delivery of sustainable library services in Roath and Adamsdown, which had been informed by the Libraries strategy and the condition assessment of the current Library building in Roath. Given the condition of Roath Library building it was proposed that it be advertised for Community Asset Transfer with the condition that bids from organisation would include a revised library services as per the Libraries Strategy. Further it was proposed that officers work to develop longer term options for a Community Partnership Hub in a potential building in the Adamsdown/ Plasnewydd area.

**RESOLVED:** that it be agreed that

1. The condition of the Roath Library building means that alternative temporary provision needs to be delivered in the area and that paragraphs 23 to 27 of the report are implemented.
2. The existing building be advertised for Community Asset Transfer with the condition that a bid from an organisation will provide revised library services as

per the Libraries Strategy. Acceptance of a preferred bid shall be undertaken by the Director of Economic Development in consultation with the Director of Communities, Housing & Customer Services

3. Alternative permanent options should be explored to mitigate the risk that no Community Asset Transfer solution can be found.
4. In the event that no Community Asset Transfer solution is found, a future Cabinet Report be required for the long term library provision in the area.

### 30 : BUDGET STRATEGY 2016/17 AND THE MEDIUM TERM

The Cabinet considered the budget strategy for 2016/17 which outlined the financial strategy required to meet the continued significant financial challenges facing the Council in the medium term. It was noted that the policies, budget assumptions and tools that underpin the Budget Strategy are critical in moving the Council forward on a financially sustainable basis and ongoing monitoring of the Council's financial resilience would be key in managing risks.

#### **RESOLVED:** that

- (1) the Framework for the savings targets on which this Budget Strategy report is based including the use of a targeted approach to meeting the Budget Reduction Requirement both in 2016/17 and across the period of the Medium Term Financial Plan.
- (2) directorates work with the relevant Portfolio Cabinet Member, in consultation with the Corporate Resources Director and Cabinet Member for Corporate Services and Performance Management to identify potential savings to meet the indicative budget gap of £47.378 million for 2016/17 and £116.908 million across the period of the Medium Term Financial Plan.
- (3) relevant bodies who raise precepts and levies on the Council be formally contacted to request that funding reductions are also fed into these settlements which should be in line with those it is expected that Welsh Government will impose in respect of local authority funding.
- (4) Authority be delegated to the Corporate Resources Director in consultation with the Cabinet Member for Corporate Services and Performance Management to identify an alternative budget gap requirement upon further clarification being provided by the Welsh Government in respect of funding.
- (5) the Corporate Resources Director in consultation with the Cabinet Member for Corporate Services and Performance Management be delegated authority to amend the Budget Strategy, once the budget savings proposals have been reviewed, if this amendment does not significantly depart from the underlying principles. Any requirement to significantly depart from the underlying principles would require a further Budget Strategy Report to Cabinet.
- (6) the Council seeks expressions of interest from officers in respect of the voluntary severance scheme based on the current scheme.

- (7) To note that the Leader will write to the Welsh Government, the Secretary of State for Wales and the Welsh Local Government Association to express his concern of the continued impact on the Council and the delivery of its services as a result of continued Welsh Government funding scenarios which are real terms cuts and fail to keep pace with the significant financial pressures that the Council is facing
- (8) It be agreed that Council be recommended to agree that the Budget Timetable Framework set out in Appendix 2 be adopted and that the work outlined is progressed with a view to informing budget preparation.

### 31 : AN UPDATE ON THE ORGANISATIONAL DEVELOPMENT PROGRAMME

Cabinet received an update on progress with the Organisational Development Programme together with details of proposed future steps. It was reports that the ODP had been reshaped to build on progress over the last twelve months with a renewed focus on projects and initiatives that would help to improve the performance of key statutory services but also strengthen financial resilience by moving the Council towards a new organisational model that drives down the cost of transactional services and deploys resources across directorates to more effectively address complex issues. It was proposed that the next phase of the ODP would focus sharply on a smaller number of priorities. In particular, it would seek to move the Council away from its current approach to service delivery towards a new Target Operating Model to ensure that the activity of the Council is aligned as a “whole system” to meet customer demand in the most effective way, joining up interventions with partners where it makes sense to do so from the customer’s viewpoint, and including communities in developing co-operative solutions to meet identified local need outside of statutory provision.

**RESOLVED:** that

- 1) the report be noted
- 2) the future direction of the Organisational Development Programme as set out in the report be agreed
- 3) the Chief Executive be authorised, in consultation with the Leader and Cabinet Member for Corporate Services and Performance, to progress the delivery of the Organisational Development Programme;
- 4) the consolidation of ODP project activity under the “Make the Difference” brand to enable the effective communication of key issues across the organisation be agreed

### 32 : CORPORATE ASSET MANAGEMENT PLAN

The Corporate Asset Management plan was received. It was proposed that the plan would act as the implementation vehicle for the Corporate Property Strategy, and would be produced annually. It included key data relating to the council’s property estate and set out a summary of the objectives for the forthcoming year, a review of

the state of the council estate, a brief analysis as to what was achieved over the past 12 months, and a summary of what will be done over the forthcoming year.

**RESOLVED:** that the 2015/16 Corporate Asset Management Plan (Appendix A to this report) be approved

33 : FORMER LANDSCAPE DEPOT & GREENHILL SCHOOL SITES,  
RHIWBINA, CARDIFF

*Appendix 2 to this report is not for publication as it contains exempt information of the description in Paragraph 14 of Part 4 of Schedule 12A of the Local Government Act 1972.*

A report seeking agreement to pursue, in principle, the relocation and provision of a modern equivalent replacement special school for Greenhill Special school on a suitable location to be facilitated by the comprehensive development of the combined sites of Greenhill school site and the land adjacent to it.

**RESOLVED:** that

1. in principle the relocation and provision of a modern equivalent replacement special school facilitated by the disposal of the combined sites A and B outlined in Appendix 1 to the report be approved
2. authority be delegated to the Director of Economic Development in consultation with the Director of Education and Lifelong Learning and Cabinet Member for Corporate Services and Performance to seek Expressions of Interest from the open market for the disposal of the land marked A & B in Appendix 1 and the provision of a replacement Greenhill School on the basis of the details outlined in this report and to report back on the proposal for a replacement school.

34 : REVIEW OF PARTNERSHIP FOR CHANGE AGREEMENT .

A report outlining progress on the Partnership for Change agreement with the Trade Unions was received. It was noted that the Partnership for Change agreement had provided the groundwork for future changes and that there was a need to embrace the modernisation agenda given the continuing financial constraints.

**RESOLVED:** that

1. the progress made as part of the Partnership for Change Agreement with the Trade Unions be acknowledged
2. the continuation of the Joint Partnership Board in its current form as a forum for discussion, communication and consultation be endorsed.

3. the need for the future approach to focus on improving productivity, managing performance and maximising attendance & wellbeing be endorsed
4. the continuing commitment to work in partnership with the Trade Unions in seeking to achieve a balanced budget for 2016/17 be confirmed

### 35 : INFRASTRUCTURE SERVICES - ALTERNATIVE DELIVERY MODELS

The Cabinet received a report outlining the outcomes of the Outline Business Case undertaken to evaluate the short list of alternative delivery models approved by Cabinet on 20 November 2014. The report also contained details of the stakeholder engagement including with residents, trade unions, staff and Members. Details of Scrutiny's findings were reported verbally to the meeting together with the Cabinet Member's conclusions on those findings. The Cabinet noted the Scrutiny request that consideration of the item be deferred.

**RESOLVED:** that

1. the content of this report and the Outline Business Case, attached in Appendix 1, be approved
2. the conclusion of the report that the most appropriate future delivery model for the services in scope is a Wholly Owned Company (Teckal) be agreed;
3. the establishment of a Full Business Case and Shadow Board to govern the company establishment be agreed and authority delegated to the Chief Executive to work with the Leader of the Council and the Cabinet Member for the Environment to define the appointments of the Directors and Non Executive Directors to the Shadow Board;
4. the completion of a Full Business Case for the Wholly Owned Company model and also the Modified In-House Model be agreed and the findings be reported back to Cabinet early in 2016 together with recommendations as appropriate regarding:
  - a) The detailed financial analysis for delivering a full range of efficiency and income benefits against cost complete with sensitivity analysis.
  - b) The appropriate legal vehicle for the proposed trading company, for example, a company limited by shares or by guarantee;
  - c) The proposed governance of the company, including possible alternatives for the composition of the company Board;
  - d) The proposed contractual arrangements between the Council and the proposed company, in particular, what company matters would be 'reserved' and require Council approval prior to implementation, and also performance management of the contract;

- e) The proposed arrangements between the Council and the company regarding the provision of support services, for example, the provision of HR, Finance, Commissioning and Procurement, and ICT services;
  - f) Opportunities for increasing external trading and local market analysis;
  - g) Whether or not it would be appropriate to remove some services currently in scope due to robust business alternatives and reasoning, or parts thereof due to strategy setting roles, and whether some other services should be included at this stage or set out phases in the following year(s);
  - h) Requirements in relation to the proposed transfer of staff to the new company in accordance with the Transfer of Undertakings (Protection of Employment) Regulations 2006 as amended;
  - i) Financial implications in respect of pensions, day to day management of the Wholly Owned Trading company, and taxation;
  - j) The transfer of relevant assets, for example, relevant accommodation, vehicles and equipment, and;
  - k) The initial investment required to fully establish the proposed Wholly Owned Company.
5. the allocation of resources as identified in paragraph 68 of this report for the completion of Recommendations 3 and 4 above be approved and authority delegated to the Chief Executive in consultation with the Cabinet Member for Corporate Services and Performance and the Corporate Director Resources to authorise amendments to these resources as necessary for the satisfactory completion of the Full Business Case, and;
6. consultation commence on and thereafter implement the saving opportunities identified for the Modified In-house and Wholly Owned Company Trading options to allow the financial benefits to be achieved within the timescales identified.

### 36 : NEW HOUSEHOLD WASTE RECYCLING CENTRE AND REUSE FACILITY

The Cabinet considered a report outlining recommendations for the future provision of Household Waste Recycling centres in Cardiff. Given the budget decision to reduce the number of sites to two larger sites by 2015/16 the report outlined an assessment of the options and consultation undertaken for providing one of these sites at either Lamby Way or Wedal Road. Furthermore the report contained details of proposals to implement seasonal hours and proof of residency at HWRCs to assist with achieving savings. It was also proposed that a third party operator for a reuse facility.

**RESOLVED:** that

1. the location of the new larger HWRC at the Lamby Way Depot in Rumney be approved.
2. It be noted that the closure of the existing Wedal Road HWRC's will take place up on completion of the new HWRC at Lamby Way and that the delivery timescales for recommendations 1 and 2 will be April 2016.
3. the implementation of seasonal hours by November 2015 and the immediate implementation of the proof of residency for resident access to the Household Waste Recycling Centres be approved
4. Approve the charging approach to non Cardiff residents and identified commercial operators to reduce treatment and disposal costs.
5. a third party operator be sought for the delivery of a Re Use Facility and authority delegated to the Director City Operations and Corporate Director Resources in consultation with the Members for Environment and Corporate Services & Performance to deal with all matters (including all ancillary matters) associated with the process (including the strategy, evaluation and weightings) up to and including award of contract.

#### 37 : HOUSING PARTNERSHIP PROGRAMME - UPDATE ON PROCUREMENT

The Cabinet received an update on progress to appoint a Partner Developer to deliver the Housing Partnership Programme. The report also contained the final list of development sites for inclusion within the programme and set out the requirements under the Local Government Act 1972 and the Planning Act for the appropriation of sites for planning purposes including the requirement to dispose of land for best consideration and the need to advertise a proposed appropriation or disposal of public open space.

#### **RESOLVED:**

1. that the current position with regards to procurement of a partner Developer for the Housing Partnership Programme be noted
2. the appropriation of Housing Partnership Programme development sites to "planning purposes" (under Section 227 of the Town & Country Planning Act 1990) due to land not being required for its present purpose during the development period and following completed construction works to appropriate the Council housing back into the Housing Revenue Account be approved.
3. publication of the proposed appropriations to "planning purposes" and the proposed disposals at best consideration, relating to any open space affected by the proposals, in a local newspaper on two consecutive weeks be authorised
4. authority be delegated to the Director of Communities, Housing & Customer Services in consultation with the Cabinet Member for Health, Housing & Wellbeing to carry out the detailed processes relating to appropriation and disposals of land which are described in the body of the report.

38 : UPDATE ON THE COUNCIL'S ENERGY PROGRAMME

The Cabinet considered a report containing a progress report on the implementation of the Council's energy strategy including proposals for a review of the next phase of delivery given the financial position faced by the Council.

**RESOLVED:** that

- (1) progress to date be noted
- (2) a review of the Council's strategic energy projects, guided by the delivery mechanisms set out in this report be agreed
- (3) Cardiff engage with Welsh Government's Green Growth Fund and the associated Local Partnerships support package to inform and support the emerging strategy and delivery programme.
- (4) an options appraisal be undertaken to identify the most appropriate vehicle to deliver and operate a district heat network and deliver the Council's renewable energy goals, and a report on the findings of this work to be brought back to Cabinet.

The meeting terminated at Time Not Specified