

RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL

CORPORATE SERVICES SCRUTINY COMMITTEE

MINUTES of the meeting of the Corporate Services Scrutiny Committee held at the County Borough Council Offices, The Pavilions, Cambrian Park, Clydach Vale, on Thursday, 10th April 2014 at 4.00 pm.

Present:

County Borough Councillor G Stacey – in the Chair

County Borough Councillors:

S Carter	(Mrs) J Cass	W J David
M A Norris	(Mrs) J S Ward	P Wasley
R Yeo		

Members in attendance:

County Borough Councillor (Mrs) T Bates

Officers:

Mr P Nicholls – Principal Solicitor
Ms J Cook – Director of Regeneration & Planning
Mr P Griffiths – Service Director, Performance & Improvement
Mr N Jones – Service Director, Operational Finance
Ms S Davies – Head of Financial Reporting
Ms Ann Edwards – Scrutiny Support Officer

43. APOLOGIES

Apologies for absence were received from County Borough H Boggis, (Mrs) M E Davies, S Lloyd, (Mrs) M Tegg, E Webster and D W Weeks.

44. WELCOME

The Chairman welcomed everyone to the meeting and introduced officers.

45. DECLARATIONS OF INTEREST

RESOLVED to note that in accordance with the Members' Code of Conduct, there were no declarations of personal interest in relation to the agenda.

46. MINUTES

RESOLVED that the minutes of the meeting of the Corporate Services Scrutiny Committee held on the 11th March 2014 be approved as a correct record.

REPORT OF THE GROUP DIRECTOR, CORPORATE SERVICES

47. THE OUTCOME AGREEMENT BETWEEN THE WELSH GOVERNMENT AND RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL (2013/14 TO 2015/16)

The Service Director, Performance & Improvement reported on the Outcome Agreement between the Welsh Government and the Council for the period 2013/14 to 2015/16, which had been agreed by Cabinet on the 19th March, 2014.

The Service Director, Performance & Improvement highlighted the main points of the report, in particular that the maximum funding available to the Council through the Welsh Government's Outcome Agreement revenue grant was £2.5m per year explaining that this was based on performance results.

Members were advised that to ensure the effective management of outcome agreement performance, updates would be incorporated into the existing performance reporting arrangements and be subject to review and challenge by the Council's scrutiny committees to help improve outcomes in the five strategic themes selected. It was explained that of the five outcome themes identified by the Council, one would be aligned to the Corporate Services Scrutiny Committee for review, namely Growth and Sustainable Jobs.

Following consideration of the report it was **RESOLVED** to:-

- (i) Note the content of the report;
- (ii) Endorse the proposed allocation of the outcome agreement strategic theme of Growth and Sustainable Jobs to the Corporate Services Scrutiny Committee for the period of the agreement.

REPORTS OF THE DIRECTOR OF LEGAL AND DEMOCRATIC SERVICES

48. PROPOSED SCRUTINY PROCESS OF THE CORPORATE PLAN 2014/15

The Principal Solicitor reported on the proposed scrutiny arrangements for the production of the Council's 2014/15 Corporate Plan.

Members were advised of the duties placed on Local Authorities to make arrangements to secure continuous improvement through the Local Government (Wales) Measure 2009 and the requirements to publish their improvement objectives annually, in the form of 'Wales Programme for Improvement action plans' which would be incorporated into the Council's Corporate Plan. It was explained that this would need to be published in June and the Annual delivery report, assessing progress against improvement objectives, would be published in October of each year.

Members were informed that previously there had only been officer involvement in the development of the action plans. Therefore, to further

strengthen existing arrangements, it was proposed that scrutiny working groups be established to scrutinise each of the WPI action plans. It was intended that the findings of these working groups would be reported to the Overview & Scrutiny Committee, before the Corporate Plan is endorsed by Council in June, prior to the statutory deadline of the 30th June 2014. It was also proposed that the appropriate Cabinet member be invited to attend each of the working group meetings.

The Principal Solicitor advised Members of the draft timetable and pointed out the commitment which would be required by the working group members as it was intended for these working groups to follow the process through to assess progress against improvement priorities at the Annual Delivery Report stage in the summer/autumn 2015.

RESOLVED:

- (i) To approve the proposed process and timescales, as set out in the report;
- (ii) Establish a working group of the Corporate Services Scrutiny Committee to consider the action plan in relation to physical and social regeneration.

49. **EXCEPTION REPORT – COUNCIL PERFORMAMCE REPORT – 31ST DECEMBER 2013 (QUARTER 3)**

The Service Director, Performance and Improvement presented Members with the Exception Report which outlined the financial and performance management information for the Corporate Services Group and Chief Executive's Division for the period to 31st December 2013. Members were asked to consider the key issues extracted from the main report that had been presented to the Cabinet Performance and Resources Committee on the 19th March 2014, which included details in relation to the revenue and capital budgets, Treasury Management position, overall performance indicator results and operational performance in terms of the Wales Programme for Improvement action plan Regeneration of our Communities: Physical Regeneration. With regard to capital funding received by way of the Welsh Government Collaboration Fund he explained that a presentation had been delivered to the Education and Lifelong Learning Scrutiny Committee on the use of the grant to support the 'ICT enabled Schools, Transformation Programme' and it was agreed that Members would be provided with a copy of the presentation for information.

With reference to Town Centre enhancement a Member raised the issue of attracting another food retailer to the former Co-operative unit in Taff Street.

The Director of Regeneration and Planning explained the difficulties in trying to influence retailers who had their own commercial business plans. She added that whilst she appreciated that there were some vacant shops within the town centre, it was important for the service to focus on areas of work where they could have a positive influence. Vacancy rates in Pontypridd and Aberdare compare favourably with the national averages.

A Member referred to page 68 of the report and the positive performance in bringing 3,320 square metres of floor space back into use in Aberdare and Pontypridd town centres. She asked how much had been utilised so far.

The Director of Regeneration and Planning reported that take-up had been good across Aberdare and Pontypridd with perhaps Aberdare being slightly better. The occupancy rate was now around 80% and was expected to increase which was positive news for the town centres.

The Member commented that Aberdare did seem to be more vibrant now and suggested that the construction of the new school was helping the regeneration. The Director of Regeneration and Planning confirmed that town centres benefitted from a variety of usage.

A Member questioned progress in relation to the Lido restoration project and the Director of Regeneration and Planning reported that the detailed design stage was complete and that a contractor had just been appointed.

A Member was pleased to note the reduction in sickness absence and asked whether there were any plans to enhance the current sickness policy.

The Service Director, Performance and Improvement indicated that the Council's policies are kept under on-going review to ensure they remain fit for purpose and that this will be the case for the sickness policy.

A Member asked for an explanation in relation to the indicator measuring the percentage of carbon dioxide emissions from the 100 largest non-domestic Council buildings and was informed that the information would be sought and reported back at a later date.

A Member pointed to the slight drop in the recovery of Housing Benefit overpayments and asked whether it was getting more difficult to recoup the money.

The Service Director of Operational Finance explained that the recovery of Housing Benefit was always the hardest debt to recover. He explained that last year's quarter 3 figure had been inflated by the recovery of a large overpayment hence the comparative drop. However, he informed the Committee that the collection figure for quarter 4 of 2013/14 represented an improvement compared to 2012/13.

A Member referred to page 72 of the report and the lack of targets for several of the indicators. He commented that he could understand why there were no set targets but asked the Director of Regeneration and Planning if she was satisfied with what had been achieved so far.

The Director of Regeneration and Planning explained that targets had not been set as the measures were not something which the service could control. Whilst they could encourage and support businesses, the take up of grants was dependent on the ability of the business to invest themselves to

match fund, or simply having the business confidence to expand. She explained that rather than trying to set targets it was the case of considering the information on an annual basis and reflecting on previous year's outcomes.

A Member referred to the complexities of the Vibrant and Viable Places application and asked if confirmation had now been received for the second stage.

The Director of Regeneration and Planning explained that the matter had been complicated by the Welsh Government's decision to allocate funding to additional bids which meant the share of the money was less and therefore the submission had needed to be revised. She explained that the revised programme had now been forwarded to the Welsh Government, and she hoped that they would be able to confirm the programme with no further delay.

A Member asked if there was an early indication as to whether the businesses in Pontypridd Town Centre will support the Business Improvement District initiative.

The Director of Regeneration and Planning explained that Business Improvement Districts (BID) had not previously been set up across Wales. She indicated that Swansea and Merthyr Tydfil had established BIDs now and the Council's Cabinet had agreed to the submission of an application for a BID, in respect of Pontypridd Town centre in November 2013. She reported that they had discussed the potential of developing a BID with around 70 businesses to date and had received a positive reaction from 80% of these. She explained that the process would require a great deal of effort in terms of setting up a BID and collecting the levy. However, the first step was to gauge the response which so far appeared to be positive.

The Member commented that he was pleased to see the positive reaction from businesses.

A Member raised a question with regard to the Community Infrastructure Levy and the infrastructure costs.

The Director of Regeneration and Planning reported that she would obtain the details and inform Members.

RESOLVED: to note the content of the report.

REPORT OF THE GROUP DIRECTOR, CORPORATE SERVICES

50. TREASURY MANAGEMENT 2014/15 STRATEGY

The Head of Financial Reporting presented the Committee with a detailed report on the Treasury Management Strategy for 2014/15; the Investment Strategy for 2014/15; Prudential and Treasury Indicators for 2013/14 (actuals

to January 2014) and 2014/15, 2015/16 and 2016/17; and the Minimum Revenue Provision (MRP) Policy Statement, which had previously been presented to Council on 26th March 2014. She highlighted the continued low risk investment strategy adopted by the Council and reported that there would be continued monitoring of the interest rate environment. The Prudential Indicators would be monitored throughout the financial year with details reported to Members as part of the Council's quarterly performance reporting framework and reporting to scrutiny as required by the CIPFA Treasury Management Code of Practice .

The Head of Financial Reporting informed the Committee that the contract to provide treasury management advice to the Council had been awarded to Arlingclose Ltd. The contract is for 3 years with the option for a 2 year extension.

With regard to the Council's investment with the Icelandic Heritable Bank it was reported that it was unlikely that the Council would receive any further material dividend to add to the £2.829M received. Members were also informed that the £1m set aside to support the Local Authority Mortgage Scheme had been fully allocated and 65 mortgages had been provided through the scheme.

A Member referred to the previous local authority mortgage scheme operated by Rhondda Borough Council and asked whether there was any likelihood of the Rhondda Cynon Taf Council becoming a mortgage provider.

The Head of Financial Reporting explained that she was not aware of any intention to introduce such a scheme although she was aware that there were still a few longstanding mortgages in existence.

G Stacey
Chairman

The meeting closed at 17:05.