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MONMOUTHSHIRE COUNTY COUNCIL

Minutes of the meeting of County Council held
Thursday, 18th January, 2018 at 2.00 pm

PRESENT: County Councillor M. Powell (Chairman)
County Councillor P. Clarke (Vice Chairman)

County Councillors: D. Batrouni, D. Blakebrough, V. Smith, D. Dovey, A. Easson, D. Evans, P.A. Fox, R.J.W. Greenland, L. Guppy, R. Harris, J. Higginson, G. Howard, S. Howarth, D. Jones, P. Jones, S. Jones, P. Jordan, P. Murphy, B. Strong, A. Watts, A. Webb, K. Williams, J.Becker, A.Davies, M.Feakins, M.Groucutt, R.John, L.Jones, J.Pratt, R.Roden, T.Thomas and S. Woodhouse

OFFICERS IN ATTENDANCE:

Paul Matthews	Chief Executive
Kellie Beirne	Chief Officer, Enterprise
Peter Davies	Chief Officer, Resources
Will McLean	Chief Officer for Children and Young People
Robert Tranter	Head of Legal Services & Monitoring Officer
Nicola Perry	Senior Democracy Officer
Claire Marchant	Chief Officer Social Care, Health & Housing

APOLOGIES:

County Councillors R. Edwards, S.B. Jones, F. Taylor, L.Brown, L.Dymock, M.Lane, J.Treharne and J.Watkins

2. Declarations of interest

County Councillor A. Watts declared a personal, non-prejudicial interest in relation to agenda item 9 as a family member is an out-patient of ABUHB Chepstow.

County Councillor L. Guppy declared a personal, non-prejudicial interest in agenda item 9 as an employee of ABUHB.

3. Chairman's announcement and receipt of petitions

Council received the Chairmans announcemnet.

There were no petitions.

County Councillor P. Murphy issued a statement regarding the recent insolvency of Carillion Plc:

Council will be aware as a result of the extensive press coverage this week that Carillion Plc entered into insolvency along with several of its subsidiary companies in the group. We understand all companies will continue to operate, providing continuity of public services until further notice. However it is less clear at this stage how this will impact on the company's supply chain and the wider ramifications for the wider private and public sector in the UK.

Monmouthshire County Council is unaffected directly at this stage by the announcement but recognises that the announcement has wide-reaching implications for the public sector. Most

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public services have been largely unaffected so far, as services were often subcontracted to smaller suppliers or in some cases held in partnership with other large contractors. We sympathise with those public sector organisations that have been or will be affected by Carillion's insolvency. The County Council does not hold any contracts with Carillion Plc or any of its subsidiaries. We also have no future schemes planned with them.

We appreciate the private sector will be feeling the impact as well, and it's a difficult time across the board. Over the coming weeks and months we expect there will be more clarity on what this announcement means in reality as the impact on the supply chain is better understood. The Authority is continuing to access its wider networks to obtain further insight and information. Welsh Government are working closely with the Cabinet Office to assess Carillion's coverage across the public sector. The National Procurement Service are undertaking research to better understand supply chain impacts. However, available information is both limited and speculative at the moment.

The Authority welcomes early dialogue with companies in Carillion's supply chain who are adversely affected and who may have difficulty honouring any current or future commitments to the Authority.

The press speculation this week has also focused on Interserve Plc, who's subsidiary Interserve Construction Limited are contracted to build Monmouth and Caldicot comprehensive schools. Interserve Plc reported additional costs to its investors last September as a result of it quitting the energy-for-waste sector which consequently led to a slump in its share price after warning that it would breach bank loan covenants. This saw the company issuing profit warnings. The banks have subsequently reorganised the company's debts and the company has also since announced the awards of significant contracts. The company's balance sheet has since improved.

The Authority has a parent company guarantee with Interserve Plc in place for the two school builds. The Authority has also had reassurances from Interserve's Directors that all is good and that the company has the right strategic plan in place to move forward.

We watch the press on a regular basis to observe market information and activity. We monitor valuations, the programme of work and listen to sub-contractors around payment and getting paid and signs of the construction programme slipping. None of this has been evident to date and officers advise of no current concerns.

Whilst there always remains a risk this is seen as minimal now to the whole project. Caldicot School is in defect period and the Authority has enough retention to cover liabilities if Interserve walked away. Monmouth is less advanced as we know. We have just under 7 months on site left, the main frame is complete, the building is nearly watertight so it will shortly become a fit out project in a couple of months and at which point and upon any failure by Interserve to honour the contract could be taken on by others.

The Cabinet Office issued a statement this week to highlight that the situation with Carillion and Interserve are not comparable and resulting from speculation that it was monitoring Interserve. It said "We monitor the financial health of all of our strategic suppliers, including Interserve. We are in regular discussions with all these companies regarding their financial position. We do not believe that any of our strategic suppliers are in a comparable position to Carillion."

Interserve itself also looked to reassure the market in response to reports that the Cabinet Office was monitoring the company.

It said: "Last week we announced that we expect our 2017 performance to be in-line with expectations outlined in October and that our transformation plan is expected to deliver £40m-

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£50m benefit by 2020. This remains the case and we expect our 2018 operating profit to be ahead of current market expectations and we continue to have constructive discussions with lenders over longer-term funding."

The Authority is continuing to actively monitor the situation, both in respect of the fallout from Carillion's insolvency and Interserve's ongoing financial standing.

County Councillor Howarth requested that the Leader write to the Minister to ask what safeguards he can provide regarding the project from Brynmawr to Tredegar, as Carillion were the contractor for that section of carriageway, and is now a concern for residents of Llanelly Hill ward.

4. Public open forum

There were no matters for the public open forum.

5. To confirm the minutes of the meeting held on 14th December 2017

The minutes of the meeting held on 14th December were confirmed as an accurate record and signed by the Chair.

6. To receive the minutes of the Public Service Board meeting held on 8th November 2017

Council received and moved the minutes of the PSB meeting held on 8th November 2017.

7. To receive the action list of the meeting held on 14th December 2017

Council received the action list of the meeting held on 14th December 2018.

Councillor Howarth expressed dismay that representation from this Council at Monmouthshire Housing Association are unable to refer to issues raised by Council. He asked that Councillors are provided with a briefing list of responsibilities on Outside Bodies, and what can be expected of them in that role. The Chief Executive Officer agreed to issue a note on this to provide clarity. He added that members can approach Monmouthshire Housing officers directly for ward based issues.

Councillor Batrouni noted that the action group relating to period poverty had met since last Council and now has an action plan in place.

8. Report of the Chief Officer, Resources:

8.1. Council Tax Reduction Scheme 2018/19

Council received a report the purpose being to present arrangements for the implementation of the Council Tax Reduction Scheme and to approve it for 2018/19 and to affirm that, in the absence of any revisions or amendments, annual uprating amendments will be carried out each year without a requirement to adopt the whole Council Tax Reduction Scheme.

In response to a question we heard that we currently have 5768 current council tax reduction claimants, and 39,000 council tax households. The financial position with regards to council tax

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reduction is that expenditure is just under £6m, and the benefit of 10% meaning a £600,000 loss.

In terms of provision the figures do take into account the potential effect of the roll-out of universal tax credit.

In terms of assurance officers work tirelessly to identify and help those entitled to the reduction

Council resolved to agree the recommendations:

To note the making of the Council Tax Reduction Scheme and Prescribed Requirements (Wales) Regulations ("the Prescribed Requirements Regulations") 2013 by the Welsh Government on 26 November 2013.

To adopt the provisions within the Regulations above ("the Prescribed Requirements Regulations") and any annual uprating regulations in respect of its scheme for the financial year 2018/19 including the discretionary elements previously approved as the Council's local scheme from 1st April 2018

9. ANEURIN BEVAN UNIVERSITY HEALTH BOARD - REDESIGNING MENTAL HEALTH SERVICES FOR OLDER PEOPLE - DRAFT CONSULTATION RESPONSE

The Cabinet Member for Social Care, Safeguarding and Health presented the draft Monmouthshire County Council response to the Aneurin Bevan University Health Board (ABUHB) consultation regarding *Redesigning Mental Health Services for Older People* for approval and submission to ABUHB to meet the deadline for consultation responses of 26th January 2018.

In response to questions the Chief Officer confirmed she was not sighted on discussions around the position of cross border services. In terms of the quality impact assessment, the consultation response refers to the board paper considered by ABUHB which referenced an equality impact assessment being in development rather than completed.

Councillor Easson supported the strong response but felt it should reflect concerns around the needs of Chepstow Hospital, and increasing need of social care.

The Chief Officer advised Members of a steering group to develop a positive future for services in the south of the county, which will also be reflected in Mardy and Monnow Vale. She highlighted the strong history of integrated services within the County.

Councillor Watts drew attention to the problems surrounding transport for dementia patients within the County.

The Chief Executive Officer noted that this had not been discussed at PSB.

Council resolved to agree the recommendation:

That Council endorse the attached draft consultation response (Appendix A) for submission to ABUHB.

10. Notices of motion

There were no notices of motion.

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11. Members questions

11.1. **From County Councillor M. Groucutt to County Councillor B. Jones**
Question deferred.

11.2. **From County Councillor R. Roden to County Councillor R. John**
Please can the Cabinet Member update us on progress of the build at Monmouth Comprehensive School and engagement with the local community?

Councillor John Councillor Roden responded that he was pleased to report that the project is both on time and on budget. The school is due to be complete in September 2018 followed by the demolition and some external works to be completed. The school will provide a flexible and digitally rich learning environment for young people and the staff, and we are confident it will meet the changing needs of education now and going into the future. It will also be a real civic facility for Monmouth and surrounding areas, something that the community and local businesses can also use for their benefit. The building is environmentally friendly with a green excellence rating. 80% of production costs are being to sub-contractors based within a 25 mile radius of the school. As part of the community benefits programme a number of community projects are receiving investment such as the refurbishment of the underpass by the rowing club. There are a number of apprenticeships on site as well as training and work experience for local people. Having two projects, the school and leisure centre, running side by side is extremely challenging. Pays tribute to the teachers and leadership team who have been extremely tolerant. In terms of engagement the 21st Century School Team have a twitter page, facebook account, undertaking regular mail drops to local residents, and a site notice board and a suggestion box. Where possible requests have been actioned. There is a dedicated officer for communications.

As a supplementary Councillor Roden asked what steps are contractors taking to reduce noise and dust?

In response Councillor John that there has been noise from the site and as the work progresses and the building is water tight we would expect the noise in future to be contained within the building. However he expressed gratitude to the local community for their tolerance throughout the build. The construction management plan sets out core hours for working on the building site and allows for certain activities to take place outside those hours if required. This has occurred twice over the last 24 months, and there is no further work in the programme that will require this. An environmental control station on site constantly monitors light control, pollution and noise, providing detailed records. The roads are swept regularly and the main haulage road has been tarmacked.

12. To note the dates of the following meetings:

Council noted the dates of meetings, and resolved that the Council meeting in March would take place on 1st March 2018, at 2pm given the weight of the agenda.

There was some frustration regarding the changing of dates of meetings.

The meeting ended at 3.00 pm

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