

**CABINET**

Minutes of the Cabinet meeting held in the Assembly Rooms, Town Hall, Ruthin on Thursday 25 September 2003 at 10.00 a.m.

**PRESENT**

Councillors P A Dobb, Lead Member for Health and Wellbeing [Chair]; E C Edwards, Lead Member for Safeguarding our Communities; G M Kensler, Lead Member for Promoting Denbighshire; R W Hughes, Lead Member for Lifelong Learning; E A Owens, Lead Member for Finance, J A Smith, Lead Member for Social Inclusion; W R Webb, Lead Member for Property and Asset Management and E W Williams, Lead Member for Economic Wellbeing.

Observers: Councillors K N Hawkins; N Hugh Jones; M M Jones; R E Jones, R J R Jones and C H Williams.

**ALSO PRESENT**

Chief Executive, Financial Controller and the County Clerk.

**APOLOGIES**

Councillors M A German, Lead Member for Sustainable Development and Environment, D M Morris, Lead Member for Communications and the Corporate Director: Resources / Deputy Chief Executive.

**1 URGENT MATTERS**

[i] Part II - Urgent Item 18 Withdrawn.

**2 MINUTES OF THE CABINET [CABINET 2003 - 135]**

The Minutes of the Cabinet meeting held on 9 September 2003 were submitted.

Page 3 - The County Clerk agreed that a copy of the letter from the Auditor be circulated to Cabinet Members as soon as possible.

Item 3 Trunk Road Agency Review: Councillor E C Edwards informed Members that he had attended a meeting of the Trunk Road Agency in place of Councillor M A German, with the Highway Services Manager. Councillor Edwards stressed the need for all the Local Authorities in North Wales to work together. The Authority's response had been sent to the Welsh Assembly Government.

Item 4 Decriminalisation: The Corporate Director: Environment, in response to a query from Councillor P A Dobb, said the application for powers to undertake on-street enforcement would be made when further works had been completed e.g. all signage in place. A draft of it would be discussed with Assembly officials in advance.

Item 6 GM Free Status: The Chief Executive, in response to a query from Members, said update reports would be provided on a 6 monthly basis or sooner if required.

Item 9 Revenue Outturn: Councillor E A Owens alerted Members to the typographical error in the second sentence which should read: "..... recommend to Council to suspend Standing Orders not to carry forward the overspend ..."

Item 10 Revenue Budget Monitoring 2002-2004: Councillor E A Owens said the report on School and College Transport would be available shortly.

Item 16 Update on Mwrog Street Flood Alleviation Scheme: Councillor E C Edwards asked whether the work programme was now available. The Chief Executive responded that although he had not received a copy, the work programme was available and under discussion between officers and contractors. The Chief Executive assured Councillor Edwards that Local Members would be informed of progress as soon as possible and that any further press releases issued would be in line with the work programme. The Chief Executive further agreed to provide the update information for all Cabinet Members.

***RESOLVED*** that subject to the above, the Minutes of the Cabinet meeting held on 22 July 2003 be approved as a correct record and signed by the Deputy Leader .

### **3 CURRENT POSITION IN CHILDREN'S SERVICES [CABINET 2003 - 136]**

Councillor J A Smith presented the report requesting Members' endorsement of the current approach to stabilising Children's Social Services and support for additional short-term measures to address staff shortages. Members were asked to note the potential budget implications of child care social work recruitment / retention for 2004/2005 and that a further report would be made in December 2003.

The Chief Executive said staffing problems were of concern to the Authority and he fully supported the proposals within the report. He said the £62k funding required in the current financial year would have been included as part of the list for funding from the 'windfall' resources which would be subject to a report to the next Cabinet.

Councillor E W Williams said Councillor J Butterfield, Chair of Personal Services Scrutiny asked Cabinet to ensure funding would be made available for the Department.

**RESOLVED** that Members:

*[a] endorse the current approach to stabilising Children's Services as detailed in paragraphs 2.11 to 2.15 of the report*

*[b] approve the allocation of up to £62k from the additional 2003-2004 budget allocation to support additional short term recruitment measures, subject to approval by the Lead Member for Social Inclusion, the Chief Executive and the County Clerk as detailed in paragraph 4a of the report.*

### **4 MANAGING SCHOOL PLACES [CABINET 2003 - 137]**

Councillor R W Hughes referred Members to paragraphs 1.1 and 8.1 - 2.5 should read 2.3.

Councillor R W Hughes presented the report seeking Members' agreement to proceed to formal consultation with schools listed in paragraph 2.3 of the report. Councillor Hughes stressed the report was not designed as a cost cutting measure and she wanted to ensure all pupils in Denbighshire were provided with a good education. She said

the Welsh Assembly Government had agreed in principle to a £9m capital spend for schools in 2005-2010, subject to further detailed discussions with the Authority.

Councillor E W Williams suggested that the Welsh Language Board or Menter Iaith be consulted to ensure no further deterioration in Welsh provision in Denbighshire schools. He also suggested that as most rural schools had no after school clubs, it resulted in some pupils being taken to urban schools for their education. Provision should be made for after school clubs in rural schools wherever possible.

Councillor E A Owens emphasised that managing school places was not a cost cutting exercise. The report detailed how the funding was distributed. The cost per pupil for each school was important and whilst some schools received more, others received less funding. It was apparent that many schools along the coast received less funding and at the same time were in the most deprived areas of the County. The funding disparity needed to be addressed.

Councillor G M Kensler said there was a difference between the urban and rural areas, and not only in economies of scale. With regard to paragraph 4.2, she stressed the importance of education. However, paragraph 4.1 detailed the limited capital maintenance funding available and she suggested a prioritised schedule of works on school buildings be made available by officers as soon as possible. Once produced, no deviation could be made from the schedule without referral to the Asset Management Committee.

Councillor W R Webb reminded Members that often when a rural school closed, the community as a whole suffered. He stressed that the County policy to close schools of less than 30 pupils should be readdressed.

Councillor E W Williams, in response to Councillor E A Owens' statement that the schools listed at the bottom of Appendix 3 were all Rhyl schools and had the lowest cost per pupil, said that also in the list were for example Ysgol Frongoch and St Brigid's Primary who had lower costs per pupil. He said improvement was required on educational quality for all pupils.

The Chief Executive, in reply to a statement from Councillor N Hugh Jones, Chair of Lifelong Learning Scrutiny, agreed the Denbighshire average spend was amongst the lowest of the 22 Authorities and at least £2.6m would be required in the current financial year to bring Denbighshire to the same level as the average in Wales. He also endorsed Councillor E W Williams' comments regarding the Welsh Language and the deleterious effect closure of one school could have on another. It would be necessary to look at the designation of schools if changes were made to the current pattern of provision, in order to protect the language.

Councillor R W Hughes said the Authority had always been committed to the provision of education and not to league tables.

The Corporate Director: Lifelong Learning endorsed the Chief Executive's comments on the Welsh Schools Scheme and noted the findings of the recent Inspection about low funding in Denbighshire schools. Another Inspection was commencing in January 2004 and the statutory requirements would be reported to Cabinet at that time.

Councillor E A Owens reported that a consultant had been engaged to examine in detail the information provided in the national CIPFA statistics and their report was due at the end of November 2003. Councillor Owens said there were anomalies in the statistics as Authorities presented their information in different ways.

The Corporate Director: Environment agreed a schedule of health and safety requirements and building repairs would be provided as soon as possible for all County buildings. The prioritisation would, of necessity, be by means of health and safety.

**RESOLVED** that:

- (a) *subject to the Project Team issues being resolved, Cabinet approves that officers should proceed to formal consultation with Governing Bodies, Headteachers, staff, parents, Diocesan Authorities, Unions, Professional Associations and others as may be appropriate in respect of schools all listed in 2.3 and schools identified by Denbighshire's small schools policy (3.1).*

- (b) *Members prioritise the consultation on the Ruthin / Denbigh rural community of schools, in the 2.3 group (due to the majority of the small schools, under 30, being in that area), and Ysgol Heulfre and Ysgol Gwaenynog in the 2.3 group, due to their size and close proximity.*
- (c) *a progress report is presented to Cabinet in January 2004 on the outcome of the consultation.*

## **5 SPORT AND RECREATION BEST VALUE REVIEW: INITIAL OPTIONS APPRAISAL [CABINET 2003 - 138]**

Councillor G M Kensler welcomed Mr David Hewson, APSE Consultant to the meeting and presented the report seeking Members' agreement of the service delivery options to be selected for further investigation as part of the current Best Value Review of Sport and Recreation Services, as listed in Appendix 2.

Councillor E C Edwards congratulated Councillor Kensler and the officers on the excellent report and said it was long overdue. He said some of the options were worth pursuing and mentioned option 4a was already in operation in Conwy. He felt sports centres and community trusts in the countryside were the way forward.

Councillor E A Owens also congratulated officers on the report and said she looked forward to the next stage. She said she was pleased to see a degree of risk taking included in some of the options.

Councillor R W Hughes said the paper contained much useful information which would help in the eventual decision making. She congratulated officers on the clarity of the report.

The Chief Executive said he and Councillor E W Williams had met with Clwyd Leisure Limited and suggested that theatres should be included as part of option 3 cultural trusts. The Assistant Director: Culture and Leisure said that although invited, Clwyd Leisure Limited had chosen not to attend the Challenge events organised by the Authority. However, theatres would be included in the options.

***RESOLVED** that Members agree further evaluation of the sport and recreation service delivery options as set out in Appendix 2 to the report, subject to the views of the Lifelong Learning Committee.*

## **6 SUMMARY REPORT FOR THE FUTURE OF GREENSPACE MANAGEMENT IN DENBIGHSHIRE [CABINET 2003 - 139]**

The Corporate Director: Environment M A German presented the report seeking Members' approval of the development of a Public Realm Maintenance Unit within the Environment Directorate to manage and maintain amenity areas within the Directorate's current responsibility. Members were also asked to approve the development of and tendering for a public realm contract to be let in 2004 for each of the 4 partnership areas in Denbighshire.

The Corporate Director: Environment referred to paragraph 6.1 and reported that the Green Spaces Review Team had asked that the fourth bullet point in paragraph 4.1 of the report be deleted. The Review Team also asked that "silos" in paragraph 7.1 be replaced with "existing services". The Corporate Director asked that the typographical error in paragraph 8.1 be amended to read "... management of maintenance ...".

The Corporate Director explained that by moving away from traditional contracts and into public realm maintenance, litter removal, street cleaning and green spaces would all be part of the same maintenance team. A joint meeting with all Scrutiny Committees would be convened to discuss the process as it evolved. The Corporate Director responded to a number of queries from Members.

Councillor E W Williams said he was pleased to see the report and particularly the involvement of the Town and Community Councils. However, Councillor G M Kensler disagreed with Councillor Williams and expressed her concern at the complex operation of the 4 partnership areas, particularly in the Central and Southern Areas. She stressed that the same standards would be required for the whole County.

The Corporate Director: Environment agreed a single standard would be set across the County and area partnerships would be involved.

The Chief Executive stressed the need to ensure that local contractors were able to tender for work.

**RESOLVED** that:

*[a] Members agree to the development of a Public Realm Maintenance Unit within the Environment Directorate, to be responsible for the management of maintenance of green spaces and amenity areas within the public realm*

*[b] Members approve the development of and tendering for the public realm contract to be let in 2004 for each of the 4 partnership areas in Denbighshire.*

At this juncture (11.40 a.m) the meeting adjourned for 10 minutes to allow Members to participate in refreshments.

## **7 CONSULTATION ON THE PROPOSED NATIONAL PERFORMANCE FRAMEWORK FOR LOCAL GOVERNMENT IN WALES [CABINET 2003 - 140]**

Councillor E W Williams presented the report seeking Cabinet consideration of the consultation paper on the proposed national performance measurement framework for local government in Wales [Appendix I] and to agree the Authority's response [Appendix II].

Members agreed with the Chief Executive's suggestion that Denbighshire did not expect to have an increase in the number of indicators included in the Authority's response.

**RESOLVED** that *Members having considered the consultation paper [Appendix I] and the briefing paper [Appendix III] agree the Authority's response to the consultation paper as detailed in Appendix II to the report.*

## **8 CORPORATE QUARTERLY PERFORMANCE REPORT [CABINET 2003 - 141]**

Councillor E W Williams presented the report seeking Members' consideration of the Corporate Quarterly Performance Report as



detailed in Appendices I and II attached to the report, and for Members to monitor closely the progress towards target of the statutory performance indicators with a view to considering issues in greater depth if deemed necessary. He said the number of indicators should not be increased. However, indicators should be used to show whether targets were being achieved. He said Denbighshire was the only Authority to provide actual and not estimated figures.

**RESOLVED** that Cabinet note the report and appendices.

## **9 YSGOL PLAS BRONDYFFRYN [CABINET 2003 - 142]**

[Councillor G M Kensler declared an interest in the item.]

Councillor R W Hughes presented the report seeking Members' authorisation for the Lead Member for Lifelong Learning, Lead Member for Finance and the Leader in conjunction with relevant officers to approve in principle the interim partnership agreement with the Brondyffryn Trust, if required, before the Cabinet meeting in October 2003. The final partnership agreement will be presented to Cabinet for endorsement. These Members would also be asked to agree to continue providing interim financial support for the Trust to the end of October 2003.

Members briefly discussed the role of Local Authority school governors.

**RESOLVED** that the Lead Member for Lifelong Learning, the Lead Member for Finance and the Leader in conjunction with relevant officers are authorised to approve the interim partnership agreement in principle with the Brondyffryn Trust, if required, before the Cabinet meeting in October 2003; and to take decisions on providing interim financial support for the Trust to the end of October 2003.

## **10 REVENUE BUDGET MONITORING 2003-2004 [CABINET 2003 - 143]**

Councillor E A Owens presented the report to inform Members that all pressures [as detailed in the Appendices attached to the report] that cannot be offset by compensating savings or income to the Council need to be absorbed by services. Councillor Owens said two budgets

were currently heading for an overspend and it was hoped that a detailed report would be presented to Cabinet in November 2003.

**RESOLVED** that Members note the figures in the Appendices to the report.

## **11 ANNUAL TREASURY REPORT 2002-2003 [CABINET 2003 - 144]**

Councillor E A Owens presented the annual report on the performance of the treasury management function in accordance with the Authority's Treasury Policy Statement. The report detailed previous expectations of the economic climate, the resultant strategy agreed, the actual interest rate performance and the actions undertaken by Council in response. Members were asked to approve the treasury activities undertaken in 2002-2003 as detailed in the appendix to the report.

**RESOLVED** that Cabinet approve the Annual Treasury Report for 2002-2003.

## **12 PART I URGENT ITEMS [CABINET 2003 -145]**

There were no Part I urgent items.

## **QUESTION AND ANSWER SESSION**

No questions had been received.

## **EXCLUSION OF PRESS AND PUBLIC**

**RESOLVED** under Section 100A(4) of the Local Government Act 1972 the Press and Public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in paragraphs 8 and 10 of Part 1 of Schedule 12A of the Local Government Act 1972.

## **PART II**

## **13 DISPOSAL OF MORFA HALL CABINET 2003 - 146]**

Councillor W R Webb presented the report seeking Members' confirmation of the Asset Management Committee recommendation of

03.04.2003 that the area of land comprising part of the present site of Morfa Hall, Rhyl, be sold to the Wales Council for Voluntary Action for the amount stipulated in the report subject to the consent of the Welsh Assembly Government being obtained to such disposal if required.

Authority was also sought for the Council's officers, if considered necessary, to make and implement, at an appropriate stage within the timescale for the proposed sale of the land referred to above, an order under the Road Traffic Regulation Act 1984 varying or revoking [as necessary] The Rhuddlan Borough Council [Off Street Parking Place - Morfa Hall, Church Street, Rhyl] Order 1994.

Agreement was sought for the recommendation to rent additional office space at the former Zurich Building in Prestatyn for up to three years and to relocate the Registrar of Births, Deaths and Marriages facilities from Morfa Hall to alternative suitable accommodation prior to the sale of the building.

Councillor Webb emphasised that the possible sale of Morfa Hall had been ongoing for three years and that its sale to the named buyer would help with the regeneration of Rhyl. He also informed Members that the Chair of Resources Scrutiny had been consulted.

Councillor E C Edwards queried whether the valuation given in the report was from the District Valuer. Councillor W R Webb said as the valuation had been higher than the figure quoted in the report, consent to its sale was being sought from the Welsh Assembly Government.

In response to a query from Councillor J A Smith, the Corporate Director: Personal Services said any new built accommodation would need to include reception facilities and be suitable for staff to work with their various client groups.

Councillor P A Dobb asked whether it was possible to demolish the building and use the land for a new build. In response, the Corporate Director: Environment said the cost of any new build would be the same wherever the site was located. Using the current site would involve demolition costs. He directed Members to paragraph 2.2 of the report which set out the benefits of such a centre on the regeneration of Rhyl.

**RESOLVED** that Cabinet:

- [a] confirms the recommendation of the Asset Management Committee at its meeting on 3 April 2003 that the area of land at Morfa Hall, Rhyl be sold to the Wales Council for Voluntary Action for the amount stipulated in the report at paragraph 1.1 subject to the consent of the Welsh Assembly Government being obtained to such proposed disposal if required.*
- [b] grants authority to the Council's officers, if considered necessary, to make and implement, at an appropriate stage within the timescale for the proposed disposal of the land referred to in paragraph 8.1 of the report, an order under the Road Traffic Regulation Act 1984 varying or revoking (as necessary) The Rhuddlan Borough Council (Off-Street Parking Place - Morfa Hall, Church Street, Rhyl) Order 1994.*
- [c] approve the proposal to rent suitable office space within the former Zurich building in Prestatyn for up to 3 years on terms to be agreed by the County Clerk and the Corporate Director: Environment.*
- [ch] agree to relocate the Registrar of Births, Deaths and Marriages facilities from Morfa Hall to alternative suitable accommodation prior to the sale of the building.*

Councillor P A Dobb voted against the recommendation.

**14 CAPITAL PLAN: COMMUNITY PROJECTS BLOCK ALLOCATION  
[CABINET 2003 - 147]**

Councillor E A Owens presented the report to update Members on progress regarding the Block Allocation and seeking recommendations in respect of new applications as detailed in the appendix to the report. Councillor Owens briefly outlined the 4 types of decision within the report:

Support - capital available immediately

Support in principle - minor items to be clarified in the application but expect once clarification received, funds will be allocated

Defer - major areas of deficiencies in the application, expectation for application to be returned to Cabinet once further detail available

Reject

- Appendix 1 / 1 Agree Support.
- Appendix 1 / 2 Original application amended, now require £3,000 with £47,000 as support in principle
- Appendix 1 / 3 Agree Defer
- Appendix 1 / 4 Agree Support
- Appendix 1 / 5 Agree Support in principle, consider in 2004/2005
- Appendix 1 / 6 Agree Defer
- Appendix 1 / 7 Agree Support
- Appendix 1 / 8 Agree Reject
- Appendix 1 / 9 Agree Support, subject to resolution of issues relating to shared access
- Appendix 1 / 10 Agree Support [Councillor E A Owens declared an interest in the item]
- Appendix 1 / 11 Agree Support subject to partnership agreement being established
- Appendix 1 / 12 Agree Support
- Appendix 1 / 13 Agree Support to maximum of £10,000
- Appendix 1 / 14 Agree Support in principle - if Authority's valuation accepted
- Appendix 1 / 15 Agree Support
- Appendix 1 / 16 Agree Support
- Appendix 1 / 17 Agree Support

***RESOLVED*** that Cabinet approves the individual recommendations for each project detailed in Appendices 1 / 1 to 1 / 17 as set out above. The projects referred to in paragraph 4.2 of the report to proceed immediately with the remaining projects recommended for approval to proceed when the Block Allocation is reinstated with £150k and sufficient capital receipts have been generated enabling £100k to be earmarked for Block Allocation.

**15 SCALA DEVELOPMENT STUDY: APPOINTMENT OF CONSULTANTS [CABINET 2003 - 148]**

Councillor G M Kensler presented the report seeking Cabinet approval to accept a higher tender for the appointment of consultants to undertake the Scala Development Study.

**RESOLVED** that Cabinet accept a higher tender for the employment of consultants to undertake the Scala Development Study.

**16 CYNWYD CAR PARK LAND [CABINET 2003 - 149]**

Councillor E Williams presented the report seeking Cabinet agreement to the use of £7k from the Match Funding Block Allocation section of the Capital Plan to purchase land in Cynwyd to provide a car park for public and local employer use.

**RESOLVED** that Cabinet approve the use of £7k from the Match Funding Block Allocation section of the Capital Plan to purchase land in Cynwyd to provide a car park for public and local employer use, as detailed in the report.

**17 DISPOSAL OF: 1 ST ASAPH, DOLAFON - 2 RHUALLT, PANT IFAN NEWYDD - 3 LLANBEDR DC, RHYDWRIAL [CABINET 2003 - 149]**

Councillor W R Webb presented the report seeking Members' authority to declare Dolafon, St Asaph; Pant Ifan Newydd, Rhuallt and Rhydwrrial, Llanbedr DC surplus to Council requirements and to dispose of on the open market.

Members agreed that capital receipts would be generated in the current financial year if the disposal of the land was by auction and capital expenditure on some of the houses in the Agricultural Estate would be given sympathetic consideration.

**RESOLVED** that Members declare Dolafon, St Asaph; Pant Ifan Newydd, Rhuallt and Rhydwrrial, Llanbedr DC surplus to Council requirements and approve the sale on the open market by auction on terms to be agreed by the Head of Consultancy Services in consultation with the County Clerk.

**18 AGRICULTURAL ESTATE - URGENT CAPITAL EXPENDITURE  
[CABINET 2003 - 150]**

Report withdrawn.

The meeting concluded at 1.00 p.m.

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**AGENDA ITEM NO: 3 [CABINET 2003 - 151]**  
**REPORT TO CABINET**

**CABINET MEMBER: Cllr P Dobb, Lead Member for Health and Wellbeing, Cllr J Smith, Lead Member for Social Inclusion**

**DATE:** 21 October 2003

**SUBJECT: Joint Review Report**

**1 DECISION SOUGHT**

- 1.1 For Cabinet to comment on the implications for the Authority following the presentation by the Joint Review Team of its report finding at Council earlier and to approve the draft action plan for consultation.

N.B. Members are asked to bring their copies of the Council Report, Joint Review Report and the draft action plan.

**2 REASON FOR SEEKING DECISION**

- 2.1 To begin the process of responding to the findings of the joint review and to initiate a consultation process on the draft action plan to enable the Authority to agree a way forward to meet the two month deadline.

Cabinet will be required to approve the final action plan at the end of the consultation period.

**3 POWER TO MAKE THE DECISION**

- 3.1 Section III Local Government Act 1972 [subsidiary powers of Local Authorities].



## **4 COST IMPLICATIONS**

- 4.1 Consultation costs are £5k approximately and will be met from existing budget. The financial implications of the report and action plan will be considered through the normal budget process.

## **5 FINANCIAL CONTROLLER STATEMENT**

- 5.1 Cabinet has agreed an initial additional budget allocation of £500k for service improvements in response to the Joint Review. The position will be further considered as part of the budget setting exercise for 2004/05.

## **6 CONSULTATION CARRIED OUT**

- 6.1 N/A

## **7 IMPLICATIONS ON OTHER POLICY AREAS INCLUDING CORPORATE**

- 7.1 The Joint Review was a review of the way that the Authority corporately discharges its Social Services functions, not just an inspection of Social Services. As such, the priorities for action arising from the Joint Review touch almost all areas of the Council's work.

## **8 RECOMMENDATION**

- 8.1 That Cabinet comments on the implications for the Authority following the presentation by the Joint Review Team at Council and approves the Draft Action Plan for consultation.

Report to Cabinet

Report by: Leader

Subject: The Regulatory Plan

Date: 21 October 2003

## **1 Decision Sought**

- 1.1 To note the contents of the draft summary\* of Audit Commission in Wales' Regulatory Plan for the Authority and to agree to ensure that the necessary response from the Authority is forthcoming, in order to help deliver the plan's objectives.

\*The fuller version will be available in due course

## **2 Reason for Seeking Decision**

- 2.1 The successful implementation of the Regulatory Plan requires a strong member lead and commitment from relevant officers.

### Background

- 2.2 The Regulatory Plan is part of the Wales Programme for Improvement. It is produced by the Audit Commission in Wales following the production of the Authority's own Improvement Plan and its Whole Authority Assessment. The purpose of the plan is describe the pattern of inspection by the Audit commission that the authority will be subject to following the Authority's assessment of risk as well as other work which the Commission will undertake in 2003/04.

## **3 Power to Make the Decision**

- 3.1 Local Government Act 1972 Section 111 (subsidiary powers of Local Authorities).

## **4 Cost Implications**

4.1 The total audit and inspection fee for this year is £290k

## **5 Financial Controller Statement**

5.1 The level of fees referred to in the report should be containable within the corporate budget for Audit Fees.

## **6 Consultation Carried Out**

6.1 The Relationship Manager consulted with the Leader, the Chief Executive and Corporate Executive Team. The Monthly Management Conference was also consulted.

## **7 Impact on other Policy Areas**

7.1 Prior to the results of the inspection it is difficult to specify precisely what the impacts are likely to be

## **8 Recommendation**

8.1 That Members ensure that the necessary response from the Authority is forthcoming in order to help the Audit Commission in Wales to deliver the Regulatory Plan for Denbighshire.

2003/2004

## Summary Regulatory Plan Denbighshire County Council

INSIDE THIS SUMMARY PLAN

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- Regulatory fee
- Reporting arrangements

<b>Reference:</b>	First Draft
<b>Author:</b>	Rod Alcott
<b>Date:</b>	15 September 2003

## Introduction

This document summarises the work programme to be undertaken by the Audit Commission in Wales (ACiW), the Social Services Inspectorate Wales (SSiW), and Estyn in Denbighshire County Council during 2003/2004. The programme has been compiled following a joint risk assessment undertaken by the Council and its regulators.

The programme reflects the residual corporate and service risks after considering the extent to which these are mitigated by the actions proposed in the Council's Improvement Plan. The programme has also been prepared in recognition of the Council's capacity to manage change and in accordance with guidelines issued by the ACiW.

The Detailed Regulatory Plan, available as a separate document, includes information about the statutory role and responsibilities of your regulators together with the specific Inspection and Audit Plans.

- The Welsh Assembly's guidance on the Wales Programme for Improvement (WPI) requires the ACiW to appoint a Relationship Manager. The ACiW has appointed Rod Alcott to act as the Council's Relationship Manager. The Relationship Manager is the main point of contact between the Authority and its auditors and inspectors.

The remainder of this summary document outlines the regulatory work to be undertaken, indicates the associated fees and sets out the reporting arrangements.

## Regulatory work

### Mandatory inspection work

Following consultation, the ACiW has mandated some inspection work based on common national themes that have emerged from the Wales Programme for Improvement (WPI). These mandated inspections are:

- **Customer/Citizen engagement**
- **Regeneration**
- **Joined up Modernisation**
- **Sustainability**
- **Capacity and Capability**
- **Action Plans**
- **Arts and Culture**

This work has been wholly or partially funded from resources made available by ACiW to the Wales Improvement Board to address risks for the benefit of Welsh citizens. The exception is the baseline assessment of Arts and Culture which is funded from the fee charged to the Council.

### Other ACiW inspection work

In addition, and in conjunction with the mandated work, a range of other inspection work, to be undertaken by the ACiW, is scheduled. This can be summarised as:

- **Corporate Improvement Assessment**

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- **Baseline Inspection of the Housing Service**
- **Baseline Inspection of In-house trading**
- **Staged inspections of Leisure and Procurement**
- **Challenge and support for School Places Review**
- **Improvement inspection in Planning**

#### **Social Services Inspectorate in Wales (SSIW)**

For Denbighshire County Council a Joint Review of Social Services was undertaken in 2003. There is no work proposed within the Regulatory Plan for 2003/2004 but follow-up work will be undertaken from 2004/2005 onwards

#### **Estyn**

Estyn's inspection programme for 2003/04 will involve examining the LEA's school improvement function including the new CSS service which came into being in September 2003.

#### **Benefit Fraud Inspectorate (BFI)**

The joint risk assessment did not identify any significant Benefit issues. However, the BFI will continue to monitor performance.

#### **Code of Audit Practice audit**

The Audit Commission Act 1998 requires the Audit Commission to produce and keep up to date a Code of Audit Practice which provides a framework for External Auditors. Under the Code of Audit Practice we have to review whether you have adequate arrangements for:

- ensuring the legality of transactions with a significant financial consequence
- ensuring your financial standing is soundly based
- satisfying yourselves that your systems of internal financial control are both adequate and effective
- ensuring proper standards of financial conduct and to prevent and detect fraud & corruption
- securing economy, efficiency and effectiveness in the use of your resources.

We must also give an opinion on:

- whether your accounts present fairly the financial position of the Council
- the Council's Improvement Plan.

Under the code of practice audit we will undertake a range of work including:

- **Asset management**
- **Community strategy**
- **School funding**
- **Democratic renewal**

#### **Annual joint risk assessment**

Early in 2004 in conjunction with the ~~Council's own annual risk assessment we will assess the~~ Council's progress in delivering its Improvement Plan and identify what service improvements have been achieved. We will also re-assess the Council's capacity for improvement and where possible we will identify any barriers to achieving improvement.

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### Future regulatory work

Following our work in 2003/2004 we will revisit the joint risk assessment and agree a work programme for 2004/2005. Examples of regulatory work in 2004/2005 and beyond are set out below.

Future Risk	Possible Regulatory Work
A Joint Review of Social services was carried out in 2003.	We will follow up progress since the review.
Inspection work was undertaken in 2003 to look at the service review process in Denbighshire.	We will follow up implementation of the recommendations and assess their effectiveness.
Best Value Inspections (BVIs) in previous years have identified a mixed picture in terms of the Authority's services.	In 2004/2005 and beyond we will undertake a follow up review of the BVI Action Plans to ensure actions are being taken to improve services.

## Regulatory Fee

Your regulatory fee has been determined on the basis of the risks we have identified and the work we have agreed with you that we should undertake to assist in addressing those risks.

Changes to the Regulatory Plan may be required if any significant new risks emerge. Any proposed changes will be agreed with the Authority.

Regulation provided by SSIW, BFI and Estyn is funded by the Welsh Assembly Government.

The ACiW Regulatory Fee for 2003/2004 is outlined below.

	2003/2004 £
Inspection Fee	79,650
Audit Fee	210,672
<b>Total Audit and Inspection fee 2003/2004</b>	<b>290,322</b>

## Reporting arrangements

All significant pieces of work will be reported to officers and final reports will be presented to Members as appropriate.

In addition most inspection reports will be made public as in previous years. The method of reporting individual inspections will be agreed in advance with the Council.

The statutory audit report and certificate on the Improvement Plan will be published by the end of October.

The results of audit and inspection work will also be summarised in an Annual Letter in December which must be made available to the public. From December 2003 onwards, the Annual Letter will also include the detailed audit report on the Council's Improvement Plan (and for this year in particular will incorporate an assessment of the credibility of the underpinning action plans to drive improvement).

The results of the updated joint risk and improvement assessment will be made available as an Improvement Journey report to the newly elected Council in May/June 2004.

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**AGENDA ITEM NO: 5 [CABINET 2003 - 153]**

**REPORT TO CABINET**

**CABINET MEMBER: COUNCILLOR E A OWENS, LEAD MEMBER FOR FINANCE AND COUNCILLOR P A DOBB, LEAD MEMBER FOR HEALTH & WELLBEING**

**DATE: 21 OCTOBER 2003**

**SUBJECT: IMPROVING THE COUNCIL HOUSING STOCK**

**1 DECISION SOUGHT**

1.1 Cabinet notes the progress on reviewing options for the funding of improvements to the housing stock.

1.2 Cabinet determines which of the following options to support :

a) that based upon current information, Prudential Borrowing would appear to require a higher level of rent increases than stock transfer, and therefore Cabinet recommends to Council that stock transfer is progressed in order to fund improvements to the housing stock; or

b) that based upon current information, Prudential Borrowing would appear to require a higher level of rent increases, but that it would be prudent to obtain the calculation of Housing Revenue Account (HRA) debt charges and HRA subsidy for 2004/5 from the Welsh Assembly Government (WAG) and an updated stock condition survey, and therefore Cabinet recommends to Council that the decision as to the option to be adopted to improve the housing stock is deferred for 3 months; or

c) that Cabinet recommends to Council that the housing stock is retained recognising that based on current information, Prudential Borrowing offers a potential (but higher cost to the tenant) solution to the improvements required to the housing stock.

**2 REASON FOR SEEKING DECISION**

2.1 There are 2 issues for which the Council currently has insufficient information in order to allow Deloitte & Touche to finalise their report on the funding potential of Prudential Borrowing :



a) WAG has failed to publish information on the calculation of HRA debt charges and HRA subsidy. This means that the level of HRA subsidy for 2004/5 is unknown;

b) the stock condition survey which provides expenditure estimates on improvements and repairs is now considerably out of date and does not reflect Welsh Housing Quality Standards or price changes.

2.2 Without the final report from Deloitte & Touche, it is not possible at this stage to bring a report to Cabinet containing a clear recommendation to Council as to the option to be adopted to fund housing improvements. It is envisaged that this information will be available to enable a report to be brought forward in January 2004, although this is dependent on details on HRA subsidy calculation being confirmed by WAG.

2.3 A report to Cabinet on 24 June 2003 identified that stock transfer to a newly formed local housing company, or retention of the housing stock and funding of improvements via Prudential Borrowing and other revenue/capital sources are the only known viable options available to improve the Council housing stock to quality standards by 2012. It was noted that further work was needed before a final report from Deloitte & Touche on the funding potential of Prudential Borrowing could be finalised. **In particular, it was pointed out that the report from Deloitte & Touche would not be available until after HRA subsidy for 2004/5 is announced.** This announcement was not expected until Autumn 2003. A decision was taken that following the receipt of the final report from Deloitte & Touche, a report would be brought to Cabinet which would include a recommendation as to which of the options should be adopted.

2.4 Following the Royal Assent given to the Local Government Bill, WAG have issued draft regulations for consultation to allow legislation to be put in place in order to introduce the Prudential Borrowing regime in Wales from 2004/5. However, separate consultation will be issued on the calculation of HRA debt charges and HRA subsidy for 2004/5. At the current time, this consultation has not been issued and thus HRA subsidy for 2004/5 is unknown. If the timetable for 2003/4 is followed, it is likely that the level of

HRA subsidy will not be finalised by WAG until January 2004 at the earliest.

2.5 The work undertaken following the Cabinet decision of June 24 2003 is summarised below :

a) the business plan model used by Deloitte & Touche to identify the funding potential of Prudential Borrowing has been updated with the latest estimates of expenditure and income. Expenditure estimates for repairs and improvements have been revised to take account of an estimate of both price changes and the requirements of the Welsh Housing Quality Standards. The stock condition survey on which estimates have previously been based was undertaken by FPD Savills in April 2000. This was prior to the introduction of Welsh Housing Quality Standards, and the data on which it is based is now considerably out of date. The revised estimates have been arrived at based on other recent and comparable surveys undertaken by FPD Savills. The stock condition survey will be the basis used to identify the timing and value of repairs and improvements if the Council retains its housing stock, and would also be used to value the housing stock if stock transfer is pursued. An updated stock condition survey will thus be required regardless of which option is adopted by the Council. Officers should be able to obtain an updated stock condition survey from FPD Savills by January 2004.

b) the business plan model has also been updated to incorporate significant assumptions on the calculation of HRA debt charges and HRA subsidy from 2004/5 onwards based on information gleaned from reports issued by WAG. These assumptions have been incorporated because, as noted at paragraph 2.4, the level of HRA subsidy for 2004/5 is not known at this point;

c) estimates of the Major Repairs Allowance (MRA) have also been included in the business plan model, and on the basis of indicative figures from WAG, this will provide funding of £2.3m in 2004/5 to undertake improvements to the Council housing stock, an additional £1m per annum over and above current funding levels. It has been assumed in the business plan model that the MRA will be issued to the Council on an annual basis, and is likely to be uplifted by inflation but amended for changes in housing stock e.g. right to buy sales, although this is still to be confirmed.

However, guidance issued by WAG indicates that the MRA will not be able to be used to support borrowing costs;

d) the average level of rent increases needed to fund the improvements required to Council houses has been determined by Deloitte & Touche using the assumptions in the updated business plan model. This is because the Prudential Code issued by CIPFA requires the affordability of improvements to the housing stock to be based on a consideration of whether the level of rent increases required are acceptable. The average level of rent increases that the Council would be required to make to 2012 and for the 20 year period thereafter are summarised at Table 1 below, together with the average rent increases over the same period if stock transfer to Dyffryn Community Housing was undertaken.

Table 1

Period	Average Rent Increases	
	Denbighshire County Council	Dyffryn Community Housing
2004/5 - 2012/3	8.89%	3.97%
2013/4 - 2032/3	2.50%	3.00%
Impact on Council Fund p.a. (#)	£155,000 - £180,000	£650,000 - £1,000,000

# = The impact on the Council Fund is shown on a worst-case scenario basis, but this should be capable of reduction as discussed further at paragraphs 4.2 and 4.3 below.

The rent increases in Table 1 are included in an updated report from Deloitte & Touche on the funding potential of Prudential Borrowing. This is available on request.

### **3 POWER TO MAKE THE DECISION**

Part II of the Housing Act 1985, Provision of Housing Accommodation.

### **4 COST IMPLICATIONS**

4.1 Following stock transfer, certain costs currently charged to the HRA would remain the responsibility of the Council and would have to be met from the Council Fund. A detailed 5 year estimate of the revenue and capital impact of stock transfer is provided at Appendix 1, assuming a transfer date of 1 April 2005. Please note that the impact on housing benefits and general capital funding cannot be quantified at this time, as certain information from WAG is outstanding. The figures at Appendix 1 exclude the impact of any provision for redundancy costs as a consequence of stock transfer, together with any possible impact on the employers contribution to the Pension Fund following stock transfer.

4.2 From Appendix 1, it would appear that stock transfer will place a demand of between £650,000 - £1,000,000 annually on the Council Fund on a worst-case scenario basis. This includes the impact on Contract Services. However, these costs could be mitigated by the following actions :

- a) funding of capital expenditure currently charged to revenue from capital receipts;
- b) use of capital resources on spend-to-save projects;
- c) generation of efficiency savings from residual costs identified;
- d) negotiation of transitional arrangements to provide services to Dyffryn Community Housing beyond that assumed in Appendix 1 e.g. provision of support services and services delivered by Contract Services for a period of up to 3 years following stock transfer. This could potentially reduce the residual costs borne by the Council Fund for those years to between £295,000 – 310,000.

4.3 Of a) – d) in paragraph 4.2 above, negotiation of transitional arrangements to provide services to Dyffryn Community Housing is the first action the Council is likely to undertake in order to reduce the impact of costs on the Council Fund.

4.4 The Council may also have to provide certain warranties to Dyffryn Community Housing e.g. environmental warranties. These costs

can be mitigated by taking out appropriate insurance cover, but may have to be borne directly by the Council although this would be subject to negotiation with the representatives of Dyffryn Community Housing. These costs cannot be quantified at this stage, and will only become clearer later in the stock transfer process.

- 4.5 The cost involved in re-engaging FPD Savills to update the stock condition survey for Welsh Housing Quality Standards is likely to be in the region of £10,000 - £20,000. The cost involved in updating the report from Deloitte & Touche concerning the funding potential of Prudential Borrowing will be in the region of £5,000. The cost involved in proceeding to the first stage of formal consultation with all tenants on the transfer of stock to Dyffryn Community Housing is estimated at £5,000. Each of these costs will be met from the HRA.
- 4.6 Retention of the Council housing stock would mean that residual costs shown at Appendix 1 would be avoided. However, to ensure proper accounting treatment, costs for housing strategy, welfare services and homelessness totalling between £155,000 - £180,000 currently charged to the HRA should be charged to the Council Fund.
- 4.5 As noted at Table 1 above, retention of the Council housing stock and funding via the Prudential regime will mean that the Council will need to implement average rent increases to 2012 of 8.89% in order to achieve quality standards by that date, and 2.50% for the 20 year period thereafter.

## **5 FINANCIAL CONTROLLER STATEMENT**

- 5.1 The impact of stock transfer on the Council Fund and capital resources is presented at Appendix 1 of this report. Whilst some of the financial impacts of transfer can be mitigated, particularly by negotiation of transitional arrangements with Dyffryn Community Housing in the 3 years immediately after transfer, stock transfer is likely to have a significant impact, particularly on the Council Fund.
- 5.2 Retention of the Council housing stock would require rent increases as identified by Deloitte & Touche and noted at Table 1 above. These rent increases are higher than those that would be set by Dyffryn Community Housing in the period up to 2012 in

order to achieve quality standards. The Prudential Code issued by CIPFA indicates that the affordability of improvements to the housing stock should be based on a consideration of whether the level of rent increases required are acceptable. If Members wish to retain the Council housing stock but consider that rent increases are not acceptable, improvements expenditure must be reduced accordingly. This, however, may mean that improvement of Council houses to quality standards by 2012 is not achieved.

## **6 CONSULTATION CARRIED OUT**

A meeting of the Housing Options Working Party to consider this report will be arranged for Thursday 16 October. The observations of the Working Party will be circulated at the Cabinet meeting.

The Housing Options Working Party involving Members and Tenants has been meeting regularly for three years. All tenants have received information on the proposed stock transfer in the form of five newsletters, a freephone enquiry line and 25 public meetings. An Independent Tenants Advisor is in place to ensure impartial and accurate information is given.

## **7 IMPLICATIONS ON OTHER POLICY AREAS INCLUDING CORPORATE**

Stock transfer or retention of the housing stock will have major implications for many areas of the Council including Community Governance, Community Development, Regeneration and Anti-Poverty policies.

## **8 RECOMMENDATION**

Cabinet determines which of the following options to support :

a) that based upon current information, Prudential Borrowing would appear to require a higher level of rent increases than stock transfer, and therefore Cabinet recommends to Council that stock transfer is progressed in order to fund improvements to the housing stock; or

b) that based upon current information, Prudential Borrowing would appear to require a higher level of rent increases, but that it would be prudent to obtain the calculation of Housing Revenue

Account (HRA) debt charges and HRA subsidy for 2004/5 from the Welsh Assembly Government (WAG) and an updated stock condition survey, and therefore Cabinet recommends to Council that the decision as to the option to be adopted to improve the housing stock is deferred for 3 months; or

c) that Cabinet recommends to Council that the housing stock is retained recognising that based on current information, Prudential Borrowing offers a potential (but higher cost to the tenant) solution to the improvements required to the housing stock.

## Appendix 1

### Housing Stock Transfer - Estimate of net impact on the Council Fund

	2005/6		2006/7		2007/8		2008/9		2009/10	
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
<b>Expenditure</b>										
Housing strategy	55		56		58		60		61	
Welfare services	17		18		19		19		20	
Homelessness administration	86		89		91		94		97	
Supporting people	0		0		0		0		0	
		158		163		168		173		178
Director - salary	32		33		34		35		36	
PA to Director - salary	8		8		8		9		9	
Debt management costs	10		10		10		11		11	
Interest charges	26		27		27		27		27	
Benefits conversion	11		0		0		0		0	
Other recharges to HRA	67		69		71		73		75	
RTB mortgage interest	-15		-13		-11		-9		-7	
Housing benefits	?		?		?		?		?	
		138		134		139		145		151
<b>Total expenditure impact on revenue budget if services are required by Dyffryn Community Housing</b>										
		<b>296</b>		<b>296</b>		<b>307</b>		<b>318</b>		<b>329</b>
Support services charges :										
- Information technology	48		74		76		79		81	
- Courier service	1		1		1		1		1	
- Accomodation	26		35		36		37		38	
- Legal (including right to buy charges)	47		64		66		68		70	
- Personnel	1		2		2		2		2	
- Finance	113		158		163		168		173	
- Customer services	25		35		36		37		38	
- Recharges - other	5		7		7		8		8	
- HB overpayment admin recharge	12		17		18		18		19	
- Design services	76		106		109		112		116	
Less : savings in support charges	-102		-138		-143		-147		-151	
		253		362		373		384		395
Other costs :										
- Fleet management	7		15		15		16		16	
- Contract services	108		224		230		237		244	
		115		238		245		253		260
<b>Total expenditure impact on revenue budget if services are not required by Dyffryn Community Housing</b>										
		<b>665</b>		<b>896</b>		<b>925</b>		<b>954</b>		<b>984</b>

### Housing Stock Transfer - Estimate of impact on capital resources

	2005/6		2006/7		2007/8		2008/9		2009/10	
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
General capital funding available for non-HRA expenditure		?		?		?		?		?
Usable capital receipts earmarked for housing capital expenditure at 31/3/05		380		0		0		0		0
Right to buy sales - receipts from Dyffryn		2,122		1,020		975		927		876
RTB mortgage principal repayments		25		25		25		25		25
<b>Net inflow of capital resources</b>		<b>2,527</b>		<b>1,045</b>		<b>1,000</b>		<b>952</b>		<b>901</b>



**AGENDA ITEM NO: 6 [CABINET 2003 - 154]**

**REPORT TO CABINET**

**CABINET MEMBER:** COUNCILLOR E WILLIAMS, LEADER

**DATE:** 21 OCTOBER 2003

**SUBJECT:** ADOPTION OF CORPORATE PROCUREMENT STRATEGY

**1 DECISION SOUGHT**

1.1 Adoption of the Corporate Procurement Strategy (Appendix I).

**2 REASON FOR SEEKING DECISION**

2.1 The report "Better Value Wales: the Review of Procurement in the Welsh Public Sector" commissioned by the National Assembly for Wales recommended that every Welsh public sector organisation has a written procurement strategy.

2.2 A number of Audit Commission reports have recommended that the Council develops a procurement strategy to ensure that there is a clear policy on how procurement is to be managed across the authority.

2.2 The strategy will ensure that the Council's procurement activities support corporate priorities and achieve best value.

**3 POWER TO MAKE THE DECISION**

3.1 Procurement is a key element of the Wales Programme for Improvement which is underpinned by the statutory requirements of the Local Government Act 1999.

**4 COST IMPLICATIONS**

4.1 The adoption and implementation of the strategy should result in the achievement of value for money savings through better procurement across the Authority.

## **5 FINANCIAL CONTROLLER STATEMENT**

- 5.1 The adoption and implementation of a Procurement Strategy is essential to help the Council achieve value for money on goods and services procured.

## **6 CONSULTATION CARRIED OUT**

- 6.1 The strategy has been developed in consultation with the Procurement Review Team which includes Members and representatives from each Directorate. The strategy has been distributed for comment to the Chief Executive, Assistant Chief Executive (Strategy) and Director of Resources. The document has been discussed at the Corporate Executive Team meeting and has also been sent to the Welsh Local Government Procurement Support Unit and the Audit Commission for comment.

## **7 IMPLICATIONS ON OTHER POLICY AREAS INCLUDING CORPORATE**

- 7.1 Implementation of the strategy will have implications on all policy areas and Directorates.

## **8 RECOMMENDATION**

- 8.1 That Members approve the adoption and implementation of the Corporate Procurement Strategy.

**DENBIGHSHIRE COUNTY COUNCIL'S  
PROCUREMENT STRATEGY**

**OCTOBER 2003**

# **CONTENTS**

## **Definition of Procurement**

- 1.0 Denbighshire County Council Procurement Principles**
- 2.0 Strategic Procurement Objectives**
- 3.0 Strategic Framework For Procurement**
- 4.0 The Strategic Context**

## **Appendix I**

### **Achievement of Strategic Objectives**

**Procurement is defined as the whole process of acquisition from third parties, covering goods, services and capital projects. The process spans the whole-life cycle from initial concept through to the end of the useful life of the asset (including disposal) or the end of a services contract. Both conventionally funded and more innovative approaches such as PPP/PFI are included<sup>1</sup>**

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<sup>1</sup> Definition of procurement recommended by the WLGA – Better Value Wales

## **1.0 Denbighshire County Council Principles**

- 1.1 The Council believes that effective procurement is central to the achievement of continuous improvement. All decisions about how to purchase goods and supplies or how best to provide services are procurement decisions. Such decisions must reflect the Council's core aims and objectives as set out in its Improvement Plan and other strategic objectives.**
- 1.2 This document sets out the Council's strategic approach to procurement. It should be read and used in conjunction with other key strategic documents. The document is concerned with key principles and is not a 'procurement manual.' The strategy will be supported by a range of guidance documents.**
- 1.3 The Council has economic, social and environmental objectives and any procurement choices must be consistent with those objectives.**
- 1.4 The Council will only support providers who can offer a high quality, flexible framework for developing and delivering services. The Council expects all providers to identify and demonstrate an appropriate balance between best quality, equality, value for money, employment practices and sustainability. The Council will only support providers where they offer value for money and operate in the best interest of service users.**
- 1.5 When assessing the options for service delivery the Council believes that each service is different and no option should be ruled in or ruled out before being appraised. No option is automatically better than another. The Council will determine which option will achieve best value.**

- 1.6 Any decision made will be firmly based on *evidence* from service reviews about costs, quality, scope for innovation, others' performance, Denbighshire County Council's wider objectives and other relevant matters.**
- 1.7 The Council is committed to exploring new and innovative ways of providing services and will in all cases examine the value which could be added through working in partnership with other public sector bodies and the private sector. The Council is open to developing different kinds of relationships with both in-house and external providers of services.**
- 1.8 The Council sees fair employment as an integral part of its approach to service planning and delivery. Therefore, it will, in so far as is possible within the law, take into account information about the employment practice of prospective contractors and suppliers. The Council is unlikely to contract with organisations that are unable to demonstrate a commitment to and track record of fair employment practice.**
- 1.9 The Council will ensure its procurement activities, in so far as is possible within the law, support the local economy.**

## **2.0 Strategic Procurement Objectives**

**Denbighshire County Council will ensure:-**

- 2.1 The procurement function is organised in the most effective way with an efficient Member and officer structure in place**
- 2.2 All aspects of procurement are treated as a cross-cutting issue and good practice is promoted within the organisation**
- 2.3 Procurement activities will support the Community Strategy and corporate priorities and be reflected in the Improvement Plan and Service Business Plans**
- 2.4 An overall procurement efficiency target of 3% of total procurement expenditure per annum is achieved**
- 2.5 Procurement activities support sustainable development. Where possible they will promote the use of environmentally friendly goods and services, avoid the use of genetically modified products and promote Fairtrade.**
- 2.6 Procurement activities support the local economy, particularly SMEs, and future skills gaps are identified**
- 2.7 Fair employment is an integral part of the Council's approach to service planning and delivery**
- 2.8 The development of E-commerce including improved performance in the areas of low value transactions and payments**



**2.9 A common methodology to provide management information on procurement performance is introduced**

**2.10 Every high value and high risk procurement is project managed**

**2.11 Appropriate procurement training and development is provided to Members and officers**

**2.12 The procurement function, including VFM savings, is effectively monitored by Members and Senior Management**

**Appendix I details some of the key tasks the Council will need to progress once the strategic objectives outlined above have been prioritised.**

### 3.0 The Strategic Framework For Procurement

**COMMUNITY STRATEGY**

?

**IMPROVEMENT PLAN**

?

**SERVICE BUSINESS PLANS**

?

**PROCUREMENT STRATEGY**

?

**FINANCIAL  
REGULATIONS**

**CONTRACT  
STANDING  
ORDERS**

?

**PROCUREMENT POLICIES/GUIDES**

## **4.0 The Strategic Context**

Denbighshire County Council's Procurement Strategy has been developed to reflect the Authority's own strategic priorities and objectives within a policy and legal environment that include the following elements:-

- 4.1 Best Value – Authorities have a duty to make arrangements to secure continuous improvement in their services in terms of economy, efficiency and effectiveness. This includes carrying out Best Value Reviews. Areas for review are prioritised through the Wales Programme for Improvement
- 4.2 Community well-being - Power to promote the economic, social and environmental well-being of the community. A community strategy is drawn up and delivered collaboratively through Area Partnerships. Equalities legislation includes the amended Race Relations Act.
- 4.3 Procurement law – Legislation includes the EC Treaty and public procurement regulations plus rules on “non-commercial matters” and the treatment of workforce issues in procurement.
- 4.4 Local government finance – Includes regulations governing public-private partnerships, local authority companies, trading, and audit requirements.
- 4.5 eGovernment

In addition there are many specific requirements that apply to services like social care, education, housing and transport.

**17 September 2003**

# **APPENDIX I**

## **ACHIEVEMENT OF STRATEGIC OBJECTIVES**

## **Achievement of Strategic Objectives**

**Objective 2.1 - The procurement function is organised in the most effective way with an efficient Member and officer structure in place**

### Key Tasks

Establish a corporate procurement function

Review current procurement structures and processes

Undergo a Procurement Fitness Check – a review of the authority's procurement function undertaken by a team of external experts

Ensure Members adopt the Procurement Strategy, make certain it is aligned with strategic objectives, and effectively monitor its implementation

**Objective 2.2 - All aspects of procurement are treated as a cross-cutting issue and good practice is promoted within the organisation**

### Key Tasks

Develop a Procurement Section on the **Resources** Lotus Notes Database where all issues relating to the Council's procurement policies and practice can be accessed

Group procurement and contract management together under Best Value

Promote the significant contribution procurement could make to the local government modernisation, sustainable development and SME agendas

**Objective 2.3 - Procurement activities will support the Community Strategy and corporate priorities and be reflected in the Improvement Plan and Service Business Plans**

### Key Tasks

Ensure procurement activities support the Community Strategy

Ensure procurement activities support corporate priorities

Ensure the different approaches to procuring different products/services are appraised during the business planning process

**Objective 2.4 - An overall procurement efficiency target of 3% of total procurement expenditure per annum is achieved**

### Key Tasks

Ensure Best Value principles are adopted for all services. The principles known as the 4 C's require public services to be subject to a process of Consult, Compare, Challenge and Compete

Ensure the effective strategic management of the County's estate

Establish auditable Value For Money VFM savings regime based on Welsh public sector common methodology

Establish auditable option appraisal methodology

Promote, monitor and review the use of the warehouse

Ensure the Authority participates in the network of national procurement forums to share best practice and develop collaborative contracting in the public sector

Explore new and innovative ways of providing services and examine the value which could be added through working in partnership with other public sector bodies and where appropriate the private sector.

**Objective 2.5 - Procurement activities support sustainable development. Where possible they will promote the use of environmentally friendly goods and services, avoid the use of genetically modified products and promote Fairtrade.**

### Key Tasks

Publish a "Selling To The Council" guide

Ensure the Authority's procurement activities comply with environmental law

Identify the products and suppliers associated with the highest risk using the Environment Agency's Environmental and Social risk assessment

Ensure environmental impacts are reduced by developing sustainable designs and specifications and by making reference to environmental and sustainability standards, where these exist

Undertake a whole-life costing exercise when procuring a product or service to minimise the social and environmental impacts the product has throughout its lifetime and to understand better the true financial implications of the procurement decision

Work in partnership with catering contractors and other suppliers to integrate the following sustainable development considerations into food and catering procurement:- assurance schemes, not using genetically modified food, organic food, healthier eating, food hygiene, ethnic, cultural and religious diets, waste, deliveries and other environmental considerations<sup>2</sup>

Specify fresh produce, seasonal produce that can be grown in the UK and fruit and vegetables that local growers are able to produce, where such requirement meet users' needs

Structure contracts in relatively small sizes, where consistent with the law and value for money, reducing barriers to local agriculture and horticulture to show how they can better meet requirements

Encourage small local producer/suppliers to collaborate on organising collective responses to demand, for example, Farmers Markets

Introduce an Environmental Supplier Questionnaire to be used in the selection process

Introduce Environmental Contract Award Criteria for evaluating tenders

Ensure environmental and social considerations are integrated into the contract management and review process

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<sup>2</sup> IDeA Sustainability in Local Government Procurement - 2003

Establish a steering group for the Denbighshire Fairtrade coalition
Identify potential other partners and encourage others to consider Fairtrade issues, for example, local employers
Obtain a list of wholesalers who specialise in Fairtrade and ethical products and use Fairtrade products in council meetings
Engage young people and ask schools to use ethical vending machines
Organise events in the workplace to highlight the importance of Fairtrade and the quality of many of the products
Consider how the whole of North Wales could be classified a Fairtrade region

**Objective 2.6 - Procurement activities support the local economy, particularly SME's and future skills gaps are identified**

**Key Tasks**

Ensure valid invoices are paid promptly
Draft contract specifications, where appropriate, in ways which reflect initiatives to assist SMEs and to make greater use of environmentally goods and services
Register the Authority on the National Procurement web-site where contract opportunities will be advertised, broken down by commodity and region, and aimed at increasing supplier awareness of opportunities
Offer de-briefing and constructive feedback to suppliers that are unsuccessful in bidding for contracts
Develop guidance and support programmes for assisting SMEs to compete for business in the Welsh public sector and on how to improve their performance
Promote and support "meet the buyer" events

**Objective 2.7 - Fair employment is an integral part of the Council's approach to service planning and delivery**

**Key Tasks**

So far as is possible within the law, take into account information about the employment practice of prospective contractors and suppliers
Where a transfer of staff under the TUPE regulations is envisaged the Council will look closely at contractors' past records in respect of the treatment of former public sector employees. Trade Unions will be encouraged to provide any evidence they have in relation to these and other matters
Ensure Race Equality issues are incorporated into the procurement process

**Objective 2.8 - The development of E-commerce including improved performance in the areas of low value transactions and payments**

**Key Tasks**

Promote and monitor the use of the National Procurement web-site – Xchangewales.co.uk
Promote and monitor the use of Constructionline
Increase the use of purchasing cards within the Authority
Introduce an e-tendering system and secure electronic tender opening processes
Publish tender documentation on the Council website for suppliers to download
Publish details of contracts awarded on the Council's website
Set annual targets for an increase in the amount of payments made by BACS or other electronic means
Develop the use of e-auctions within the Authority

**Objective 2.9 – A common methodology to provide management information on procurement performance is introduced**

**Key Tasks**

Identify and introduce key performance measures and targets
Ensure the methodology introduced facilitates benchmarking
Produce regular expenditure analysis reports by service, including identification of key suppliers
Produce regular analysis of procurement expenditure with suppliers located in Wales
Adopt the EFQM Procurement Excellence Model – an adaptation of the European Foundation for Quality Management's Business Excellence Model
Carry out consultation with key stakeholders

**Objective 2.10 – Every medium and high risk procurement is project managed**

**Key Tasks**

Adopt the Office of Government Commerce's 'Gateway Review' process for large capital projects to improve the likelihood of projects being completed on time and to budget
Ensure a project management approach for procurement is adopted which is proportionate to the importance of the procurement and its degree of risk



**Objective 2.11 – Appropriate procurement training and development is provided to Members and officers**

**Key Tasks**

Carry out a Member and officer training needs assessment

Identify the competencies required within the Authority to improve its' procurement activities

Increase awareness of the benefits of good procurement practice to senior managers by presentations to Monthly Management Conference, procurement awareness seminar

Increase the professionalism of officers involved in procurement by promoting the training courses in Wales and ensuring key officers attend

Ensure NVQ training opportunities are promoted within the Authority

**Objective 2.12 – The procurement function, including VFM savings, is effectively monitored by Members and Senior Management**

**Key Tasks**

Ensure Cabinet and the Corporate Executive Team annually review the Procurement Strategy taking account of developing best practice

An independent assessment by Internal Audit should be undertaken periodically to review and report on the implementation of the strategy. Each report should include a summary of the organisation's procurement performance in the preceding year

Quarterly performance reports should be produced which include key performance measures and progress against agreed targets and actions

Performance should be regularly monitored by the Resources Scrutiny Committee and included in the quarterly Corporate Performance Report

**REPORT TO CABINET**

**REPORT BY: LEAD MEMBER FOR FINANCE**

**DATE: 21 OCTOBER 2003**

**SUBJECT: BIDS FOR ADDITIONAL BUDGET 2003/04**

**1. DECISION SOUGHT**

1.1 To seek Members' approval to the bids made by Directorates for additional funding in the current financial year as reviewed by Scrutiny Committees.

**2. REASON FOR SEEKING DECISION**

2.1 County Council, at the meeting in June, agreed the recommendation of Cabinet to seek bids from Directorates for additional revenue budget allocations for the current year. This followed the improvement in the anticipated yield from Council Tax and also took account of the likely level of Assembly support through the Performance Improvement initiative.

2.2 Because of the largely non recurring nature of the additional funding, bids were to be restricted to one off expenditure or spend to save initiatives.

2.3 The prioritised list of bids made by Directorates have been reviewed by the Corporate Executive Team together with the Lead Member for Finance with recommendations made.

2.4 County Council wished the bids list to be reviewed by service Scrutiny Committees with resulting recommendations, contained within the funding available, being presented to Cabinet in October. The attached appendix details the result of these deliberations, which exceed available funds.

2.5 The Lead Member for Finance has also reviewed the total sum available as additional funding, taking account of the latest information relating to Council Tax collected, prior year arrears and the resulting level of provision needed for bad debts. This review has identified that the position has improved beyond that assumed in May and the result is a recommendation to increase the level of additional resources available by a further £400k.

2.6 The total of bids recommended by the process exceeds the revised level of funding available by £120k. A balance will need to be struck between the final level of bids approved and funding available, hence the inclusion of the column headed 'potential reductions' to bring the figures down to a balance of £48k of excess bids.

### **3. POWER TO MAKE THE DECISION**

Local Authorities are required under s151 of Local Government Act 1972 to make arrangements for the proper administration of their financial affairs.

### **4. COST IMPLICATION**

Details of bids recommended are shown in the attached appendix.

### **5. FINANCIAL CONTROLLER STATEMENT**

It is essential that the level of approved bids is within the funding available.

### **6. CONSULTATION**

Scrutiny Committees  
Lead Members  
Corporate Executive Team  
Lead Members

Consultation has resulted in the bids detailed in the appendix to this report.

### **7. IMPLICATIONS FOR OTHER POLICY AREAS**

The level of funding available for services impacts upon all Policy Areas

### **8. RECOMMENDATION**

8.1 That the total sum to be made available for additional funding in 2003/4 be increased by £400k.

8.2 That Members consider the bids for additional funding in the current financial year, as detailed in the attached appendix.

**Summary of bids for additional revenue funding 2003/4**

**1. Additional Funding available**

	£000
Additional sum reported to Council June 2003	2297
further resources identified	400
	-----
<b>TOTAL</b>	<b>2697</b>
	-----

**2. Directorate & Corporate bids**

<b>Directorate</b>	Bids agreed by Cabinet £000	Bids recommended by Lead Member for Finance & CET £000	Further bids supported by Scrutiny £000	Potential reductions to bids £000	TOTAL £000	%
<b>Lifelong Learning</b>						
- Achieving PI targets	65				65	
- Plas Brondyffryn legal costs	40				40	
- Major events	50				50	
- One Stop Shops	6				6	
- School & College transport	99				99	
- Special Educational Needs		200			200	
- Schools disabled access		25			25	
- Judicial review re employment issue		15			15	
- Library Book Fund		40			40	
- Financial Support to Plas Brondyffryn Trust		56			56	
- Repairs to property			40	-40	0	
	-----	-----	-----	-----	-----	
	260	336	40	-40	596	3.76%
	-----	-----	-----	-----	-----	ex LMS

	Bids agreed by Cabinet	Bids recommended by Lead Member for Finance & CET	Further bids supported by Scrutiny		TOTAL	
	£000	£000	£000		£000	
<b>Personal Services</b>						
- Achieving PI targets	109				109	
- Fostering Allowances	150				150	
- Joint Review response	500				500	
- Homelessness Tenancy Support		20			20	
- Housing strategy		10			10	
- Foster Care Recruitment		80			80	
- Contact Warden Scheme		37			37	
- Child care social work	62	33			95	
- Public Information budget		10			10	
- Care.com input		21			21	
- O T provision			32	-32	0	
	-----	-----	-----	-----	-----	
	821	211	32	-32	1032	4%
	-----	-----	-----	-----	-----	
<b>Environment</b>						
- Image improvement	270				270	
- Directorate restructure	101				101	
- Decriminalised Parking Enforcement		97			97	
- Liquor Licensing & Enforcement		120			120	
	-----	-----	-----	-----	-----	
	371	217	0	0	588	3.16%
	-----	-----	-----	-----	-----	
<b>Resources</b>						
- Accountant for Lifelong Learning	28				28	
- Reduced Benefits Admin income	100				100	
- H & S measures - Ffrith site		40			40	
	-----	-----	-----	-----	-----	
	128	40	0	0	168	3.4%
	-----	-----	-----	-----	-----	

	Bids agreed by Cabinet	Bids recommended by Lead Member for Finance & CET	Further bids supported by Scrutiny	TOTAL	
	£000	£000	£000	£000	
<b>Corporate</b>					
- Project management	20				20
- Temporary office accommodation	130				130
- Head of Customer Services	20				20
- Members expenses & training		56			56
- Equalities officer		18			18
- Graduate Trainee scheme		14			14
- Members laptops		8			8
- Llais y Sir increased publication		15			15
- Area Partnership budgets		80			80
	-----	-----	-----	-----	-----
	170	191	0	0	361 5.8%
	-----	-----	-----	-----	-----
<b>TOTAL</b>	<b>1750</b>	<b>995</b>	<b>72</b>	<b>-72</b>	<b>2745</b>
	=====	=====	=====	=====	=====

**AGENDA ITEM NO: 8 [CABINET 2003 - 156]**

**REPORT TO CABINET**

**CABINET MEMBER:** Councillor E A Owens - Lead Member for Finance.

**DATE:** 21 October 2003

**SUBJECT:** Revenue Budget 2003/04

**1 DECISION SOUGHT**

That all pressures identified in the latest budget performance figures for the current financial year (as detailed in the attached appendices) should be absorbed by services.

**2 REASON FOR SEEKING DECISION**

The need to deliver the Council's agreed budget strategies.

**3 POWER TO MAKE THE DECISION**

Local Authorities are required under section 151 of the Local Government Act 1972 to make arrangements for the proper administration of their financial affairs.

**4 COST IMPLICATIONS**

The projections undertaken based on budget monitoring at the end of September show current pressures on services at £531k (£489k at the end of August).

The level of budget requirement for School & College Transport and Special Education Needs will be recommended following completion of the current review of these services. The remaining pressures will need to be contained within existing budgets.

The analysis for the Personal Services Directorate has been revised to incorporate on a gross basis, spending taking place under the Supporting People programme, which is being financed from specific grant. Actual grant eligibility is based on the Council's entitlement to Transitional Housing Benefit (THB) for 2002/03. This will be subject to external audit verification. The complexity of the

Housing Benefit regulations, coupled with the high volume of claims processed in a short space of time, introduces a degree of risk that clawback of THB grant could arise. This in turn would impact on the amount of Supporting People grant available in 2003/04. Whilst steps have been taken within the Directorate to make provision for potential clawback, the actual amount (if any) cannot be determined at this stage of the financial year. This may impact upon the final budgetary position.

## **5 FINANCIAL CONTROLLER STATEMENT**

The Council's financial strategy for the year requires a contribution of £1.0m to be made to balances in 2003/04. Services continue to identify pressures which must be accommodated within existing budget provisions by adjusting spending priorities. Any adverse deviation from agreed budgets will endanger achievement of this objective.

## **6 CONSULTATION CARRIED OUT**

Lead Cabinet members are consulting on an ongoing basis with Heads of Service to agree necessary remedial action to prevent overspends in 2003/04.

Service Scrutiny Committees have reviewed bids for funding one off and spend to save proposals.

## **7 IMPLICATIONS ON OTHER POLICY AREAS INCLUDING CORPORATE**

The level of funding available to services together with budgetary performance impacts upon all services of the Council.

## **8 RECOMMENDATION**

8.1 That Members note the figures in the appendices.

8.2 That Members consider actions to ensure the achievement of the 2003/04 Revenue Budget strategy to contribute £1.0m to balances.



**MONTHLY BUDGET MONITORING REPORT - FINANCIAL YEAR 2003/04**  
**Summary of Pressures**  
**POSITION AS AT END SEPTEMBER 2003**

Directorate	- Year to Date -			- 2003/04 Totals -				Projected Variance (Previous Report) £000s
	Budget Profile	Actual to End Sep 03 Plus Commitments	Variance (Increase/ - Saving)	Budget As per Budget Book	Budget As at End Sep 03	Projected Outturn	Variance (Increase/ - Saving)	
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	
Lifelong Learning (excluding schools delegated)	7,270	5,805	-1,465	16,899	17,431	17,835	404	404
Environment	9,302	8,582	-720	18,613	19,128	19,128	0	0
Personal Services	12,853	12,327	-526	25,852	26,699	26,826	127	85
Chief Executive	1,224	1,054	-170	2,243	2,240	2,240	0	0
Resources	2,671	2,391	-280	4,937	5,107	5,107	0	0
Corporate, Miscellaneous & Benefits	6,180	6,089	-91	3,870	3,124	3,124	0	0
	<b>39,500</b>	<b>36,248</b>	<b>-3,252</b>	<b>72,414</b>	<b>73,729</b>	<b>74,260</b>	<b>531</b>	<b>489</b>
<b>Non - Service Items:</b>								
				100	929	929	0	0
				11,283	11,624	11,624	0	0
				4,435	4,435	4,435	0	0
				1,000	1,000	1,000	0	0
				<b>89,232</b>	<b>91,717</b>	<b>92,248</b>		
				<b>Total Variance</b>			<b>531</b>	<b>489</b>

Note: The Management Accounting rules of the Council require debtor account entries to be reversed in respect of amounts outstanding for more 30 days after the due date. In the event that debts cannot be collected Services will be required to meet the cost of the debt write-off. This may impact on the actual outturn achieved by Services at the year end.

**MONTHLY BUDGET MONITORING REPORT - FINANCIAL YEAR 2003/04  
LIFELONG LEARNING  
POSITION AS AT END SEPTEMBER 2003**

	- Year to Date -			- 2003/04 Totals -				Projected Variance (Previous Report)  £000s
	Budget Profile	Actual to End Sep 03 Plus Commitments	Variance (Increase/ - Saving)	Budget As per Budget Book	Budget As at End Sep 03	Projected Outturn	Variance (Increase/ - Saving)	
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	
Individual Schools Budget	21,738	19,747	-1,991	39,975	39,936	39,936	0	0
School Funds Held Centrally	3,575	2,813	-762	10,004	10,490	10,847	357	357
Non school Funding	161	92	-69	388	389	413	24	24
Leisure Services	1,817	1,310	-507	3,086	3,132	3,137	5	0
Culture	1,091	1,103	12	2,414	2,427	2,433	6	6
Countryside	370	300	-70	434	434	434	0	5
Youth	256	187	-69	573	559	571	12	12
	<b>7,270</b>	<b>5,805</b>	<b>-1,465</b>	<b>16,899</b>	<b>17,431</b>	<b>17,835</b>	<b>404</b>	<b>404</b>
<b>Total Lifelong Learning</b>	<b>29,008</b>	<b>25,552</b>	<b>-3,456</b>	<b>56,874</b>	<b>57,367</b>	<b>57,771</b>	<b>404</b>	<b>404</b>

Notes:

<u>Comments</u>	Current Month	Previous Month
	£ 000s	£ 000s
<b>Education Pressures</b>		
<b><u>School Funds Held Centrally</u></b>		
School Transport -		
Impact of variations since budget setting	157	157
SEN -		
Balance of bid for additional resources	200	200
	357	357
<b><u>Non School Funding</u></b>		
College Transport - per report to Cabinet	24	24
	24	24
<b><u>Culture and Leisure</u></b>		
<b><u>Leisure Services Pressures</u></b>		
Increase in Licensing Fees	2	2
Pool Hoists for Disabled Persons (DDA)	14	18
Paddling Pool backdated sewerage charges	9	0
Staff advertising savings	-6	-6
Savings from delayed staff appointments	-12	-12
Swimming Development Programme - Increased Income	-2	-2
	5	0
<b><u>Cultural Services Pressures</u></b>		
Increase in Licensing Fees	1	1
Extension of the Peoples' Network Programme- reduced NOF funding	5	5
	6	6
<b><u>Countryside Services Pressures</u></b>		
Statutory Local Biodiversity Action Plan	7	7
Additional Grant Income	-7	-2
	0	5
<b><u>Youth</u></b>		
Prestatyn Youth Centre - Essential Repairs & Maintenance	5	5
Backdated Superannuation Contribution	7	7
	12	12
<b>Directorate Total</b>	404	404

**MONTHLY BUDGET MONITORING REPORT - FINANCIAL YEAR 2003/04**  
**ENVIRONMENT**  
**POSITION AS AT END SEPTEMBER 2003**

	- Year to Date -			- 2003/04 Totals -				Projected Variance (Previous Report)
	Budget Profile	Actual to End Sep 03 Plus Commitments	Variance (Increase/ - Saving)	Budget As per Budget Book	Budget As at End Sep 03	Projected Outturn	Variance (Increase/ - Saving)	
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	
Consultancy Services	1,153	1,143	-10	1,095	1,225	1,231	6	0
Economic Regeneration	512	635	123	914	952	952	0	0
Highways and Transportation	2,611	2,290	-321	6,697	6,734	6,734	0	0
Planning Services	449	382	-67	935	935	935	0	0
Public Protection & Regulatory Services	4,042	3,715	-327	7,903	8,193	8,193	0	0
Support Services	389	284	-105	797	817	811	-6	0
Contract Services	146	133	-13	272	272	272	0	0
<b>Total Environment</b>	<b>9,302</b>	<b>8,582</b>	<b>-720</b>	<b>18,613</b>	<b>19,128</b>	<b>19,128</b>	<b>0</b>	<b>0</b>

The current projection is that there will not be an overspend on the cash limited budget.  
A number of pressures have been identified which will impact on the budget later in the financial year.  
These items have been included as bids for additional funding in the 2003/04 budget and include :  
Directorate Restructuring, Licquor Licensing, Parking Decriminalisation

The overspend on Economic Regeneration is caused by a delay in receipt of grant against profile.

**MONTHLY BUDGET MONITORING REPORT - FINANCIAL YEAR 2003/04  
PERSONAL SERVICES  
POSITION AS AT END SEPTEMBER 2003**

	- Year to Date -			- 2003/04 Totals -				Projected Variance (Previous Report) £000s
	Budget Profile	Actual to End Sep 03 Plus Commitments	Variance (Increase/ - Saving)	Budget As per Budget Book	Budget As at End Sep 03	Projected Outturn	Variance (Increase/ - Saving)	
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	
<b>Children Services:</b>								
Children and Families Services	2,683	2,748	65	4,094	5,169	5,289	120	127
Community Development	139	110	-29	274	301	298	-3	-6
Performance Management & Support	234	209	-25	381	469	456	-13	0
<b>Adult Services:</b>								
Intake A & C M (North)	3,090	3,223	133	5,333	6,887	7,819	932	524
Preserved Rights/RCA	1,457	1,146	-311	3,404	3,086	2,406	-680	-680
Intake A & C M (South)	1,893	1,823	-70	3,772	3,911	3,934	23	30
Adult Services (Provider)	2,974	2,906	-68	5,682	5,989	6,054	65	-1
Performance Management & Support	1,067	904	-163	1,515	2,251	2,201	-50	-24
<b>Business Support &amp; Development</b>	<b>816</b>	<b>697</b>	<b>-119</b>	<b>1,313</b>	<b>1,635</b>	<b>1,240</b>	<b>-395</b>	<b>29</b>
<b>Supporting People</b>	<b>768</b>	<b>768</b>	<b>0</b>	<b>0</b>	<b>1,536</b>	<b>1,536</b>	<b>0</b>	<b>0</b>
<b>Management &amp; Administration</b>	<b>78</b>	<b>78</b>	<b>0</b>	<b>0</b>	<b>156</b>	<b>156</b>	<b>0</b>	<b>0</b>
	15,199	14,612	-587	25,768	31,390	31,389	-1	-1
<b>Supporting People Grant</b>	<b>-2,382</b>	<b>-2,382</b>	<b>0</b>	<b>0</b>	<b>-4,764</b>	<b>-4,764</b>	<b>0</b>	<b>0</b>
	12,817	12,230	-587	25,768	26,626	26,625	-1	-1
<b>Non HRA Housing</b>	<b>36</b>	<b>97</b>	<b>61</b>	<b>84</b>	<b>73</b>	<b>201</b>	<b>128</b>	<b>86</b>
<b>Total Personal Services</b>	<b>12,853</b>	<b>12,327</b>	<b>-526</b>	<b>25,852</b>	<b>26,699</b>	<b>26,826</b>	<b>127</b>	<b>85</b>

Work is to be undertaken to vire Budgets between services to reflect the full impact of the Supporting People programme.

**Children and Families**

As in 2002/03, Fostering will be the major drain on the 2003/04 budget.

**Intake A & C M (North & South)**

Domiciliary and day care spend may be underestimated as there is a backlog of paperwork at local offices

Spend within Community Care PD in the North is steadily increasing, however there is an underspend in the South

For reporting purposes Residential Care Allowance budget and spend has been moved to Community Care (Older People).

Outturn assumes 1% fee increase to independent sector providers of care. Also Preserved Rights to be uplifted to SSD rates.

**Adult Services - Provider**

Elderly Residential Services continue to be a major pressure area circa £154k.

Potential savings regarding the loan facility in respect of Llys Marchan Residential home circa £80k

Homecare is underspending due to less demand

A High Court judgement means there is the potential that DCC may get claims for refunds for refund of fees for residential care,

for people under Section 117 of the Mental Health Act.

These claims so far have been identified as approximately £3-£5k per individual but further work is being undertaken in order to see what the full impact would be if all those eligible to claim

**Business Support & Development.**

Pressure areas include IT and central telephone recharges.

**MONTHLY BUDGET MONITORING REPORT - FINANCIAL YEAR 2003/04  
CHIEF EXECUTIVE, RESOURCES, CORPORATE & MISCELLANEOUS  
POSITION AS AT END SEPTEMBER 2003**

	- Year to Date -			- 2003/04 Totals -				Projected Variance (Previous Report)  £000s
	Budget Profile	Actual to End Sep 03 Plus Commitments	Variance (Increase/ - Saving)	Budget As per Budget Book	Budget As at End Sep 03	Projected Outturn	Variance (Increase/ - Saving)	
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	
<b>Chief Executive's Dept</b>	1,224	1,054	-170	2,243	2,240	2,240	0	0
<b>Resources Directorate:</b>								
Finance	1,206	1,167	-39	2,115	2,311	2,285	-26	0
Audit	172	162	-10	299	312	299	-13	0
I.T	882	727	-155	1,649	1,622	1,649	27	0
Personnel	411	335	-76	874	862	874	12	0
Total	2,671	2,391	-280	4,937	5,107	5,107	0	0
<b>Corporate &amp; Miscellaneous Benefits</b>	723	882	159	3,386	2,340	2,340	0	0
	5,457	5,207	-250	484	784	784	0	0
Total	6,180	6,089	-91	3,870	3,124	3,124	0	0
<b>Total Chief Executive's, Resources, Corporate &amp; Misc. and Benefits</b>	<b>10,075</b>	<b>9,534</b>	<b>-541</b>	<b>11,050</b>	<b>10,471</b>	<b>10,471</b>	<b>0</b>	<b>0</b>

**AGENDA ITEM NO: 9 [CABINET 2003 - 157]**

**REPORT TO CABINET**

**CABINET MEMBER:** COUNCILLORS D M MORRIS, LEAD MEMEBR FOR COMMUNICATIONS, P A DOBB, LEAD MEMBER FOR HEALTH AND WELLBEING AND J A SMITH, LEAD MEMBER FOR SOCIAL INCLUSION

**DATE:** 21 October

**SUBJECT: SOCIAL CARE ELECTRONIC RECORD**

**1 DECISION SOUGHT**

1.1 To seek approval to enter into a contract with the Development Partner of the Welsh ICT Systems Consortium to enable Social Services to further develop their Social Care Electronic Record system.

**2 REASON FOR SEEKING DECISION**

2.1 To decide whether to take advantage of Consortium partnership.

**2.2 Background**

2.2.1 Denbighshire Social Services had identified as early as 1999 the need for a new information system.

2.2.2 Various systems were evaluated. No suitable commercial system was available at that time and Flintshire's Care.comm system offered the best and most promising option.

2.2.3 Conwy was also seeking a new system and purchased Care.comm at the same time as Denbighshire.

2.2.4 Denbighshire implemented Care.comm in May and Conwy in June 2003. There was an 18 month comprehensive programme of up grading hardware, purchasing computers for front line staff, training all levels of staff in computer literacy and use of Care.comm, and work on existing data to prepare for transfer to Care.comm.



- 2.2.5 Social Services is currently experiencing the cultural change from relying mainly on a paper based record system to using an electronic one.
- 2.2.6 It has brought a more standardised system and all practices are having to be brought into line which affects practitioners' and managers' daily activity. Accurate information has become everybody's business rather than the preserve of a few specialists.
- 2.2.7 It has highlighted how much time is required to record and analyse data. This is particularly demanding in recording activity where there are high numbers of service users.
- 2.2.8 There are still technical problems which need resolution, one of which is the slow speed of the system, an issue which can undermine all efforts to move to electronic records.
- 2.2.9 In the past year statutory changes announced to implement Unified Assessment, Supporting People, and the Integrated Children's system coupled with the need to web enable the system have placed a massive additional development burden on the Care.comm teams in all three Authorities.

### **2.3 The All Wales Consortium**

- 2.3.1 In 2002 the All Wales Consortium was established in response to the Performance Management Development Fund. The Authorities involved needed to replace their existing social care information system and felt a joint solution would be most cost effective.
- 2.3.2 A report on existing systems on the market was produced by KPMG which included Care.comm as one of the options.
- 2.3.3 The three existing users of Care.comm, Denbighshire, Flintshire, and Conwy joined the Consortium at this point hoping to secure assistance with the development of Care.comm. The other Authorities in the Consortium are Blaenau Gwent, Bridgend, Ceredigion, Gwynedd, Powys, Torfaen, and Ynys Mon.
- 2.3.4 A rigorous procurement process complying with EC rules has been followed by the Consortium. It was decided that procurement should be for a 'Development Partner' as no existing system

offered all that was needed. One of the essential criteria for the successful partner was experience in workflow systems.

2.3.5 The Consortium has been funded by the National Assembly through the Performance Management Development fund. A Project Manager has led the process throughout using Prince 2 methodology.

2.3.6 A 'Preferred Supplier' was identified in August 2003. This Supplier is the fifth largest IT company in the world, and is very experienced in workflow systems. They have taken on board the concept of a development partnership and are committed to developing a 'made in Wales for Wales solution'.

## **2.4 Implications for Denbighshire**

2.4.1 The three Care.comm Authorities came to the conclusion it would be in their interests to remain with the Consortium for the following reasons.

A The Consortium recognised the value of Care.comm. The system to be developed will take the best features of Care.comm into an improved technical environment.

B The system will include the additional developments that would be required by Care.comm and achieve them in a much faster time scale i.e. by April 2004.

C The new system will be shared by 10 Authorities and therefore there are considerable economies of scale. There are also benefits in bench marking based on a common system.

D The Welsh Assembly is supportive of the Consortium and there are indications that the Performance Management Development fund will be linked to evidence of Consortium working and funding may be withheld from Authorities who cannot prove their system is as comprehensive and forward looking as that provided through the Consortium.

E This 'next generation' system will be web enabled. This will facilitate joint working with other agencies and the licence to each Authority includes access rights for any partner agencies we choose.

2.4.2 Some of the Authorities in the Consortium need to implement a new system by April as their existing one ceases to be supported by their contractors by then. Initially the Care.comm Authorities were looking to delay implementation of the new system for up to 3 years. However it has become apparent that it would be to our benefit to make use of the modules such as financial payments, Unified Assessment and Supporting People, sooner rather than later. The recommendation is therefore to move to the next generation system in 12-15 months time.

2.4.3 Bridgend are acting as the Lead Authority and contracting on behalf of the Consortium with the Supplier and each Authority then contracts with Bridgend for the development and signs a licence agreement with the Supplier for use of the system when developed and on going technical support.

2.4.4 The target date for the Contract to be signed is 31 October 2003.

2.4.5 Denbighshire will have the advantage over non Care.comm Authorities in moving forward to the new system. By then staff will be familiar with an electronic record system, the data should be much more accurate for transfer, there should be sufficient hardware in place with only a normal yearly programme of renewal, and front line staff will be trained in the use of IT.

### **3 POWER TO MAKE THE DECISION**

3.1 NHS and Community Care Act 1990  
Children Act 1989

### **4 COST IMPLICATIONS**

Development cost and first year help desk is £760,000 to be shared between 10 Authorities.

Compensation to be paid to the three  
Care.comm Authorities for IPR of £250,000

Cost to Denbighshire in 2003/04 £ 26,000

Cost in 2004/05

The one off cost of the licence is £105,000 (Capital)



7.2 The new system should be less demanding of time from development and systems staff in ICT than Care.comm.

## **8 RECOMMENDATION**

8.1 Cabinet agrees to the contract being signed with Bridgend and the 'Preferred Supplier.'

**AGENDA ITEM NO: 10 [CABINET 2003 - 158]**

**REPORT TO CABINET**

**REPORT BY: CHIEF EXECUTIVE**

**DATE:** 21 October 2003

**SUBJECT: General Property Matters - Delegated Powers**

**1.0. Decision Sought:**

1.1 That Cabinet grants the Chief Executive delegated powers to undertake the operational running of the Council's property portfolio as set out in Appendix 2.

**2.0. Reason for seeking Decision**

2.1 To review delegations to officers in respect of the operational running of the Council's property portfolio (a) to reflect changes in the structure of the Council since delegations were agreed in 1996 and 2001 (b) to bring operational management of the agricultural estate into line with council housing and business units (c) to enable minor purchases and easements to proceed in respect of highway and drainage acquisitions, including making of stopping up orders.

2.2 In order that the day to day running of the property portfolio may be undertaken, delegated powers were granted to the Director of Technical Services by the Policy, Finance and Resources Committee on the 14 May 1996. Following a restructure in 2001, Cabinet on 6 February 2001 transferred the powers to the Head of Design and Construction Services.

2.3 Following the restructuring of the Environment Directorate on 1 October 2003, approval of Cabinet is sought to new delegations. It is proposed that, in line with practice adopted elsewhere, all delegations should be to the Chief Executive for onward delegation to the appropriate officers. This prevents the need to seek fresh delegations from Cabinet when job titles change or restructuring happens.

2.4 The existing delegated powers are outlined in Appendix 1. A review has been undertaken of the delegated powers and the proposed new delegations are set out in Appendix 2. The

proposed delegations involve two changes to existing arrangements:

(a) delegation of decisions on operational management of the agricultural estate. It is an anomaly that Members are involved in decisions on lettings, terminations etc. when they are not involved in such decisions in respect of council houses or business units. The proper role of the Asset Management Committee is to set the policy for the agricultural estate, including policies on lettings and terminations, without being involved in consideration of individual cases. Any decisions that involve financial implications will, unless they are covered by delegated powers for officers, require agreement by Members as now e.g. capital expenditure on farms. The delegation does not include disposal of farms, except to the extent covered by the delegation to officers, agreed by Cabinet on 24 June 2003, to make minor disposals of land and buildings where the market value is estimated to be less than £10,000.

(b) delegation of decisions on purchase of land/easements for highway and drainage schemes and making of stopping up orders, subject to (a) the cost of the acquisitions being available within the capital funding for a scheme or (b) in cases where the acquisition is in order to facilitate the disposal of land and property, the cost being covered by the capital receipts that will be generated.

### **3.0 Power To Make the Decision**

Under Article 7.6 of the Constitution, only the Cabinet may delegate its functions.

### **4.0 Cost Implications**

4.1. Speeding up of action in dealing with operational matters. Consequent saving in officer time because fewer reports will be required for the Asset Management Committee.

### **5.0 Financial Controller Statement**

5.1 There are no obvious, significant financial implications resulting from the content of this report.

## **6.0 Consultation Carried Out**

6.1 Asset Management Committee - responses will be reported orally.

## **7.0. Implications on other Policy Areas including Corporate**

7.1 Supports capital receipts target and increased revenue generation. Enables the Council to demonstrate fair and consistent treatment of existing or potential farm tenants compared to tenants of council houses and business units.

## **8.0 Recommendation**

8.1. That Members approve the granting of delegated powers to the Chief Executive in respect of property matters, outlined in Appendix 2.



**VALUATION AND ESTATES**

**DELEGATED POWERS**

**GENERAL PROPERTY MATTERS**

- 1. Taking and Granting of Leases less than 7 years, (Granting of leases over 7 years to be approved by Cabinet), Lease renewals of no greater term than the existing lease term, Tenancies, Wayleaves, Easements, Licences, Change of User, Assignments**

*To be undertaken by the Head of Consultancy Services and reported to Cabinet for information. Head of Consultancy Services to sign tenancy agreements and licences on behalf of the County Council.*

- 2. Acquisitions and Disposals, excluding Council House Sales**

*Following resolution by Cabinet, terms and conditions to be negotiated by Head of Consultancy Services in consultation with the County Clerk.*

- 3. Highway Acquisitions under the Highway Act 1980**

*To be undertaken by the Head of Consultancy Services and reported to Cabinet for information.*

- 4. Statutory Notices**

*To be undertaken by the Head of Consultancy Services in consultation with the County Clerk.*

- 5. Appropriations**

*Head of Consultancy Services to undertake appropriation.*

- 6. Rating Appeals**

*Head of Consultancy Services to undertake.*

- 7. Other Property Management and Emergency Matters**

*Head of Consultancy Services to undertake.*

## **APPENDIX 2**

### **PROPOSED DELEGATED POWERS FOR CHIEF EXECUTIVE IN RESPECT OF PROPERTY MATTERS**

All actions are to be taken in consultation with and on terms and conditions agreed by the County Clerk.

#### **1.0 Disposals, excluding sales of council houses**

- 1.1 Disposal of land/property, at a market value of less than £10,000. This delegation does not include disposals to which the Local Member(s) have objections.
- 1.2 To undertake all other disposals, following a resolution by the Asset Management Committee or Cabinet in accordance with their delegated functions.

#### **2.0 Granting of leases**

- 2.1 Granting of leases where the consideration payable under the lease is no less than open market value.
- 2.2 Renewal of any lease granted by the Council for not longer than the original lease.

#### **3.0 Granting of tenancies, wayleaves, easements, licences, change of user, assignments**

- 3.1 Granting of all tenancies (including in respect of the agricultural estate), wayleaves, easements, licences, change of user or assignments. This delegation includes powers to terminate tenancies and licences, and to sign tenancy agreements and licences.

#### **4.0 Highways**

- 4.1 Purchase of land/easements for highway and drainage schemes.
- 4.2 Stopping up orders to facilitate the disposal of surplus highway in accordance with 1.1.

## **5.0 Acquisitions and taking of leases or tenancies**

- 5.1 Purchase of land/easements for highway and drainage schemes and making of stopping up orders, subject to (a) the cost of the acquisitions being available within the capital funding for a scheme or (b) in cases where the acquisition is in order to facilitate the disposal of land and property under paragraph 1.1, the cost being covered by the capital receipts that will be generated.
- 5.2 Renewal of any lease or tenancy, subject to budget provision being available to continue to pay charges under the lease or tenancy.
- 5.3 To undertake all other acquisitions and taking of leases or tenancies, following a resolution by the Asset Management Committee or Cabinet in accordance with their delegated functions.

## **6.0 Miscellaneous**

- 6.1 Service of statutory notices
- 6.2 Appropriation of property between services.
- 6.3 Lodging and settlement of rating appeals, including representation in the Valuation Tribunal.
- 6.4 Other property management and emergency matters, including granting consent for tenant's improvements, reallocation and apportionment of milk quota and settlement of end of tenancy and dilapidation claims.

**AGENDA ITEM NO: 11 [CABINET 2003 - 142]**

**REPORT TO CABINET**

**CABINET MEMBER:** Councillor R W Hughes, Lead Member Lifelong Learning

**DATE:** 21 October 2003

**SUBJECT:** Ysgol Plas Brondyffryn

**1 DECISION SOUGHT**

1.1 To authorise the Leader, the Lead Members for Finance and Lifelong Learning

(i) to make further payments of up to £20k to Plas Brondyffryn to cover its operating costs for a further 2 months

(ii) to approve an interim partnership agreement in principle with the Brondyffryn Trust.

1.2 A full progress report will be submitted to the November Cabinet.

**2 REASON FOR SEEKING DECISION**

2.1 Progress in securing a partnership agreement has been slower than originally anticipated due to complex factors involved in setting up an agreement of this nature. The final agreement will be secured only once key legislative requirements have been fully resolved and approved by Cabinet.

**Background**

2.2 At the Cabinet meeting on 22 July 2003, it was resolved to note the progress to date on the work programme agreed on 21 July 2003, in relation to new arrangements for provision at Ysgol Plas Brondyffryn.

2.3 Detailed financial and legal discussions have continued but they have not yet resulted in the Interim Agreement.

2.4 The previous meeting gave authorisation for the Leader and Lead Members to make decisions in principle on or around the 30 September, before bringing formal papers to Cabinet in October. This was to have allowed the process of further detailed work to be carried out without delay to inform the October Cabinet paper. A full progress report will now be submitted to the next Cabinet meeting in November 2003.

### **3 POWER TO MAKE THE DECISION**

3.1 Local Government Act 2000 (Power of wellbeing).

### **4. COST IMPLICATIONS**

4.1 Delays will result in increased building costs for the Trust on the residential provision, and for the Phase 2 build of the primary provision which is being funded through NAFW grant. There is therefore an urgent need to resolve issues. The interim partnership agreement commits both parties to take certain actions as a precursor to a final agreement: any costs will be absorbed within existing budgets.

### **5 FINANCIAL CONTROLLER STATEMENT**

5.1 The outcome of current negotiations will be crucial to inform the budget setting process and identify potential capital liabilities.

### **6 CONSULTATION CARRIED OUT**

6.1 The Chief Executive, Corporate Directors: Lifelong Learning and Resources and the Monitoring Officer are in full agreement with this course of action.

### **7 IMPLICATIONS ON OTHER POLICY AREAS INCLUDING CORPORATE**

7.1 Inclusion policy on special needs provision

## **8 RECOMMENDATION**

8.1 To authorise the Leader, the Lead Members for Finance and Lifelong Learning

- (i) to make further payments of up to £20k to Plas Brondyffryn to cover its operating costs for a further 2 months
- (ii) to approve an interim partnership agreement in principle with the Brondyffryn Trust.

**AGENDA ITEM NO: 12 [CABINET 2003 - 160]**

**REPORT TO CABINET**

**REPORT BY: CHIEF EXECUTIVE**

**DATE: 21 October 2003**

**SUBJECT: CUSTOMER SERVICE STRATEGY**

**1 DECISION SOUGHT**

- 1.1 To agree that work on improving customer service needs to be driven forward more quickly and with stronger co-ordination.
- 1.2 To allocate funding for the proposed post of Assistant Chief Executive (Customer Service).

**2 REASON FOR SEEKING DECISION**

- 2.1 Although there are examples of good practice, our reputation for customer service is generally weak. There are complaints about failure to respond in a timely fashion or at all; about the explanations given for not taking action; for inability to speak to the correct person; for failure to return telephone calls; and for not giving feedback, whether in response to consultations or service requests. Cabinet members have made clear that they wish to speed up improvement in how we serve our customers. Various initiatives are being pursued to improve the position but they need stronger co-ordination in order to maximise the benefits. The council needs to change its culture in order to serve customers better. This will require redesign of how we provide services and strong leadership from senior management in promoting cultural change.
- 2.2 Current initiatives include:
  - 2.2.1 a **new feedback procedure** for comments and complaints about Council services, which ensures that people receive a prompt response and that data about complaints is collected and used to adjust services;

- 2.2.2 development of a **framework of behaviours** which will underpin a new system of assessing staff performance annually. A key element for all staff will be customer service;
- 2.2.3 a **fundamental review of communications**, both internal and external, is under way. Llais y Sir/County Voice, our community newspaper, has been launched and consideration is being given to turning it into a monthly publication, delivered to all households and with the bulk of the council's advertising included in it;
- 2.2.4 rolling out of the **network of one-stop shops** and cash offices based in libraries. By the end of this financial year, we will have them in all our towns except Ruthin (to be provided as part of the new building), Rhyl and Prestatyn. The development of the two latter centres is likely to involve significant capital projects. The one stop shops allow people who want to visit the council in person to have a single point of contact to access services;
- 2.2.5 making it easier for the customer to contact the council and get the answer or action that is required. The single most important development required is a telephone **contact centre** for the majority of customers who prefer to contact us by telephone, although such a centre could also handle e-mails, letters and text messages. The council is committed to this approach in "Delivering Quality Services", its implementing electronic government statement. The contact centre would aim to resolve 80% or more of enquiries received, with only the most complex matters being referred to professionals in service departments. There would be only 2 telephone numbers to contact the Council: one for callers in Welsh and the other for callers in English. The opening hours of the contact centre would be likely to be greater than 9am-5pm, Monday to Friday, to respond to customer preferences about greater flexibility on when they contact the council.
- 2.2.6 **harnessing information technology** to improve customer service, by integrating the various computer systems and databases, so that we have a single view of our dealings with each customer (this will involve something known as a customer relationship management system). It is an essential development if a contact centre and one stop shops are to be fully effective.
- 2.3 The central proposal of this report is to appoint an Assistant Chief Executive (Customer Service), a post at head of service level but



with membership of the Corporate Executive Team, to pull the jigsaw together. A draft job description is at appendix 1, although this is subject to further refinement and evaluation. If the Cabinet agrees that this post is required, the first step will be to allocate funds for it from the additional resources that are available in 2003-04, with full year costs arising in 2004-05.

### **3 POWER TO MAKE THE DECISION**

- 3.1 Part I, Local Government Act 1999 in relation to best value.  
Section 2, Local Government Act 2000 (well-being power).

### **4 COST IMPLICATIONS**

- 4.1 The costs associated with the new post would be approximately £20k for the remainder of this year, which could be funded from the additional resources in 2003-04. The ongoing costs would be £65k and would need to form the basis of a budget bid for 2004-05. Other costs associated with implementing one stop shops, a contact centre, customer relationship management system etc will need to be identified in due course and the subject of separate funding bids.

### **5 FINANCIAL CONTROLLER STATEMENT**

- 5.1 The costs in the current financial year in connection with this proposal are included as a bid for additional resources in the separate report elsewhere on the agenda. The costs for 2004-05 would need to be considered as part of the budget setting exercise for next year.

### **6 CONSULTATION CARRIED OUT**

- 6.1 Corporate Executive Team supports the proposals. The Cabinet has considered this matter on several occasions during 2003, formally and informally. Informal consultation has been put in hand with the Trade unions given the potential impact on moving staff to report to the proposed new post: a meeting is to be held in November.

### **7 IMPLICATIONS ON OTHER POLICY AREAS INCLUDING CORPORATE**

7.1 The proposals are consistent with the Council's e-government strategy, "Delivering Quality Services".

## **8 RECOMMENDATION**

- 8.1 To agree that work on improving customer service needs to be driven forward more quickly and with stronger co-ordination.
- 8.2 To allocate funding for the proposed post of Assistant Chief Executive (Customer Service).

**Draft job description**

**ASSISTANT CHIEF EXECUTIVE (CUSTOMER SERVICE)**

Grade: Head of Service scale (precise grade to be evaluated)

Reports to: Chief Executive

Other significant reporting relationship: Corporate Director Lifelong Learning in respect of her corporate portfolio for customer service and equalities

**Responsibilities:**

- 1 To develop and implement a customer service strategy for the council.
- 2 To act as the cultural change agent for improving customer service across the council.
- 3 To deliver the vision of change in “Delivering Quality Services”, the council’s implementing e-government statement. To manage the E-government team.
- 4 To procure and implement a contact centre and customer relationship management system, in accordance. Subsequently to manage the contact centre directly or through a contract with an external partner. (As part of the preparation for implementation of the contact centre, management of various staff groups from around the council is expected to be transferred over time to the post holder e.g. switchboard, existing departmental contact centres)
- 5 To support the Assistant Director Culture and Leisure in the development of the network of one stop shops.
- 6 To manage the Public Relations Team and exploit opportunities for improving the council’s image and communications.

7 To manage the Equalities Officer and exploit opportunities for improving services for all groups within society.

Resources:

Staff: initially 7 - e-government team (3) + PR Team (3) + Equalities Officer.

Revenue budget: initially £xxxk

Capital budget: to be identified.

Membership of the Corporate Executive Team and Monthly Management Conference. Lead officer and deputy chair for Group 44 (a working group drawn from all departments and dealing with issues of diversity, equality and customer service. The group is chaired by the Corporate Director Lifelong Learning.)