

CABINET

Minutes of the Cabinet meeting held in Awelon, Ruthin on Tuesday 13 January 2004 at 2.00 p.m.

PRESENT

Councillors P A Dobb, Lead Member for Health & Wellbeing; E C Edwards, Lead Member for Safeguarding our Communities; M A German, Lead Member for Sustainable Development and Environment; G M Kensler, Lead Member for Promoting Denbighshire; R W Hughes, Lead Member for Lifelong Learning; D M Morris, Lead Member for Communications; 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 S Drew, K N Hawkins, D M Holder, N Hugh Jones, G Jones, M M Jones, R E Jones, R J R Jones and P O Williams.

ALSO PRESENT

Chief Executive; Deputy Chief Executive / Corporate Director: Resources; Financial Controller and the County Clerk.

827 URGENT MATTERS

- (i) Lifelong Learning Scrutiny observations circulated for consideration with Agenda Item No 3.

828 MINUTES OF THE CABINET

The Minutes of the Cabinet meeting held on 16 December 2003 were submitted.

Item 4 Update on Children and Family Social Services: Councillor E A Owens asked that the first sentence of the second paragraph be amended to read "... the situation in particular she expressed concern that the agency chosen was based in London."

Item 5 Corporate Quarterly Performance Report: The Chief Executive apologised that the UDP departure information had not been provided for Councillor P A Dobb and assured her this would be forthcoming as soon as possible.

Item 7 New Vehicle Maintenance Workshops: In reply to a query from Councillor E C Edwards, the Corporate Director: Resources confirmed the provision of the new workshops would be included in the Capital Plan to be debated at the next meeting of the Cabinet.

Item 16 Prestatyn: Ffrith Beach Festival Gardens: Councillor W R Webb commented on the precedent being set in recommending to Council all sales proceeds from the disposal of part of the Ffrith be retained for investment in Prestatyn.

Item 19 Ysgol Plas Brondyffryn: (Councillor G M Kensler declared an interest in the item and left the room) The Corporate Director: Lifelong Learning advised that members of the Brondyffryn Trust would be meeting with the Charity Commission and members of the Trust later in the week.

Councillor E A Owens asked that her comments at the last meeting be included in the third paragraph: "Councillor Owens emphasised the need for the Council's liability to maintain residential places to be no greater than other Authorities across North Wales."

RESOLVED that subject to the above, the Minutes of the Cabinet meeting held on 16 December 2003 be approved as a correct record and signed by the Deputy Leader.

829 REVENUE BUDGET 2004-2005

Councillor E A Owens presented the report, and circulated the Lifelong Learning Scrutiny Committee's observations, seeking Members' consideration of bids for additional resources for services in the next financial year which took into account the review of prioritising by the service Scrutiny Committees. In the light of the Welsh Assembly Government's settlement, Members were asked to consider the funding proposals for the bids for additional funding for services and note the likely impact on the level of Council Tax for 2004-2005 and the potential impact of the proposals on the Council in 2005-2006.

Councillor Owens reminded Members that additional grants of £720k for the care of the elderly and £4k for deprivation had been awarded by the Welsh Assembly Government.

The Financial Controller detailed the figures in Appendix 1 attached to the report and said the first column was the starting position before the windfall from the Council Tax yield in the current year had been included. The second column included the impact in 2004-2005 of additional expenditure resulting from this increased yield. Column 3 detailed the inflation figure and column 4 the transfers in and out of the final settlement, for example the teachers' workload and threshold payments, the change in funding for housing and Council Tax benefit. The fifth column detailed the impact of the PFI scheme and the element of the costs to the Council. Column 6 therefore represented the standstill position if no additional expenditure was undertaken. Column 7 outlined the recommendations of bids for additional funding, and for 2004-2005 this additional funding would come from a variety of sources. If all the recommendations were agreed, the Council Tax increase would be just over 6%.

In response to a query from Councillor E C Edwards regarding the provision for PFI costs, the Financial Controller said the funding from the Welsh Assembly Government was greater in the early years than in later years. Funding had to be saved in a reserve for future years. He confirmed that the figure of £430k would not change although more staff would be accommodated in the PFI building than originally envisaged. The Chief Executive confirmed that the unitary charge of £1,740k could alter and if so, the budget would need to be adjusted at that time. Councillor Owens confirmed that Cabinet would be informed of any changes to costs once they were known.

Councillor E A Owens confirmed that there was no contingency funding for 2004-2005.

Appendix 3, which had been circulated separately, detailed the reserves carried forward from the last financial year and the element recommended for release by the Corporate Directors to fund bids.

In response to a query from Councillor W R Webb as to whether any further reserves were available other than those indicated, the Chief Executive said that other specific reserves of £1.931m were included in Appendix 3. There was also a general reserve of £2.7m at March 2003, which should total £3m by the end of the current financial year 2003-2004.

Councillor R W Hughes said Bodelwyddan Castle were bidding for lottery funding and asked whether the original sum allocated could be included as the match funding. Councillor Owens said a new bid should be made for capital or revenue funding.

Councillor E A Owens discussed Appendix 2 which detailed the use of specific reserves in column 1 and the efficiency savings required by every Directorate detailed in column 2. She emphasised that neither the Schools Delegated Budget nor the Children's Services budget could be cut. Column 3 detailed the Potential allocation of Performance Grant funding from the Welsh Assembly Government.

Column 4 detailed the pressures which could not be funded from a source other than Council Tax whilst column 5 detailed elements for further review for which funding was not currently available. Column 6 detailed expenditure which may be possible to fund from other sources. This included the Personal Services Care Grant. Items not recommended for funding were detailed in column 7.

The Corporate Director: Lifelong Learning confirmed the GEST special grant funding has been cut by 30% by the Welsh Assembly Government and 50% of that funding was delegated to schools. This would result in parts of the statutory education strategic plan not being delivered although it needed to be recognised that the Authority's portion of the GEST funding had been kept at the same level.

With regard to the observations made by Lifelong Learning Scrutiny Committee, it was agreed that £60k for CDT could be released from reserves immediately. The SALT grant provision would need to be match funded and it was unlikely that this would be increased to allow provision in the south of the County. The Strategy and Resources staffing element at £111k required further examination. The transport provision was inflation proofed and as a result of a reduction in the number of school days in 2004-2005, the bid for £171k would not be required.

Councillor R W Hughes asked Cabinet to write to the Welsh Assembly Government with regard to the cuts in the GEST funding. The Corporate Director: Lifelong Learning said she would welcome a letter of support from the Cabinet to the Welsh Assembly Government regarding the cuts in GEST funding.

Councillor E C Edwards asked the Corporate Director: Lifelong Learning whether all monies due had been claimed from the health alliances. The Corporate Director: Lifelong Learning confirmed that the Directorate was up to date with monies which could be drawn upon.

Councillor E A Owens referred to the position for schools as detailed in paragraph 2.4.5 of the report and said the funding should be carefully managed. In particular the teachers' threshold scheme gave teachers a salary of £6k over the maximum on the pay scale and Headteachers would need to take particular note of the figures.

With regard to the Personal Services Directorate, it was emphasised that some funding was for one year only. Councillor P A Dobb emphasised that the care specific grant was for reducing delays in patient transfers out of hospitals and housing schemes for the elderly and not for anything else. Councillor Dobb said the Authority was putting in a 6% increase to the independent sector whilst Conwy County Borough Council's increase was 7%. She asked Members to reconsider the use of the new grant of £720k and again emphasised that the specific care grant was to relieve NHS pressures, not funding for growth for the Authority.

The Chief Executive reminded Members that in Personal Services £750k had been agreed in the baseline change and that £1,528k was nearly half of the growth available for all services. The terms of the care grant had not yet been made available and the proposals might need to be reviewed when they were to hand.

Councillor E W Williams said the £22m awarded by the Chancellor to Wales was discussed at a recent meeting of some of the Local Authority Leaders. He said the Welsh Assembly Government had not consulted the WLGA regarding this award and their decision to award £19.1m as specific grant was contrary to what the chancellor had told Parliament. He said Cardiff had been awarded £1.9m towards 'bed blocking' but did not have a problem with 'bed blocking'. Councillor Williams said the Leaders hoped to have a meeting with the Minister, Sue Essex regarding this funding. The Chief Executive said there was no guarantee that this grant would be available in 2005-2006 although it was unlikely the Welsh Assembly Government would not continue to fund capacity growth after one year.

Councillor W R Webb asked whether the Welsh Assembly Government would monitor the care specific grant. The Chief Executive said detailed guidance was awaited from the Welsh Assembly Government and that Denbighshire was acting appropriately as far as could be told at the moment and funding growth in services.

Councillor E A Owens detailed the Environment Directorate funding and agreed the Directorate had suffered more than other departments.

In response to a query regarding CCTV funding, the Corporate Director: Environment said the funding was partly for a new member of staff and partly to deal with operating problems. Councillor E C Edwards drew Members' attention to the major operational and maintenance problems with the current

CCTV systems in Prestatyn and Rhyl and stressed the need for adequate investment in the CCTV system.

Councillor R E Jones, Chair of Resources Scrutiny Committee referred to the report considered by the Scrutiny Committee and the items listed in Appendix 2 of the current report and asked why some of the priorities had been changed. In response, Councillor E A Owens said Audit staff had been regraded. No extra efficiencies had been delivered and she was not prepared to fund a second additional post. Councillor Owens confirmed that there was no provision for Members' pensions or increases in allowances (over and above inflation), in line with the Council's aim to provide funding for front-line services. The Corporate Director: Resources indicated that he had made a proposal that more audit work could be undertaken on behalf of the Audit Commission in Wales, thereby reducing audit fees and increasing capacity.

In response to a query from Councillor G M Kensler regarding the £80k funding for the four Area Partnerships, Councillor E A Owens said the current year allocation had not been used and therefore the funding was being carried forward to the following year.

The Corporate Director: Lifelong Learning confirmed that details of the ELWa 6th form funding had not yet been received.

Members agreed with the Chief Executive's suggestion that the £60k for CDT equipment for schools should be released from special reserves immediately.

RESOLVED that: *Members*

- (a) *consider the bids for additional resources for services in next financial year*
- (b) *agree the early release of £60k of special reserves to fund CDT equipment in schools*
- (c) *in the light of the final Assembly settlement agree the funding proposals for the bids for additional funding for services*
- (ch) *agree the level of Council Tax at 6.1% for the next financial year for recommendation to County Council*
- (d) *note the impact of proposals on the level of Council Tax in 2005/6.*

830 TAITH CONSTITUTION

Councillor M A German presented the report seeking Members' agreement to establish a joint committee under section 101(5) of the Local Government Act 1972 and regulation 4 of the Local Authorities (Executive Arrangements) (Discharge of Functions) (Wales) Regulations 2002 No. 802 for the Taith Consortium. Members were also asked to approve the Taith Constitution appended to the report subject to the changes outlined in paragraph 2.7 of the report.

Councillor E A Owens expressed her concern with regard to one Authority acting as the Management Authority and said the right of veto was required. The Chief Executive confirmed that the request that Cabinets should agree the recommendation as to which of the North Wales Authorities would be the lead authority would be put to other Councils.

The Corporate Director: Resources confirmed that paragraph 5.1 of the Appendix would need to be amended and the 5 other Authorities asked to agree the amendment. The Corporate Director: Resources agreed with the concerns expressed by the Lead Member for Finance, and that there was a need for tight financial controls to be in place.

After further discussion, Members agreed Denbighshire's appointed representatives seek Cabinet agreement prior to appointing one lead authority.

RESOLVED that Members:

- (a) agree to establish a joint committee under section 101(5) of the Local Government Act 1972 and regulation 4 of the Local Authorities (Executive Arrangements) (Discharge of Functions) (Wales) Regulations 2002 No. 802 for the Taith Consortium
- (b) approve the Taith Constitution appended to the report subject to the changes outlined in paragraphs 2.7 of the report and the amendment of paragraph 5.1 of the Taith Constitution to require Cabinet's prior endorsement of the proposed management authority.

831 URGENT ITEMS

There were no Urgent Items

QUESTION AND ANSWER SESSION

There were no outstanding questions.

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 5, 7, 8, 9 and 10 of Part 1 of Schedule 12A of the Local Government Act 1972.

PART II

832 SINGLE TENDER ACTION - EXCEPTION TO TENDERING / QUOTATION PROCEDURE

Councillor D M Morris presented the report seeking Members' agreement to engage Open Logic Solutions to provide urgent assistance to the e-Government programme, as an exception to the Tendering / Quotation Procedure.

RESOLVED that Cabinet endorse the work and agree the exception to the quotations procedure in Standing Orders as detailed in the report.

The meeting concluded at 4.00 p.m.
