

Agenda Item No. 2

CABINET

Minutes of the Cabinet meeting held in the Town Hall, Denbigh on Tuesday 24 February 2004 at 10.00 a.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, N J Hughes, N Hugh Jones, D Jones, G Jones, M M Jones, R E Jones, F Shaw, K P Stevens and C H Williams.

ALSO PRESENT

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

ANNOUNCEMENT

The Deputy Leader welcomed Steve Parker, the new Head of Environmental Services to the meeting.

1 URGENT MATTERS

- (i) Item 10 Revised Financial Regulations and Contract Standing Orders - Addendum to the report circulated.
- (ii) Part II Item 13 The Development of Regional Facilities (of excellence) for Children with Autism - further information circulated.

2 MINUTES OF THE CABINET

The Minutes of the Cabinet meeting held on 17 February 2004 were submitted.

Item 4 Residential Homes - Councillor E A Owens asked that the last paragraph be amended to read "... similar fact finding visits should continue for those involved with residential homes / sheltered housing".

Councillor E C Edwards asked whether the working group for older people had yet been formed. The Chief Executive confirmed that the group would be established in March and the Lead Member for Health and Wellbeing would take political balance into consideration when making nominations to the group. He also confirmed, in response to a query from Councillor W R Webb, that the working group would provide a report to Cabinet in March or April 2004.

Item 5 CCTV - Capital Requirements - Councillor E C Edwards said a positive meeting had been held with Mr Don Touhig MP, Parliamentary Under-Secretary of State, Wales Office, members of the North Wales Police and the CCTV consultant. Councillor Edwards said much further work was required on CCTV provision in Denbighshire.

Item 6 Revenue Budget 2004-2005 - Guidance on the use of the care grant (now called Capacity Grant) had now been received from the Welsh Assembly Government. The Authority had allocated the grant in accord with the terms and conditions. An Action Plan needed to be drawn up in agreement with the Authority's partners and submitted by 30 April 2004. However, the grant is currently only available for one year and if the Welsh Assembly Government did not fund a similar grant in following years it would have an impact on the 2006-2007 budget. Councillor W R Webb said the £720k should have been extra to the Personal Services' budget.

RESOLVED that subject to the above, the Minutes of the Cabinet meeting held on 17 February 2004 be approved as a correct record and signed by the Deputy Leader.

PRESENTATION: THE TOWNSEND FORMULA: IMPLICATIONS FOR DENBIGHSHIRE

Members received a presentation on the Townsend Formula: Implications for Denbighshire by Alan Lawrie, Chief Executive, Denbighshire Local Health Board.

For information, the slides from the presentation are attached to the minutes.

Mr Lawrie detailed the background, proposals for 2004/05 and beyond, the Standing Committee's role, the direct needs formula and the current results. He explained the impact of the outcomes for Denbighshire for 2003-2004 and explained that according to the direct needs formula, Denbighshire was now £14.606m overfunded. The overall impact of the Townsend formula was a significant shift of funding to South Wales and the Valleys in particular. Issues and concerns were outlined as were the proposals for 2004-2005 and beyond, with particular emphasis on the impact for Denbighshire. Mr Lawrie detailed the views of the Local Health Board in regard to the way forward and said the outcome of a Welsh Assembly Government debate on the pace of change was expected in early March. He stressed a review on data collection regarding the baseline was required. The need to ensure the right statistical research was carried out was essential.

Councillor R W Hughes said relevant current information and statistics were critical to the funding levels and agreed further research was required. Mr Lawrie agreed there were flaws to the Townsend formula.

Mr Lawrie clarified the pace of change in response to a query from Councillor G M Kensler.

Councillor E W Williams said Denbighshire appeared predominantly wealthy compared to some of the valleys in South Wales. He reported that Jane Hutt AM, Minister for Health and Social Care had recently assured Welsh Authority leaders and the WLGA that the Wanless money would be prescribed by all partners i.e. the Local Health Board, the Welsh Assembly Government and Local Authorities. He suggested the authority write to the Minister, with a copy to the WLGA, to ensure Denbighshire's views were known.

In response to a comment from Councillor E A Owens on the transient population in Denbighshire which reflected both on the Health Board and Education SEN budget, Mr Lawrie confirmed that the Welsh Health Survey would be repeated in the hope that more responses would be received.

The Chief Executive said the Authority would not be able to object to a needs based formula for funding but because of the high number of elderly residents in Denbighshire it had become counter intuitive. He agreed Cabinet should write to the Minister on the impact of the formula and its apparent inconsistencies. A reduction of 15% and increases in other areas could not be justified.

Councillor P A Dobb thanked Mr Lawrie for the presentation and said it was important for the Board and the Authority to work closely together.

RESOLVED that Cabinet note the presentation and a letter be sent by the Lead Member for Health and Wellbeing to Jane Hutt AM, Minister for Health and Social Care.

3 HOUSING STOCK TRANSFER: ACTION REQUIRED

Councillor P A Dobb presented the report seeking to establish the process and governance arrangements for housing services after stock transfer. Councillor Dobb confirmed that the working group membership would consist of the Lead Members for Health and Wellbeing and Finance, **one** member from each relevant Scrutiny Committee (not two as stated in the report) with 2 officer groups supporting the working group.

Councillor E A Owens asked for clarification on paragraph 2.3.8 on the two officers groups. Members agreed the unit would be set up to operate both from Members and officers interests and separation would be demonstrated.

Councillor R W Hughes reminded Members that this was a democratic process and it was essential to safeguard impartiality in the detailed information being presented to residents. The Chief Executive said

Council in agreeing the information to be given to residents on possible housing stock transfer would ensure impartiality was adhered to.

RESOLVED that Cabinet:-

- (a) *approves the governance arrangements outlined in 2.3.6 to 2.3.9 of the report as amended above, with powers for the Lead Member for Health and Well-being to settle the membership of the Housing Working Group in consultation with Chairs of Scrutiny Committees;*
- (b) *notes the decision of 17 February to allocate £50k as part of the budget 2004/05 to resource "Housing After Transfer" work, with flexibility to explore internal secondment as a short-term measure or the establishment of a basic Housing Strategy Unit, if internal secondment does not prove feasible;*
- (c) *receives a further report in March 2004 relating to the other financial implications set out in 5.1 and 5.2 of the report, and*
- (ch) *agrees the proposed timescale for Stock Transfer as set out in paragraph 2.4.1 of the report.*

4 COMMUNITY STRATEGY AND AREA PARTNERSHIPS

Councillor E W Williams presented the report seeking Members' approval of the progress report on developing the Community Strategy and Area Partnerships and to provide comments on the draft Community Strategy. Members were also asked to agree the Council's representation on the Denbighshire Community Strategy Partnership.

Councillor P A Dobb referred to the appendix and said that although the Authority's Partners were listed, the group did not include the private sector. Councillor Williams confirmed that the wider community would be able to contribute via the Area Partnerships. The Assistant Chief Executive: Strategy confirmed that the private sector had been invited to join the Partnership as had the Federation of Small Businesses. The Constitution also allowed the Chair of the Steering Group to invite the private sector to address particular themes.

Councillor R W Hughes said the Authority had a long way to go to ensure delivery of the document and it was important that Denbighshire was not raising the community's hopes unnecessarily. Councillor G M Kensler agreed with Councillor Hughes' comments.

In response to a query on paragraph 2.4 of Appendix 1 from Councillor G M Kensler, the Assistant Chief Executive: Strategy confirmed that the officers network initiative to develop key strategies was new.

Councillor E W Williams said open meetings had been held to ensure the needs of the community had been included as the Authority was the facilitator of the Strategy.

RESOLVED that:-

- (a) Cabinet note and approve progress so far in the development of the Denbighshire Community Strategy and the Area Partnerships (Appendix 1 attached to the report);*
- (b) Cabinet support on the draft Community Strategy (Appendix II attached to the report), and*
- (c) Cabinet recommends to the partnership that the following representation be agreed for the Council on the Denbighshire Community Strategy Partnership: The Leader (sub: Deputy Leader); Chief Executive (sub: Corporate Director of Resources); Corporate Director: Lifelong Learning (sub: Director of Personal Services)*

5 CORPORATE ACTION PLAN

Councillor E W Williams presented the report seeking Members' approval to the steps taken to deliver the Corporate Action Plan attached to the report and to provide comment as necessary.

Members discussed the wording of the priorities, in particular the use of 'Urgent, Medium, High or Low'. The Chief Executive confirmed that a glossary of such terms be included in future reports and that the

Corporate Action Plan for the following year would use more relevant terminology.

RESOLVED that Members note the progress report on the corporate Action Plan and recommend further action.

At this juncture (11.30 a.m.) the meeting adjourned for 10 minutes to allow Members to participate in refreshments.

6 ACCOUNTABILITY ARRANGEMENTS FOR VULNERABLE CHILDREN

Councillor J A Smith presented the report seeking Cabinet approval to the Corporate Accountability Framework attached to the report.

RESOLVED that Cabinet adopt the Child Protection Accountability Framework attached to the report at Appendix 1.

7 DENBIGHSHIRE RETAIL AND LEISURE STUDY (MARCH 2003)

Councillor M A German presented the report seeking Cabinet's endorsement of the Denbighshire Retail and Leisure Study (the Study) to be used for information; for use as a material consideration to inform both policy and in determining proposals, including planning applications and to inform Members of the potential for regenerating the eight town centres within the County. The document is to be used to inform policy and not to adopt as policy.

Councillor E C Edwards emphasised the need for the regeneration of market towns in the County and the need for service delivery. He stressed the need for the development of the Glasdir site, Ruthin for light industry. He suggested the Ruthin Business Action Plan should be considered alongside any economic developments.

Councillor P A Dobb asked the Development Plan and Policy Manager whether the 'wish list' for Prestatyn was consumer led. He informed Members that retailers had identified the information contained in the Study. With regard to the 'tougher policy stance' the Development Plan and Policy Manager said this would be achieved through the planning regime.

In response to a query from Councillor G M Kensler, the Development Plan and Policy Manager confirmed that a more proactive approach was required and agreed that regeneration of the centre of Prestatyn should be one of the priorities. She also suggested that CCTV should be introduced throughout all the County's market towns. .

Members discussed provision of CCTV facilities and it was agreed Cabinet could include CCTV provision in the town centre strategies.

Councillor J A Smith reported that the St Asaph feasibility study had already been undertaken.

Councillor W R Webb said the refurbishment of the Pavilion in Corwen and the car park provision in Llangollen were achievable.

Councillor E A Owens said the promotion of farmers' markets was essential as was the need to accelerate the link between towns and the agricultural communities. She welcomed the relaunch of the High Street block.

Councillor R W Hughes said she agreed with Councillor E C Edwards' comments and that development in Prestatyn had been put on hold whilst waiting for the supermarket development to be finalised. She stressed the need for the next Council to address this.

Councillor E W Williams suggested that economic development considerations should be included in reports where relevant. He also was not able to support the inclusion of "material consideration" to inform both policy and in determining proposals including planning applications in paragraph 1.1 of the report. The Chief Executive agreed the economic development comments would be of use where relevant but emphasised the importance of planning considerations. The County Clerk said that "material" was a matter of law and as such it would then become a material consideration. It was possible that this could go against the Authority in some instances of decisions going to appeal.

Members agreed to delete the word "material" from both the decision sought and the recommendation of the report.

RESOLVED that:-

- (a) *the Study be used as a planning consideration to inform both policy formulation and the determination of planning applications, where appropriate, and*
- (b) *justification to adopt a more positive and pro-active approach to town centre management including strategic long term (vision, attracting investment, site assembly) as well as short term operational matters (street cleaning, events).*

8 DENBIGHSHIRE LOCAL HOUSING NEEDS ASSESSMENT (FORDHAM RESEARCH REPORT - FEBRUARY 2004)

After a brief discussion Members agreed a meeting, with all Members invited to attend, be held to discuss the needs assessment with independent statistical advice being provided if required.

RESOLVED that *Cabinet defer the report.*

9 PUBLIC REALM REVIEW UPDATE

Councillor M A German presented the report advising Members that the development of the Public Realm Contract was continuing, with a proposed start date of April 2005. Members were asked to agree to the continuation of existing contracts, including grounds maintenance and street cleansing, pending the letting of the new public realm contract.

RESOLVED that *Members support the continued development of the Public Realm Contract and note the proposed start date of April 2005. Members agree to the continuation of existing public service contracts, including grounds maintenance and street cleansing, pending a final approval of the public realm approach following the consultation process outlined in the report.*

10 REVISED FINANCIAL REGULATIONS AND CONTRACT PROCEDURE RULES

Councillor E A Owens presented the revised report seeking approval of the final amendments to the Financial Regulations and Contract Procedure rules for submission to County Council and inclusion in the Council's Constitution.

The Audit Manager said the Financial Regulations and the contract Procedure Rules have been amended to take account of the new political and managerial structure to which the Authority works and the environment in which the Authority now operates. The documents are based on models suggested by CIPFA and the WLGA models. The Contract Procedure Rules, if recommended by Cabinet and adopted by Council, would become part of the Financial Regulations of the Authority.

An Addendum was tabled at the meeting covering two areas: The treatment of the reserves and the weekly threshold limits for Children and Family Service placement. The amendments regarding reserves were accepted. The weekly thresholds were debated and it was agreed that the proposed threshold where Cabinet Member authorisation is required should be reduced to £2,000. This is to be reviewed after three months.

The Chief Executive also highlighted that, in view of the previous decision, there was a need to amend CPR 37.5 (i) (b) to read "rates are between £750 and £1000 per week" and CPR 37.5 (ii) (b) to read "rates are between £1000 and £2000 per week."

As the Corporate Governance Committee had met again, the amendments of that Committee and those made by the Chief Executive would be incorporated into the document which would be considered by Full Council.

The Chief Executive expressed his thanks to the Audit Manager and Solicitor for all their hard work on revising the regulations.

The Corporate Director: Resources also commended the Audit Manager and Solicitor for their hard work. He said all relevant staff

would be made aware of the new regulations and procedures after agreement by Council. The Financial Regulations would be implemented and enforced.

Councillor E W Williams suggested staff training should be included for delegated powers.

RESOLVED that the Addendum be accepted subject to the above changes and incorporated into the Financial Regulations attached to the report. The Financial Regulations and Addendum attached to the report, incorporating the Contract Procedure Rules, are recommended to County Council to be included in the Council's Constitution with effect from 1 April 2004.

11 REVENUE BUDGET 2003-2004

Councillor E A Owens presented the report which advised Members that all the pressures identified before 31 December 2003 would be financed from Corporate savings occurring mainly on borrowing costs and investment income. Any further pressures identified would have to be met from within Directorate budgets.

RESOLVED that Cabinet note the figures in the appendices and note that all pressures identified after 31 December 2003 for the current financial year must be absorbed by services to ensure achievement of the 2003/2004 revenue budget strategy.

12 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

13 RUTHIN FLOOD ALLEVIATION SCHEME

Councillor M A German presented the report seeking Members' approval to return to general balances the special reserve funding initially set aside to cover increased scheme costs, consequent upon confirmation from the Assembly in respect of increased grant funding for the scheme.

Councillor E C Edwards thanked staff for their work on the project and said that with the heavy rain recently experienced the scheme had worked well.

RESOLVED that Cabinet recommend to Council that:-

- (a) *the £641k of general balances previously earmarked as special reserve to cover the envisaged shortfall in funding for the project, should be returned to general balances subsequent to receipt of confirmation from the Assembly that additional grant has been approved, which is sufficient to cover additional scheme costs;*
- (b) *further to the report in September 2003, the allocation to Mwrog Street from within the 2003/2004 general funding (flood defence) allocation be increased from £400k to £450k, and*
- (c) *within the £750k allocated to flood defence for 2004/2005, a figure of £500k be set aside to cover any shortfall between the Mwrog Street total scheme cost and Assembly approved grant.*

14 CYNWYD CEMETERY

Councillor W R Webb presented the report requesting Cabinet approval to transfer Cynwyd Cemetery at less than best consideration to the party named in the report.

Councillor C H Williams said the Community Council were concerned about the legal costs and the relocation of the water pipes costs, amounting to approximately £1,400, and that they had been unaware these works would be required.

The Chief Executive said he had received a letter from the Clerk to the Community Council. He said that the element of legal costs was £400 whilst the relocation of water pipes work amounted to approximately £1,000. He reminded Members that if the transfer had been completed before any of the works had been found to be necessary, the Community Council would have been liable for the costs. He suggested various sources of funding could be available to the Community Council to assist with the costs.

Councillor W R Webb suggested that the Authority should shoulder say 50% of the financial burden for these works. Councillor E W Williams agreed with Councillor Webb's suggestion.

Members agreed with Councillor E A Owens suggestion that £1,000 towards costs be transferred along with the Cemetery.

RESOLVED that Cabinet approve the transfer of Cynwyd Cemetery to the party named in the report and £1,000 towards costs with each party paying their own costs and otherwise on terms to be agreed by the Head of Development Services in consultation with the County Clerk.

15 ST ASAPH: GARAGE SITE - PEN RHEWL

Councillor P A Dobb presented the report seeking Members' approval to declare the land at Pen Rhewl, St Asaph surplus to Council requirements and to facilitate its disposal to a named party as detailed in the report.

***RESOLVED** that Members approve the sale of land at Pen Rhewl, St Asaph to a named party on terms to be agreed by the Head of Development Services in consultation with the County Clerk.*

16 PURCHASE OF ELECTRONIC HIGHWAY ADOPTION RECORD MANAGEMENT SYSTEM

Councillor M A German presented the report seeking Members' authorisation for the Head of Transport and Infrastructure to purchase the software detailed in the report for the management of digital highways records and the adoption of new highways as an exception to Contract Standing Orders Section 9.1a(i).

***RESOLVED** that Cabinet authorises the Head of Transport and Infrastructure to purchase the software detailed in the report for the management of digital highways records and the adoption of new highways in accordance with the single tender action procedures within Contract Standing Orders.*

17 PURCHASE OF HISTORIC ORDNANCE SURVEY MAPS OF THE COUNTY

Councillor M A German presented the report seeking Members' approval to purchase digital historic Ordnance Survey maps of the County along with historical land use data for potentially contaminated land as an exception to the Contract Standing Orders Tendering / Quotation procedure.

***RESOLVED** that Cabinet endorse the work detailed in the report and agrees the exception to the quotations procedure in Contract Standing Orders.*

18 APPROVAL OF SINGLE TENDER AUTHORITY FOR THE PURCHASE OF ILOCAL PORTAL FOR PLANNING

Councillor M A German presented the report seeking Members' approval to purchase iLocal Portal from the existing software supplier as an exception to the tendering procedure.

***RESOLVED** that Members authorise a single tender authority be given to the Head of Planning and Public Protection to purchase iLocal Portal from the existing software supplier.*

19 SUPPORTING PEOPLE PROGRAMME: APPROVAL OF SINGLE TENDER ACTION UNDER CONTRACT STANDING ORDERS

Councillor P A Dobb presented the report seeking Members' approval to extend an existing Supporting People Contract for support services for a period of 6 months.

***RESOLVED** that Cabinet approves the action to extend an existing Supporting People Contract for support services with CAIS Ltd for a period of 6 months.*

20 PRESTATYN: LAND AT BARKBY AVENUE

Councillor W R Webb presented the report seeking Members' approval to grant a 999 year ground lease in respect of the land at Barkby Avenue, Prestatyn to a named party. Councillor Webb thanked the officers for all their work. He reminded Members that consultation with Local Members had taken place on more than one occasion.

The Chief Executive reported that Councillor S Drew, whilst not objecting to the proposal, had raised queries regarding consultation with residents and Local Members. Councillor N Hugh Jones also queried the consultation with residents and suggested that the decision to grant the lease be deferred until residents had been consulted.

The Chief Executive informed Members that consultation with the residents on the granting of a lease was inappropriate and if at a later date a request for a change of use was made that would be the appropriate time to consult. He reminded Members that a substantial receipt would be received initially and a request for change of use of the site would not be received for at least 10 years.

The County Clerk outlined the reasoning and legal implications for granting a 999 year lease and said the Authority's Valuers believed the capital sum figures quoted in the report were fair. A rent review would be due in 2012 if the existing lease continued.

Councillor R W Hughes suggested that some of the capital receipt received should be reinvested in Prestatyn, for example in the Scala complex.

RESOLVED that Members agree the grant of a 999 year ground lease to the party named in the report on the aforementioned basis, otherwise on terms to be agreed by the Corporate Director: Environment in consultation with the County Clerk.

At this juncture (1.30 p.m.) the meeting adjourned for 30 minutes to allow Members to participate in refreshments.

21 THE DEVELOPMENT OF REGIONAL FACILITIES (OF EXCELLENCE) FOR CHILDREN WITH AUTISM

The County Clerk reported that Councillor G M Kensler had resigned as a director of Brondyffryn Trust.

Mr Peter Neumark and Ms Trish Holland of Brondyffryn Trust addressed the meeting and advised Members of the Trust's position. They said that Jane Davidson AM, Minister for Education and Lifelong Learning had suggested the formation of a Trust. Mr Neumark said both Denbighshire officers and the Trust had worked hard on all aspects of establishing a regional centre of excellence and to pull back now would be unthinkable. The Trust was committed to helping pupils with autism beyond the statutory education age. Mr Neumark asked Members to ensure that a clear decision was taken at the end of their deliberations.

Members took the opportunity to ask questions on the financial implications for Denbighshire, in particular with regard to the Service Level Agreements (SLAs) from other Local Authorities. Mr Neumark said the Trust did not have the remit to agree SLAs with other Local Authorities but he believed they were 5 year commitments. The Corporate Director: Resources indicated it had been understood for some time that SLAs were agreed for one year but in effect were for 2 years as they were usually agreed significantly in advance.

Members stressed the need for other Local Authorities to be equally responsible for their placements and Denbighshire should not be potentially liable for placements not taken by another Local Authority.

The Chief Executive said the Trust was unanimously in support of the JVCo and had no objections to the statutory notices.

Councillor M A German thanked Mr Neumark and Ms Holland for attending and answering the queries raised by Memers.

Councillor R W Hughes presented the report seeking Members' agreement to finalising the preferred approach to the provision of regional facilities for children with Autism. She said a long time had elapsed since Councillor E C Edwards had invited Members to a presentation by the school which had started the current process and the Minister had made her decision. Councillor Hughes thanked the Corporate Director: Resources for his work in drawing all the information together and the Corporate Director: Lifelong Learning for her work on the project.

The Corporate Director: Lifelong Learning said a viable way forward was essential in terms of education, legal and finance matters.

The Inclusive Learning Officer reported in detail on the meeting held on the morning of the 23.02.2004 with a Director of the Trust and the Authority's officers and also on the meeting held between the School Governors and the Authority's officers. He said the Unions accepted in principle the transfer of care staff (apart from the Headteacher) from the Authority to the JVCo although the Headteacher would have overall responsibility for the staff after transfer. The School Governors supported the idea of a 52 week residential unit.

Dr M Toman, Headteacher addressed the meeting and explained the need for a decision on whether to pursue the JVCo. He detailed the complex needs of the children and said there was nowhere else in Wales currently providing similar facilities. This was a ground-breaking regional facility. Dr Toman stressed that if a 52 week residential unit was opened, all the North Wales Authorities would make full use of the

facility. He explained that there are currently 3 year old children at the school who would still be attending at the age of 19.

Dr Toman said in educational terms there would be no difference whether the Authority or the JVCo were in control of the school as long as specified guarantees were in place. This was confirmed by the Corporate Director: Lifelong Learning.

The Solicitor confirmed the day to day operation of the School would be the responsibility of the Headteacher and this would form part of the contract between the JVCo and the Authority whilst the other staff transfer to the JVCo would be completed by TUPE. The School Governors would still be responsible for the school. She confirmed the Trust had already agreed the Headteacher would have overall control of all operational matters for the education and residential provision for statemented pupils.

The Corporate Director: Personal Services suggested further discussion was required on the discretionary elements, some of which were statutory for the Social Services Department.

Members discussed in detail the various financial implications and the development of further residential facilities including the staffing levels. Members agreed that the charge on the delegated schools budget would need to be addressed.

After further discussion it was:-

RESOLVED that Cabinet agreed to pursue the agreement with the Brondyffryn Trust to create a Joint Venture Company, subject to:-

- the safeguards set out in the minutes of the meeting with the Trust on the morning of 23 February 2004, in particular that no paid members of staff of the Council or Trust could be directors of the Joint Venture Company and that the Headteacher of the school would remain an employee of the Council;

- an agreed approach on the development of the residential facilities in terms of the building works and staffing in addition to existing levels;

- service level agreements being signed with other councils by 5 March 2004, and

The Cabinet also noted the potential financial implications for the Council arising from the development, in respect of future pressures on education and social services budgets.

The meeting concluded at 4.30 p.m.

Report to: Cabinet

Cabinet Member: Cllr P A Dobb, Lead Member for Health and Wellbeing

Date: 23 March 2004

Subject: Improving the Supply of Affordable Housing

1. Decision Sought

1.1 For Cabinet to endorse a consultation process on measures aimed at improving the supply of affordable housing in Denbighshire.

2. Reason for seeking decision

2.1 The recent Denbighshire Local Housing Needs Assessment undertaken by Fordham Research has shown very high levels of housing need in Denbighshire.

2.2 The Local Housing Needs Assessment showed that it is principally affordable housing to rent that is required, as most of those in need do not have the income levels required to purchase, even at the lower end of the market.

2.3 With high house prices, unprecedented levels of Right to Buy applications being processed, and new Homelessness legislation, the availability of social housing to rent is at an all-time low. This is the experience of our own Housing Services and of Registered Social Landlords operating in Denbighshire.

2.4 The need to develop more affordable housing is therefore a priority action within the draft Local Housing Strategy, currently out for consultation.

2.5 The provision of new social housing to rent is effectively limited by the level of Social Housing Grant, (currently £2.4m per year) which the Council can allocate to Registered Social Landlords. In recent

years, this has been used in a variety of ways- to enable newbuild, the purchase of properties which are subsequently rented out, accommodation to meet special needs, funding of the Homebuy scheme.

- 2.6 The maximum number of new properties which can be funded annually from Social Housing Grant is approximately 90. This compares with the annual shortfall identified in the Local Housing Needs Assessment of 645 per year.
- 2.7 While there is still some debate about the interpretation of the Local Housing Needs Assessment, it is self evident that the combination of measures under 2.5 and 2.6 are inadequate to meet the local need for affordable housing and that the situation is deteriorating.
- 2.8 Changes to planning policy, to secure an increase in the levels of affordable housing in private housing developments in Denbighshire are currently being formulated and will be brought to Cabinet and Council as one method of promoting affordable housing.
- 2.9 Other approaches need to be used, however, particularly bearing in mind that the Local Housing Needs Assessment indicates the main shortfall is in housing to rent. Some changes to national legislation are required to make significant progress in some areas (eg the level of Housing Benefit available to 16 and 17 year olds and others under 25). However, there are further measures the Council could take.
- 2.10 This report outlines, in Appendix A, measures which could be used to improve the supply of affordable housing and have been used in other local authorities. Given the importance of this issue in Denbighshire and its wide-ranging impact, it is suggested that Cabinet formally consults all Scrutiny Committees, organisations with a particular interest in housing provision including Town and Community Councils, and Area Partnerships as to the costs/benefits of these measures. It is also suggested that the Denbighshire Strategic Housing Forum (to be formed as part of the Local Housing Strategy) is asked to organise a summit on this

issue, as one of its first key tasks. This would follow the consultation, bringing ideas and views together and entail developing a detailed costed Affordable Housing Action Plan, as part of the implementation of Denbighshire's Housing Strategy, and for further consideration by Cabinet.

3. Power to make the decision

3.1 Local Government Act 2003

4. Cost implications

4.1 There are modest cost and staffing implications involved in the consultation proposal which can be met within existing budgets

4.2 The proposals contained in Appendix A will have a range of cost implications and it is proposed that these be quantified when the Plan returns to Cabinet to enable consideration as part of future budget processes.

5. Financial controller statement

The role of the County Council regarding the awarding of Social Care grant by the Assembly, is to act as a vetting agent for schemes proposed by Registered Social Landlords. No Assembly funds are paid out through the Council.

The possible implications for the Council's finances from the content of the report relate to item 1 of the appendix. Any deviation from the current policy on capital receipts would need to balance the pressure for additional funding for capital schemes that are currently unfinanced with the needs as detailed in the report. Members will be aware of the pressing need to generate receipts from the sale of surplus assets to relieve the pressure on the capital programme as reported previously.

The possibility of the Pension Fund investing in affordable housing has been investigated. The fund does currently invest a small percentage of funds in property as recommended by the investment advisors. The return currently is between 8 and 9%.

This level of return would need to be achieved for any investment in affordable housing. It is unlikely that this would prove to be an attractive proposition and cheaper funds would be available to an RSL.

6. Consultation carried out

6.1 Affordable Housing has emerged from a range of public consultation exercises initiated by the Council- including the Local Housing Strategy, Community Strategy questionnaire and Visioning Day, Area Partnership consultations and the Health, Social Care and Wellbeing Strategy consultation. It is plainly an issue which is high on the public agenda.

6.2 An initial report on Affordable Housing was discussed by Personal Services Scrutiny Committee on 21st January 2004. Personal Services Scrutiny Committee resolved as follows:

That the Lead Members for Health and Well-being and Sustainable Development and Environment be requested to present a report to Cabinet on issues associated with Affordable Housing, to include the following recommendations:-

(a) that the Cabinet recommends to Council to adopt the Fordham report on Housing Needs Assessment to inform both housing and planning policy and planning applications

(b) that the Cabinet recommends to Council to adopt the interim working arrangements proposed by officers/RSLs to seek at least 30% affordable housing (i.e. 15% RSL and 15% low cost housing) as a general rule with the exceptions (local variations and off-site commuted sums) set out

(c) that further investigations be made into the opportunities for the Council to assist Registered Social Landlords to identify suitable land for the development of affordable housing, including the potential to allocate publicly owned land for less than best price for affordable housing, the potential to place a greater emphasis on the allocation of land for affordable housing via land use policies such as the UDP and the feasibility of the Council

assisting Registered Social Landlords in acquiring suitable land, and

(ch) that further investigations be made into the opportunities for the Council to develop initiatives to encourage the most appropriate use of existing housing to release more family housing to meet existing needs.

7. Implications for other policy areas including corporate

- 7.1 Access to affordable housing is critical issue affecting the economic, social and cultural wellbeing of the County. Denbighshire's population profile already shows a substantial shortfall of young adults; a supply of affordable housing is one of the mechanisms which might encourage young people to stay. Conversely, there is a lack of choice in housing for older people, when numbers are projected to grow. The County (and other public sector organisations) have difficulties recruiting key groups of professional staff required to deliver essential services. Affordable housing for key workers is therefore a further pressure. Regeneration programmes offer considerable potential to include components of affordable housing, and particularly to involve the private sector in providing decent affordable housing both for sale and to rent.

8. Recommendations

It is recommended that

- 8.1 Cabinet formally consults all Scrutiny Committees, organisations with a particular interest in housing provision including Town and Community Councils, and Area Partnerships as to the costs/benefits of the measures set out in Appendix A
- 8.2 the Denbighshire Strategic Housing Forum is asked to organise a summit, following the consultation recommended in 8.1, to develop a detailed costed Affordable Housing Action Plan, as part of the implementation of Denbighshire's Local Housing Strategy

8.3 the Plan is submitted for further consideration by Cabinet in the Autumn

AFFORDABLE HOUSING- WHAT ELSE COULD WE DO?					
Measure	Rationale	Beneficiaries	Pros	Cons	Cost?
<i>Council policy framework</i>					
1. Review Council's asset management strategy	Council's current policy is to maximise capital receipts. Policy framework could be amended so that land for affordable housing could be made available at less than market price	Various, depending on type of affordable housing developed	Would put some sites in reach of housing developers where currently they are not	Reduced capital receipt for the Council, with knock-on implications for other capital schemes	
2. Where grants are given to landlords for property improvement/ regeneration purposes, secure proportion of subsequent lets for Council/RSL nominations	Substantial Council grants are made to private landlords to tackle unfit and disrepair. Aligning the availability of these properties to local housing need makes sense	People on housing waiting lists	Aligns regeneration and strategic housing objectives Private sector becomes part of solution	Tenants would have less security than with a public sector landlord? Declining level of grant from WAG restricts value of this option	
3. Extend HMO Registration scheme	Improving the standard of existing HMO's could make tenants more likely to stay in these properties and reduce levels of need from within that sector.	Families on the waiting list/homeless families/single people	Private sector becomes part of the solution	Resources to implement	
4. Explore scope for Pension Fund assets to be used to invest in affordable housing	Substantial proportion of Pension Fund assets are invested in property	Purchasers? Property likely to generate level of return of interest to Pension Fund not likely to be at lower end of market?	Recycles local asset to solve local problem	Unknown if Pension Fund would be interested	
5. Review current incentives scheme available to older people in family sized Council	10 % of those in general needs Council housing are aged 60 or over. The current incentives	Families on the waiting	Makes more efficient use of the	Older people might feel pressured to move	

Measure	Rationale	Beneficiaries	Pros	Cons	Cost?
housing moving to sheltered housing.(of which there is still a reasonable supply)	scheme has worked reasonably well but, if enhanced, could enable more older people to consider moving and free up family housing	list/homeless families	existing housing stock Could help older people to move who otherwise could not face the upheaval		
6. Consider extension of 4 (above) to older people in the private sector, including those who have exercised the Right to Buy (undertake feasibility study)	Could free up family housing which could be bought back into the public stock/be available for sale at lower end of the private housing market	Families on the waiting list/homeless families/ low income purchasers/older people who would like to move	Makes more efficient use of the housing stock Could help older people to move who otherwise could not face the upheaval	Not yet known	
7. Develop policy for using powers under the The Housing (Right to Acquire and Right to Buy) (Designated Rural Areas and Designated Regions) (Wales) Order 2003	The local authority could use powers under this act to place covenants, requiring resale to local people, on new applications to purchase properties under Right to Buy	Local people wishing to buy properties at lower end of housing market	Keeps former Council housing stock available for local people, even if not to rent	Potential outcry from people who apply to purchase their houses under Right to Buy. Policy might further depress the valuation of houses, thus reducing the capital receipt to the Council	
8. Further develop use of leased properties to meet housing need/Develop a leasing strategy	Housing Services have successfully extended the temporary housing options available to people to whom we owe a duty under the Homelessness Act by leasing	People who are homeless Could extend to people on the waiting list, subject	Optimises use of housing stock across tenures.	Better suited to provide temporary than permanent housing solutions?	

Measure	Rationale	Beneficiaries	Pros	Cons	Cost?
	properties, rather than placing people in B and B. This is also cheaper. More landlords than expected have been prepared to enter in this kind of arrangement with the Council	to appropriate agreements?	Private stock becomes part of solution		
9. Pursue nominations/leasing as part of an Empty Homes Strategy	Denbighshire currently has relatively high levels of empty homes. The proposed Empty Homes Strategy would bring disused property back into the housing stock. An aspect of this could be to give social landlords nomination rights, or a leasing option	Those on the Waiting List; homeless individuals/families	Optimises use of housing stock across tenures.	We do not have an Empty Homes Strategy yet Small gains only?	
10. Bring disused floor space back into use via 'living over the shop' type initiatives, renovating upper floors of commercial properties eg in Renewal Areas, with nomination/leasing rights as above	Similar to above	As above	As above	Would need to be resourced and promoted	
11. Promote the successes of supported housing within the Council, and to the public, and consolidate learning about how to support vulnerable groups successfully	Communities can be wary of embracing housing developments providing for people with special needs- but these are an increasing proportion of those who need affordable housing. Supporting People Grant has enabled	Vulnerable people with special needs; communities in which special needs schemes are located	Housing vulnerable groups works better	Continuing conflict around locating sensitive schemes	

Measure	Rationale	Beneficiaries	Pros	Cons	Cost?
	hundreds of people with special needs to hang on to affordable housing by increasing levels of support. It's important to understand what makes good schemes work (and, conversely....)				
<i>Practical measures with a range of partners</i>					
12. Develop a social lettings agency (with a more extensive deposit guarantee scheme)?	Better accreditation and regulation in the private sector should lead to a greater supply of decent available private sector housing to let at a reasonable cost. Providing a lettings agency function for this housing could extend the usefulness of this sector to people whose first choice would be social housing	People on the waiting list Homeless families People not in priority housing need	Makes an opportunity out of a problem Builds on work already developed/being developed locally eg HMO registration and the Bond Board	Council takes on substantial new responsibility, though it could be contracted out?	
13. Find funding for Tai Clwyd's Rural Housing Enabler if Assembly grant is not forthcoming so as to encourage practical involvement of rural communities including Community and Town Councils, private initiatives, local charities, churches	Local interest groups may know of suitable sites, understand best what accommodation/tenure mix will work best, or be able to provide an element of financial contribution-principle is that small initiatives add up	Local people- not necessarily on the Waiting List- could be purchasers	Local knowledge will help ensure viable projects. Local resources may be available to co-fund	May be tension in defining "local housing need"	
14. Consider promotion of local Village Trusts- able to pursue local housing developments	As above	As above	As above	As above	
15. Developers give part of	A small number of people will	Potential	The ultimate	Only an option for	

Measure	Rationale	Beneficiaries	Pros	Cons	Cost?
site for self build? College link developed to provide support network for self-builders?	be able to acquire housing through self-build- but more might contemplate it if they had a network of help and assistance	self-builders	do-it-yourself option	very few?	
<i>Information and education</i>					
16. Consider using Shelter's "Housemate" pack in schools (?and other settings)	Given the pressure on affordable housing, increasing the knowledge and confidence of young people in Denbighshire in how to get and keep housing would be a good investment	Young people (Year 11 in the example looked at)	Helps young people understand about their options, rights and ways of paying for housing- before they have to do it	Another pressure on the curriculum!	
17. Provide info and education to the public about affordable housing options- publicity on co-operative developments, self-build, shared ownership or part-buy/part rent options, extra care	The public don't know what all the options are	Could be targeted at range of population groups at different points in their life cycle eg college students/young people, single people, older people	The more options the public are aware of, the more likely they are to come up with their own solutions to meeting their needs	Will probably only make a difference at the margins	
18. Extending current Denbighshire County Council's Starter Pack scheme for new tenants to provide more information on affordable housing options	The public don't know what all the options are	People in social housing	The more options the public are aware of, the more problem solvers we have	Point of starting a new tenancy may not be the moment people want to think about other options	

Report to: Cabinet

Cabinet member: Cllr P A Dobb, Lead Member for Health and Well Being

Date: 23 March 2004

Subject: Social Care and Housing for Older People Member/Officer Working Group

1. Decision Sought

1.1 To adopt the Terms of Reference of the Social Care and Housing for Older People Member/Officer Working Group

2. Reason for seeking decision

2.1 On February 17th, Cabinet agreed the establishment of the Social Care and Housing Member/Officer Working Group, but asked that the Terms of Reference be submitted to Cabinet for approval.

2.2 Draft Terms of Reference are attached as Appendix I

3. Power to make the decision

3.1 Under the NHS and Community Care Act 1990, local authorities have a duty to plan to meet the social care needs of older people, consulting with related agencies and representatives of service user groups and carers.

S 4 of the NHS Health Care and Related Professions Act 2002 places a duty on local authorities and Local Health Boards in Wales to prepare Health, Social Care and Wellbeing Strategies for their areas setting out strategic and commissioning priorities.

4. Cost implications

4.1 There will be significant staff time involved in servicing the Working Group, and locality planning, but for Social Services, this is planned as part of the process of developing commissioning for

older people. There will be costs involved in undertaking design, planning and project management for schemes. Council agreed on February 26th that £30k should be allocated in the budget for 2004/05 to enable Prudential Borrowing to the level of £300k to enable the commissioning of this work.

5. Financial controller statement

The cost of servicing £300k of borrowing for initial design works through the prudential borrowing system have been allowed for in the budget 2004/5

6. Consultation carried out

- 6.1 Corporate Executive Team, Heads of Adult Services and Housing and Group Leaders, who support the suggested membership.

7. Implications for other policy areas including corporate

- 7.1 The development of services for older people is a cross-agency issue as well as a corporate issue for the local authority.

8. Recommendations

- 8.1 That the Terms of reference attached at Appendix I be adopted

**SOCIAL CARE AND HOUSING FOR OLDER PEOPLE
MEMBER / OFFICER WORKING GROUP**

DRAFT TERMS OF REFERENCE

1. Purpose

To consider, and make recommendations to Cabinet, where appropriate on

* the feasibility of redeveloping the authority's residential homes predominantly as very sheltered/extracare housing schemes. This will include, by September 2004

- recommending a pilot location for a remodelling scheme
- undertaking local consultation
- Examining detailed local information on needs (including establishing the continued need for provision of residential care beds)
- identifying development opportunities, particularly linked to the plans of partner agencies
- Arranging further visits to extracare housing projects/other learning activities to inform design
- Consultation with staff and Trades Unions
- Considering sites
- commissioning design work
- Scrutinising costings and the structure of costs
- considering financing models, both wholly in-house and partnership models
- Recommending a development plan for the pilot site
- Consultation with Area Partnership

* the implications of of locality planning in areas apart from the pilot site. This will include, by April 2005

- Agreeing the detailed methodology for locality planning , including steps set out above
- Agreeing timescales within 2004/05 for undertaking locality planning
- Considering the implications of the findings of locality planning

- converting them into proposals for a phased costed programme of re/development which will ensure equity of provision, but with local variations

* the feasibility of developing some existing sheltered housing to very sheltered housing, including

- Considering the current condition, demand and needs present in current sheltered housing
- considering proposals, including financial proposals, for remodelling/reprovision of sheltered housing where appropriate and recommending developments
- Considering the approach the authority wishes to take to making agreements with Dyffryn Community Housing in relation to the future improvement/development of sheltered housing, if the housing stock transfers

* To consider the feasibility of developing a long-term Housing Strategy for Older People, to include the contribution other sectors (eg the independent care sector and the private house building sector) can make to the development of housing with support for older people

2. Membership

Membership of the Working Group shall comprise

- the Lead Member for Health and Wellbeing,
- the Lead Member for Finance,
- four other elected members chosen to reflect political balance and geographical spread
- the Corporate Director for Personal Services,
- the Head of Adult Services,
- the Service Manager (Provider Services),
- the Head of Housing Services,
- the Housing Strategy Manager or equivalent,
- Personal Services Accountant
- one representative from the Local Health Board
- one representative of the Conwy and Denbighshire Trust.

3. Meetings

Meetings of the Working Group will be convened and clerked by Social Services. Meetings will be held monthly or more frequently if required.

4. Reporting arrangements

The Social Care and Housing for Older People Working Group is accountable to Cabinet and will be expected to provide reports enabling required decisions to be made in a timely way. Regular consultation will be undertaken with Personal Services Scrutiny Committee.

Given its role in providing an interface between the local authority and health organisations, reports will also be made to the Health, Social Care and Wellbeing Strategic Partnership Board.

It is recognised that partnership arrangements may result as a consequence of the work of the Working Group, and that the governance arrangements of other bodies may also be involved in taking plans forward.

REPORT TO CABINET

CABINET MEMBER: LEADER

DATE: 23 MARCH 2004

SUBJECT: EUROPEAN POLICY AND REGIONAL ISSUES

1. DECISION SOUGHT

To approve the Council's continued representations on the future of the European Structural Funds and the current programme of European Regional activity as well as to support the resolution received from Clare County Council.

2. REASON FOR SEEKING DECISION

The Council is currently engaged both with the Welsh Local Government Association and the Alliance for Regional Aid in making representations to the European Commission about the future of the European Structural Funds. The Cabinet has also allocated resources for additional Interreg activity and to develop future co-operation with specific European regions. I consider it essential that the Cabinet be kept informed as this considerable programme of work which is on the attachment is developed.

3. POWER TO MAKE DECISION

Section 2 of the Local Government Act 2000

4. COST IMPLICATION

The current and proposed programme of activity is contained within the present budget allocation. The Interreg projects bring European Funds at a rate of 75% and the non-Interreg related activities are seen as laying the groundwork for future applications for European Funding and are also being undertaken as they provide benchmarks and comparators for future regeneration work which are consequently valuable in themselves.

Set out below are the identifiable costs during 2003/2004 on developing links within EU up to 16 March 2004

Luberon	£ 833
Alto Adige	£ 4,710
Athy / Rhyl	£ 1,109
Gliwicki	£ 460
Clare	£ 2,832
Brussels + EU Partnership mtgs.	£ 1,289
Vasternorrland	£ 5,540

Figures above represent flights and accommodation costs.
Accounts for the recent Italian visit have not yet been received

5. FINANCIAL CONTROLLER STATEMENT

There are no obvious, significant financial implications resulting from this report.

6. CONSULTATION CARRIED OUT

The report has been drafted following comments and discussions with the Chief Executive, Corporate Director Environment, Head of Development Services as well as the Lead Member for promoting Denbighshire.

7. IMPLICATIONS ON OTHER POLICY AREAS INCLUDING CORPORATE

There are significant implications for activities prioritised in the emerging Community Plan as well as for the Council's regeneration strategies.

8. RECOMMENDATION

I recommend that the Council continue to make representations on the future of European Structural Funds and that the programme of activity outlined on the attachment be supported. I would invite the Cabinet to consider the resolution from Clare County Council and I offer it support.

EUROPEAN POLICY AND REGIONAL ISSUES

POLICY

The Leader of the Council together with the Lead Member for safeguarding our communities, who sits on the WLGA Cohesion Group together with the Corporate Director for Environment and the Council's European Officer visited Brussels on the 1st and 2nd of March as part of the WLGA contingent promoting Welsh interests at Brussels and specifically seeking to influence the Cohesion debate and to discover more information about current developments. Previous reports to Cabinet have indicated that the European Commission had previously been fast-tracking arrangements for post 2006 Structural Funds but with the collapse in negotiations on European Union Constitutional matters, further discussion on post 2006 Structural Funds Programmes were deferred. Currently, the best advice emanating from the Commission is that discussion on this will not be complete until the end of 2005 so that there will be continuing uncertainty regarding the future of Structural Funds in Wales up until the start of the next programme period and beyond. The United Kingdom Government still pursues a strategy of repatriating the Structural Funds so that regional development issues are handled in Wales. To this end it has indicated that it is prepared to commit itself to matching the funds that might be available from Brussels. However, no precise figure has been given on this commitment and while European Union Programmes bring with them binding legal commitments as regards timescale and strategies, this is not the case with the kind of commitment the United Kingdom appears to be proposing.

The current Commissioner who is responsible for European Regional Policy continues to favour the inclusion of areas such as West Wales and the Valleys who might lose Structural Fund support with the accession of new countries and he and his officials have drafted proposals for significant transitional support for such regions. The current indication is that this would require an increase in the Commission's overall budget. This, together with the United Kingdom's Government proposal to repatriate the funds are the subjects of keen debate with some national governments supporting one view and others favouring the opposite view. It is obviously necessary to continue to make representations regarding the position of West Wales and the Valleys and Denbighshire.

The Leader of the Council and the Head of development services will be visiting Brussels on the 17th and 18th March as part of the delegation from the Alliance for Regional Aid. The delegation will be meeting Commissioner Barnier, the Regional Commissioner, and will be

continuing to explore the Commission's viewpoint on post 2006 Structural Fund matters.

REGIONAL ISSUES

Gliwicki

Two Officers from Gliwicki, a Council in Poland accompanied with an Officer from the Silesian Regional Authority will be visiting Denbighshire between the 19th March and 23rd March. A programme of activities has been developed embracing the whole County. The officers are visiting Denbighshire primarily to discuss European Structural Funds matters and this follows a visit to Gliwicki by the Head of Development Services and the European Officer in October 2003. The Officers concerned have made specific requests about advice and information on Structural Fund matters and have asked for the Council to co-operate in a new cultural venture which Gliwicki is establishing. This is a festival to be staged in August and the Council has been asked to identify a choir which could visit Gliwicki and take part in the event. A Denbighshire choir has been identified which is prepared to go and it is proposed that the Council should support the choir's travel expenses which are estimated to be £2,000.

Later in the year, elected members from Gliwicki are proposing to visit Denbighshire and it will be necessary for elected members of Denbighshire to reciprocate in their turn.

The arrangements between Gliwicki and Denbighshire are gathering momentum. The Council had sought a partner in Eastern Europe in order to strengthen its position post 2006 when according to the best advice available, connections with Eastern Europe will be the determining factor in providing EU support for inter-regional project work. The Council followed the advice of the Welsh Assembly Government who had identified Silesia as one of the principal regions in Eastern Europe which Wales should seek to co-operate with. This is within an overall UK priority to establish ties with Poland. Previous reports to the Cabinet have described the nature of Gliwicki and it is obviously of considerable importance to the Council to make this first visit from Gliwicki a success.

Alto Adige

The links with Alto Adige continue to develop apace. In partnership with Conwy, Flintshire and Wrexham, Denbighshire will be hosting a high profile business seminar in Bolzano – Bozen in March. Accompanying them will be representatives of nine North Wales companies, ten young

farmers from North Wales and the main focus of the seminar will be a presentation of Welsh food which will complement the Italian specialities.

The delegation will be accompanied by representatives of the Welsh Development Agency, Cadwyn Clwyd, Leader Plus and Chris Ruane MP. There will be continuing connections throughout the year and these will culminate in the second appearance from Alto Adige at the Llangollen Food Festival in October 2004. There is growing interest among businesses in the Alto Adige region in visiting our area and it is likely attendance at the Llangollen Food fare in 2004 will surpass that of 2003.

Ireland

a) Rhyl / Athy

The Rhyl / Athy Interreg project is now fully established and fully staffed both in Rhyl and in Athy. Three members of staff are based in both Rhyl and Athy developing the principal themes of the project, business networking, strategic development of businesses and community enterprises as well as community engagements. Regular local joint working groups are held in both Rhyl and Athy and thus far three joint steering groups have also been held, one through a video connection.

A website has been developed which will be launched at the end of April and it is hoped that the Interreg project's accommodation at the new Fforddlas Community Enterprise Centre will be ready for the group by the beginning of Summer.

The Council's liabilities in relation to the project are discharged by separate joint meetings with Kildare County Council. These are held on a six monthly basis and monitor the projects adherence to the terms of the project approval. Officers from Environment Support services attend the meetings as do Finance Officers from Kildare County Council. The next meeting will be held in July.

b) Gwasg Gee

Building on the successful relationship developed with Kildare County Council on the Rhyl Athy project, agreement has been reached in principle to develop a new Interreg application which will link the interpretation and project development of the Gwasg Gee Heritage Centre in Denbigh to the development of an Arts and Crafts Centre in the Quaker village of Ballintore in the south of County Kildare. The application will provide project management

support, some limited capital provision and exhibition interpretation for both projects. It is likely that the application will be lodged during the Spring of 2004.

c) County Clare / Denbighshire

The Lead Member for promoting Denbighshire led a delegation to the Clare Tourism Conference at the end of November 2003 where broad agreement on a new Interreg application was reached which would provide resources for a significant increase in tourism business and community engagement in the tourist products. At that meeting the original partnership of Galicia, Denbighshire, and County Clare was enlarged to include the Poher area of Brittany. At a subsequent meeting attended by the Irish Interreg Co-ordinator for the Atlantic Arc Interreg Programme, agreement was reached on the financial detail and on the technical aspects of the project description. It is intended the application should be lodged after 1st April when new applications are sought for this particular programme.

Representatives of Clare County Council visited Denbighshire for the Tourism European Conference held in Llangollen during October 2003. They were clearly impressed by the visit. Clare County Council has been developing connections with all the Celtic regions of the United Kingdom and with Brittany and brought representatives of their partner Councils to the conference. As a consequence of that conference and Denbighshire's attendance at the Clare Tourism Conference, Clare County Council have formally resolved to approach Denbighshire County Council in order to seek a twinning relationship with Denbighshire.

The text of the resolution passed at the January meeting of Clare County Council is "That Clare County Council invite Denbighshire County Council, Wales to form a twinning relationship to the mutual benefit of both Councils".

Denbighshire has had long standing arrangements with the Clare area since 1995. Shannon Development Company who are the Development Agency for Clare County Council has been instrumental in providing advice and support for a range of initiatives in Denbighshire including the establishment of the Leader Group, the successful European Regional project Pleiades and also the initial work on the Denbighshire Objective One Partnership formation. During that period connections began with Clare County Council and there have been several official delegation visits by

Denbighshire Councillors and Officers to Clare. Clare County Council appear anxious to formalise the relationship and if it will lead to broadening the relationship to cover non-European topics of mutual concern, then there is clearly merit in supporting this.

REPORT TO CABINET

CABINET MEMBER: Councillor Ann Owens - Lead Cabinet Member for Finance.

DATE: 23 March 2004

SUBJECT: Revenue Budget 2003/04

1 DECISION SOUGHT

That all pressures identified after 31 December 2003 for the current financial year must 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 February show current pressures on services at £417k (£503k at the end of January). Caution must be exercised when reviewing this improved position as it must be noted that the Lifelong Learning Directorate report continues to reflect the projections undertaken at the end of January. This has arisen due to sickness absence of key finance staff within the Directorate.

It will also be noted that within the Personal Services Directorate a comparison of the end of February projected variances with those produced at the end of January show considerable movements in some services. A review is to be undertaken to establish the reasons for these movements.

Budget savings arising from improved investment returns on cash flow management and interest savings on the Council's loan debt are sufficient to meet the current projected overspends identified by services.

In the remaining weeks of the financial year Directorates must take appropriate action to contain any cost increases which may arise over and above those identified at 31 December 2003.

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. Cabinet agreed at its meeting of 27 January 2004 that pressures identified to the end of December would be funded corporately from savings in capital financing charges. Action must be taken, where appropriate to accommodate any further increases from within existing service budget provisions. Adverse deviations from agreed budgets will endanger achievement of the Financial Recovery Plan.

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.

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 To reaffirm that any pressures which may arise above those identified at 31 December 2003 (Lifelong Learning Directorate £478k, Environment £7k and Personal Services Directorate £124k) must be absorbed by services to ensure the achievement of the 2003/04 Revenue Budget strategy.

MONTHLY BUDGET MONITORING REPORT - FINANCIAL YEAR 2003/04
Summary of Pressures
POSITION AS AT END FEBRUARY 2004

Directorate	- Year to Date -			- 2003/04 Totals -				Projected Variance (Previous Report) £000s
	Budget Profile	Actual to End Feb 04 Plus Commitments	Variance (Increase/ - Saving)	Budget As per Budget Book	Budget As at End Feb 04	Projected Outturn	Variance (Increase/ - Saving)	
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	
Lifelong Learning (excluding schools delegated)	13,412	13,623	211	16,899	17,710	18,146	436	436
Environment	15,741	15,387	-354	18,613	19,396	19,363	-33	-33
Personal Services	24,277	24,186	-91	25,852	26,040	26,073	33	100
Chief Executive	2,068	2,022	-46	2,243	2,408	2,408	0	0
Resources	5,567	4,802	-765	4,937	5,161	5,142	-19	0
Corporate, Miscellaneous & Benefits	11,446	11,424	-22	3,870	3,652	3,652	0	0
	72,511	71,444	-1,067	72,414	74,367	74,784	417	503
Non - Service Items:								
				100	0	0	0	0
				11,283	11,206	10,729	-417	-503
				4,435	4,435	4,435	0	0
				1,000	1,000	1,000	0	0
				89,232	91,008	90,948		
						Total Variance	0	0

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 FEBRUARY 2004**

	- Year to Date -			- 2003/04 Totals -				Projected Variance (Previous Report) £000s
	Budget Profile	Actual to End Jan 04 Plus Commitments	Variance (Increase/ - Saving)	Budget As per Budget Book	Budget As at End Jan 04	Projected Outturn	Variance (Increase/ - Saving)	
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	
Individual Schools Budget	36,321	32,449	-3,872	39,975	39,936	39,936	0	0
School Funds Held Centrally	7,131	8,114	983	10,004	10,721	11,066	345	345
Non school Funding	277	453	176	388	389	453	64	64
Leisure Services	3,123	2,412	-711	3,086	3,132	3,147	15	15
Culture	1,858	1,836	-22	2,414	2,468	2,468	0	0
Countryside	588	480	-108	434	441	441	0	0
Youth	435	328	-107	573	559	571	12	12
	13,412	13,623	211	16,899	17,710	18,146	436	436
Total Lifelong Learning	49,733	46,072	-3,661	56,874	57,646	58,082	436	436

The Directorate report reflects the position reported to Cabinet at its meeting of 24 February. An update has not been possible to take account of the end February position due to sickness absence of key finance staff within the Directorate.

Notes:

<u>Comments</u>	Current Month	Previous Month
	£ 000s	£ 000s
Education Pressures		
<u>School Funds Held Centrally</u>		
School Transport - Reduction in projected variance due to contract changes/variations and opportunities to merge contracts.	130	130
SEN - pressures incurred in recoupment - impact of placing authorities' Inclusion policies, withdrawing pupils from Plas Brondyffryn.	250	250
Less Delays in appointing staff	-15	-15
Management & Administration efficiency savings	-20	-20
	345	345
<u>Non School Funding</u>		
College Transport - effect of increased contract prices from September due to reduced competition; increased fuel and insurance costs and Working Time Directive implications on drivers' pay and conditions. A review of college transport is underway.	64	64
	64	64
<u>Culture and Leisure</u>		
<u>Leisure Services Pressures</u>		
Pool Hoists for Disabled Persons (DDA)/ increase in licensing fees and security costs.	15	15
	15	15
<u>Youth</u>		
Prestatyn Youth Centre - Essential Repairs & Maintenance	5	5
Backdated Superannuation Contribution	7	7
	12	12
Directorate Total	436	436

**MONTHLY BUDGET MONITORING REPORT - FINANCIAL YEAR 2003/04
ENVIRONMENT
POSITION AS AT END FEBRUARY 2004**

	- Year to Date -			- 2003/04 Totals -				Projected Variance (Previous Report) £000s
	Budget Profile	Actual to End Feb 04 Plus Commitments	Variance (Increase/ - Saving)	Budget As per Budget Book	Budget As at End Feb 04	Projected Outturn	Variance (Increase/ - Saving)	
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	
Consultancy Services	1,700	2,089	389	1,095	1,225	1,388	163	163
Economic Regeneration	818	1,014	196	914	952	967	15	15
Highways and Transportation	4,861	4,625	-236	6,697	6,806	6,831	25	25
Planning Services	769	583	-186	935	935	900	-35	-35
Public Protection & Regulatory Services	6,588	6,228	-360	7,903	8,288	8,098	-190	-190
Support Services	735	587	-148	797	918	910	-8	-8
Contract Services	270	261	-9	272	272	269	-3	-3
Total Environment	15,741	15,387	-354	18,613	19,396	19,363	-33	-33

The overspend on Economic Regeneration is caused by a delay in receipt of grant and incorrect profiling of rental income.

Consultancy Services profiled income budget has not been achieved to date and is currently being reviewed.

Public Protection and Regulatory Services underspend against profiled budget is mainly due to the delayed agreement of contractor invoices.

Planning Services underspend against profiled budget reflects earlier receipt of income and later than anticipated commitment of project based expenditure.

**MONTHLY BUDGET MONITORING REPORT - FINANCIAL YEAR 2003/04
PERSONAL SERVICES
POSITION AS AT END FEBRUARY 2004**

	- Year to Date -			- 2003/04 Totals -				Projected Variance (Previous Report) £000s
	Budget Profile	Actual to End Feb 04 Plus Commitments	Variance (Increase/ - Saving)	Budget As per Budget Book	Budget As at End Feb 04	Projected Outturn	Variance (Increase/ - Saving)	
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	
Children Services:								
Children and Families Services	4,458	4,534	76	4,094	4,834	4,947	113	27
Community Development	245	220	-25	274	261	228	-33	-3
Performance Management & Support	349	259	-90	381	348	283	-65	-66
Adult Services:								
Intake A & C M (North)	6,278	6,869	591	5,333	6,902	7,594	692	665
Preserved Rights/RCA	2,806	2,107	-699	3,404	3,001	2,247	-754	-667
Intake A & C M (South)	3,534	3,195	-339	3,772	3,851	3,493	-358	-273
Adult Services (Provider)	5,239	5,372	133	5,682	5,715	5,860	145	49
Performance Management & Support	1,944	1,714	-230	1,515	2,121	1,870	-251	-199
Business Support & Development	1,415	1,688	273	1,313	1,543	1,842	299	318
Supporting People	1,856	1,905	49	0	2,024	2,079	55	60
	28,124	27,863	-261	25,768	30,600	30,443	-157	-89
Supporting People Grant	-3,917	-3,917	0	0	-4,700	-4,700	0	0
	24,207	23,946	-261	25,768	25,900	25,743	-157	-89
Non HRA Housing	70	240	170	84	140	330	190	189
Total Personal Services	24,277	24,186	-91	25,852	26,040	26,073	33	100

Comparison of end February projected variances with those produced at the end of January are a cause for concern. A review is to be undertaken to establish the reasons for these movements.

Children and Families

The Fostering Service which includes specialist placements is expected to overspend by £229k due to specific children with very complex needs. The past month has seen an increase in the number of placements required.

Intake A & C M (North & South)

Included in outturn is 1% increase for domiciliary providers and stepped increase for Residential/Nursing Homes from October 2003. Problem with backlogs of domiciliary bills at local offices has been resolved, which is reflected in outturn projection.

Adult Services - Provider

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

Mental Illness payments to Residential/Nursing homes estimated overspend £260k is mainly attributable to increases in the number of clients with expensive placements.

A High Court judgement means there is the potential that DCC may get claims for refunds 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

This work will be completed by the end of March.

Business Support & Development.

Pressure areas include IT and central telephone recharges.

Within Business Support and in particular MIS the increased projected overspend is attributable to the replacement of obsolete computers.

**MONTHLY BUDGET MONITORING REPORT - FINANCIAL YEAR 2003/04
CHIEF EXECUTIVE, RESOURCES, CORPORATE & MISCELLANEOUS
POSITION AS AT END FEBRUARY 2004**

	- Year to Date -			- 2003/04 Totals -				Projected Variance (Previous Report) £000s
	Budget Profile	Actual to End Feb 04 Plus Commitments	Variance (Increase/ - Saving)	Budget As per Budget Book	Budget As at End Feb 04	Projected Outturn	Variance (Increase/ - Saving)	
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	
Chief Executive's Dept	2,068	2,022	-46	2,243	2,408	2,408	0	0
Resources Directorate:								
Finance	2,795	2,561	-234	2,115	2,351	2,360	9	25
Audit	281	293	12	299	312	303	-9	0
I.T	1,672	1,200	-472	1,649	1,622	1,622	0	0
Personnel	819	748	-71	874	876	857	-19	-25
Total	5,567	4,802	-765	4,937	5,161	5,142	-19	0
Corporate & Miscellaneous Benefits	1,442	1,597	155	3,386	2,868	2,868	0	0
	10,004	9,827	-177	484	784	784	0	0
Total	11,446	11,424	-22	3,870	3,652	3,652	0	0
Total Chief Executive's, Resources, Corporate & Misc. and Benefits	19,081	18,248	-833	11,050	11,221	11,202	-19	0

**CABINET, ASSET MANAGEMENT COMMITTEE AND DELEGATED DECISION
FORWARD WORK PROGRAMME**

AGENDA ITEM NO: 7

MONTH	RESOURCES DIRECTORATE	ENVIRONMENT DIRECTORATE	CHIEF EXECUTIVE'S DEPARTMENT	LIFELONG LEARNING DIRECTORATE	PERSONAL SERVICES DIRECTORATE
March 2004	<p>Monthly Budget Monitoring report - Revenue and Capital - C</p> <p>Capital Receipt Update - A</p> <p>Corporate Asset Management Plan 2004 - A</p> <p>Acquisitions and Disposals Quarterly Report - A</p>	<p>Yellow Bus Initiative - Extension Proposals C</p> <p>New Vehicle Maintenance Depot - Alternative Proposal - A</p> <p>Exemption from Contract Standing Orders: Purchase of Sign Making Machine - C</p> <p>EU Programmes and International Links - C</p> <p>Retrospective Approval for Skate Park, Rhyl - C</p> <p>Grants for community projects for 2004/05 - DD</p> <p>North Wales Regional Waste Plan - DD</p>		<p>Meliden Multi Use Games Area: capital Project Bid - A</p> <p>Ruthin Craft Centre Feasibility Study - A</p>	<p>HRA Budgets - C</p> <p>Stock Transfer - C</p> <p>Financial and Budget Housing - Issues - C</p> <p>Affordable Housing - C</p> <p>Communities First - C</p>
April 2004	<p>Monthly Budget Monitoring report - Revenue and Capital - C</p> <p>Balance of LA Funding in Wales - C</p> <p>Eirianfa - C</p>	<p>Vehicle Maintenance Depot - Location and Staffing - C</p> <p>Highway Maintenance and Traffic Management - scheme prioritisation policy - C</p>	<p>Corporate Quarterly Performance Report - Quarter 3 - C</p> <p>Progress Report on Action Plan in response to ACiW report on Improvement Plan - C</p>	<p>Clwydian Range AONB Management Plan - C</p> <p>Ysgol Plas Brondyffryn - C</p>	<p>HSCWB Draft Strategy - C</p> <p>Childrens' Services Update - C</p> <p>Formal Adoption of Local Housing Strategy - C</p> <p>Approvals Procedure -</p>

KEY: C ~18/03/2004 A ~ ASSET MANAGEMENT COMMITTEE
D ~ DELEGATED DECISION

MONTH	RESOURCES DIRECTORATE	ENVIRONMENT DIRECTORATE	CHIEF EXECUTIVE'S DEPARTMENT	LIFELONG LEARNING DIRECTORATE	PERSONAL SERVICES DIRECTORATE
	Contact Centre - C	Fordham Research Report on Local Housing Needs Assessment - C Public Open Space Provision in New Developments - operating guidelines on Commuted Sums - C 3 Award of Contract Reports - C	Best Value review Timetable - Quarterly Report - C		Consideration of De-Registered Foster Carers - C Disabled Children's Service Development Plan - C/D
May 2004	Monthly Budget Monitoring report - Revenue and Capital - C	Consultation - Closure of an access on to the A55 at St Asaph - C Consultation - Creation of a bridleway - C SPG on Affordable Housing - C	Review Appointments to Outside Bodies - C Statutory PIs Quarterly Report - C Improvement Plan - C LGA / WLGA Relationship - C		
June 2004	Monthly Budget Monitoring report - Revenue and Capital - C		LGA / WLGA Relationship - C		
July 2004	Monthly Budget Monitoring report - Revenue and Capital - C				
August 2004					
September 2004	Monthly Budget Monitoring report - Revenue and Capital - C	Draft Annual Monitoring report for the Unitary Development Plan - C or D			

KEY: C ~18/03/2004 A ~ ASSET MANAGEMENT COMMITTEE
D ~ DELEGATED DECISION

MONTH	RESOURCES DIRECTORATE	ENVIRONMENT DIRECTORATE	CHIEF EXECUTIVE'S DEPARTMENT	LIFELONG LEARNING DIRECTORATE	PERSONAL SERVICES DIRECTORATE
October 2004	Monthly Budget Monitoring report - Revenue and Capital - C				Draft HSCWB Strategy - C
November 2004	Monthly Budget Monitoring report - Revenue and Capital - C				
December 2004	Monthly Budget Monitoring report - Revenue and Capital - C				
January 2005	Monthly Budget Monitoring report - Revenue and Capital - C				
February 2005	Monthly Budget Monitoring report - Revenue and Capital - C				
March 2005	Monthly Budget Monitoring report - Revenue and Capital - C				
April 2005	Monthly Budget Monitoring report - Revenue and Capital - C				
May 2005	Monthly Budget Monitoring report - Revenue and Capital - C				

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