

CABINET

Minutes of the Cabinet meeting held in Conference Room 1, Council Offices, Ruthin on Tuesday 21 December 2004 at 10.00 a.m.

PRESENT

Councillors S A Davies, Lead Member for Business & Communications; P A Dobb, Lead Member for Health & Wellbeing; E C Edwards, Lead Member for Communities; M A German, Lead Member for Children and Young People; R W Hughes, Leader and Lead Member for Regeneration; P J Marfleet, Lead Member for Finance and Personnel; D Owens, Lead Member for Lifelong Learning; S Roberts, Lead Member for Promoting Denbighshire; J Thompson Hill, Lead Member for Property and Asset Management and E W Williams, Lead Member for Environment.

Observers: Councillors R E Barton; J Butterfield; J Chamberlain Jones; M LI Davies; D Hannam; M M Jones, N Hugh Jones and J A Smith.

ALSO PRESENT

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

APOLOGIES

None.

1 URGENT MATTERS

- [i] Head of Transport and Infrastructure - verbal report by Corporate Director: Environment
- [ii] Directorate Seminars - verbal report by Councillor R W Hughes, Leader
- [iii] Tribute by Councillor E C Edwards to the Assistant Chief Executive [Strategy] on his retirement.

2 MINUTES OF THE CABINET

The Minutes of the Cabinet meeting held on 2 November 2004 were submitted.

RESOLVED that the Minutes of the Cabinet meeting held on 2 November 2004 be approved as a correct record and signed by the Leader.

The Minutes of the Cabinet meeting held on 23 November 2004 were submitted.

Item 9 Free Swimming for Older People: Councillor S Roberts updated Members that Denbigh High School have agreed to the proposals and further meetings with other schools are being arranged.

RESOLVED that subject to the above, the Minutes of the Cabinet meeting held on 23 November 2004 be approved as a correct record and signed by the Leader.

3 DRAFT INTERNATIONAL STRATEGY

Councillor R W Hughes presented the report seeking Cabinet approval to adopt a strategy for developments with regions who wish to co-operate with Denbighshire and to approve the memorandum of understanding with Powiat Gliwicki, Poland. Cabinet were also asked to agree that international activity be considered at one of the Directorate days to identify future opportunities.

Councillor Hughes outlined the financial benefits of working with international areas and said Denbighshire was the lead Authority in Wales on international work. She said it was important to have a strategy which would allow Denbighshire to be more focused and plan the work and programmes which the Authority would wish to participate in.

Councillor P A Dobb said she was pleased to see the strategy, particularly in regard to recruitment needs as this could be of benefit to both the Authority and the independent sector in areas where recruitment of staff was proving difficult.

Councillor S A Davies thanked Economic Development for the recently held Llangollen Food Festival, which a group from Poland had attended. The international dimension of such events was helping with the local economy.

Councillor E C Edwards asked for more detail on the community development, an update on the Vasternorrland, Sweden and County Clare, Ireland links and said he was pleased to see the results of the Rhyl regeneration project outlined in the appendix to the report. In response, the Head of Development Services said that community development included twinning with other areas and there could be areas with which the Authority could help with funding streams and development of databases. Europe was also providing significant resources for twinning with regional local authorities but this was not currently available to Denbighshire. A Memorandum of Understanding had been signed with Vasternorrland and they would visit Denbighshire in the spring of 2005, with Denbighshire County Council representatives going to Vasternorrland in 2006. County Clare was the Authority's partner in Interreg projects for the next 3 years and there could be merit in pursuing a link with them on the community strategy.

Councillor P J Marfleet, whilst supportive of initiatives of financial benefit to Denbighshire, reminded Members of the cost of officer and Member time in working with international areas, particularly on tourism issues. He suggested more work should be carried out to try and achieve more tourists from the rest of the UK to visit the County and this would give more income for less cost. He expressed his concern over the CANTATA which meant higher costs and higher risks. He asked that this should be monitored over all stages over the coming months, particularly what value was gained in monetary terms from each trip.

Councillor E W Williams said he welcomed the strategy and said each visit had been of benefit to Denbighshire. Whilst appreciating the concern over costs, he said it could take some time before financial benefits were realised.

The Chief Executive apologised for the error on the Welsh Agenda, where 'international' had been translated as 'internal'. With regard to monitoring of visits, a section on monitoring and control was included in the appendix to the report. He expressed his thanks to the Leader and staff for the strategy.

Councillor M LI Davies said he had originally been sceptical about international visits but after his recent visit to Poland he had seen the benefits and thanked Councillor Hughes for the report.

Councillor M A German expressed his support for the report and also agreed with Councillor Marfleet that more should be done to encourage tourists from other UK areas to visit Denbighshire, as Prestatyn in particular had over recent years lost revenue owing to the lack of visitors.

It was agreed that future reports would include the name of the countries referred to, not just the regions.

RESOLVED that Cabinet support the Draft International Strategy as a basis for further consultation and approve the memorandum of understanding with Powiat, Gliwicki, Poland. It was further resolved that international activity be considered at one of the forthcoming Directorate days to identify future opportunities.

4 SCHOOL TRANSPORT POLICY

Councillor D Owens presented the report for Members to review the decision taken by the Cabinet in January 2004 to amend the School and College Transport Policy in respect of eligibility for free transport to denominational schools in the County.

Councillor E W Williams said school transport had always impacted on budgets. In particular rural school transport caused problems where children did not attend the nearest school. He suggested that as many village schools were closing due to lack of pupil numbers as children were taken to the nearest town to school, school transport should only be provided to the nearest school.

Councillor E C Edwards said the problem was compounded as parents worked away from the area and wished their children to attend schools on their route to work. He suggested the legal implications of only providing transport to the nearest school should be examined.

Councillor N Hugh Jones referred to the effect on the religious education communities if the decision of Cabinet earlier in the year was confirmed.

Councillor P J Marfleet said although there was an opportunity for savings, the cost of officer time was high and on balance he felt Cabinet should rescind the decision.

RESOLVED that Members rescind the previous Cabinet decision to amend the School and College Transport Policy in respect of eligibility for free transport to denominational schools and maintains the existing Policy.

5 REVENUE BUDGET 2004-2005

Councillor P J Marfleet presented the report for Members, in the light of the budget performance figures for the current financial year as detailed in the appendices attached to the report, to consider any actions necessary to reduce the balance of overspending on services. He expressed his disappointment in the figures and said improvements in performance were required each month. The Chief Executive's Department figures were likely to be less than stated at the end of the financial year.

With regard to Lifelong Learning, Councillor Marfleet expressed his concern that the previous £483k overrun was now £525k overrun and the original £329k in the SEN budget was now £348k due to a shortfall of income. He said officers and Members should give extensive consideration, in a robust and speedy manner, to the budgets over the next few weeks to redress the situation and ensure the expenditure was not carried forward to the next financial year. The Head of Education Services agreed with Councillor Marfleet's comments and said the SEN budget was volatile and care orders in particular added to the budget pressures.

Councillor Marfleet discussed the Culture and Leisure expenditure, in particular the increase in staffing costs at the Royal International Pavilion which required more management control; the gas invoice which should have been anticipated at the Leisure Centre and the impact of reduced revenue at the Pavilion Theatre, Rhyl. In response, the Acting Director of Lifelong Learning said Culture and Leisure had a bad year and had no reserves in the system to cope with unforeseen problems and issues. The increase in staffing costs at the Royal International Pavilion was the result of regrading. However, the top slicing of the budget to contribute to Llais y Sir / County Voice had an effect on attendance at the Rhyl Pavilion Theatre as marketing had been affected. She said progressive savings were being made each month.

Councillor E C Edwards queried the restricted community access to Ruthin Leisure Centre for early morning swimming. The Acting Director Lifelong Learning said the school were insistent the public were away from the site before the pupils arrived each morning which had led to changes in shift patterns and increased costs. Councillor Edwards said child protection was of the utmost importance but the school would have to work with the Authority as the public had right of access to the swimming pool. He agreed with Councillor P A Dobb's comment that the Task and Finish Group formed to look into access to leisure centres based in schools had to pursue the matter as a matter of urgency.

Councillor Marfleet said any department showing a surplus should also be encouraged to achieve further savings as these would assist with the level of Council Tax rise the following year and service delivery.

RESOLVED that Cabinet note the figures in the Appendices and agree the remedial actions to align projected spending levels with approved budgets.

6 HOUSING REVENUE ACCOUNT BUDGET 2004/2005

Councillor P A Dobb presented the report for Members to note the latest financial forecast position of the housing Revenue Account for the current financial year. Councillor Dobb was pleased that the provision for bad and doubtful debts was overfunded by £286,612 and this would be transferred back to the Housing Revenue Account reserves.

RESOLVED that Cabinet note the figures in Appendix 1 to the report.

7 COUNCIL TAX BASE 2005-2006

The Deputy Chief Executive / Corporate Director: Resources presented the report seeking Cabinet agreement to the Council Tax Base for 2005-2006. This was the first time that Cabinet would make the decision on this annual process. A letter had been sent to all Members a couple of weeks previously by the Head of Revenues, outlining how the Council Tax revaluations affected each area.

Most areas in the County, with the exception of Rhyl, were experiencing increases in the Council Tax bandings, as a result of the re-evaluation process carried out. Councillor D Hannam said the increases would affect people who could least afford to pay. The Chief Executive said many properties in Rhyl would in fact pay less as they would move from Band D to Band C.

In response to a query, the The Deputy Chief Executive / Corporate Director: Resources said the Welsh Assembly Government would cover increases over and above one Band. The Authority had built assumptions into the calculations of the likely number of appeals.

RESOLVED that the calculation of the Council's Tax Base for the year 2005/2006 be approved and in accordance with The Local Authorities (Calculation of Council Tax Base)(Wales) Regulations 1995 No 2561 as amended, the amount calculated as the Tax Base for each Community area for the year 2005/2006 shall be:-

Community Area	Tax Base 2005/2006
Aberwheeler	177
Betws GG	153
Bodelwyddan	721
Bodfari	181
Bryneglwys	156
Cefn Meiriadog	206
Clocaenog	103
Corwen	922
Cyffylliog	217

Cynwyd	230
Denbigh	3,099
Derwen	207
Dyserth	1,123
Efenechtyd	282
Gwyddelwern	209
Henllan	352
Llanarmon Yn Ial	555
Llanbedr D C	444
Llandelga	259
Llandrillo	265
Llandyrnog	443
Llanelidan	148
Llanfair D C	544
Llanferres	384
Llangollen	1,546
Llangynhafal	312
Llanrhaeadr Y C	490
Llantysilio	238
Llanynys	317
Nantglyn	147
Prestatyn	7,230
Rhuddlan	1,709
Rhyl	8,587
Ruthin	2,142
St. Asaph	1,331
Trefnant	608
Tremeirchion	596

8 DELEGATIONS

Councillor R W Hughes presented the report seeking Cabinet consideration of amendments to the existing Cabinet Delegations, as listed in Appendix 1 to the report. Members were also asked to agree, following County Council's decision on 14.12.2004, to assign the calculation of the Council Tax Base to the Cabinet and for the Cabinet to delegate this function to the Chief Executive in respect of 2006-2007 onwards.

Councillor Hughes said decisions should be taken at the most appropriate level and it was important that officers enjoyed a level of trust by Members. Councillor P A Dobb agreed with Councillor Hughes, whilst at the same time expressing her concern regarding the perceived 'burden' on Members.

In response to a query from Councillor J Thompson Hill, the County Clerk said a review of Asset Management functions would be carried out at a date in the future and if appropriate the results would be brought to Cabinet. Councillor R W Hughes said a seminar was being organised for all Members on Asset Management, particularly the agricultural estate functions.

Councillor P J Marfleet said he supported the report in principle but also wished to safeguard the Authority at the same time. He said Scrutiny Committees could safeguard the processes and suggested a review of the delegations in 12 months if required.

In response to a query from Councillor J Butterfield, the Chief Executive said commuted sums would be used for open space and play in the relevant community wherever possible unless there were adequate facilities already provided, in which case the monies would be spent in the nearest community.

Councillor E W Williams said local Members were sometimes unaware of delegations in their areas and it was essential that Members should be asked for their comments.

RESOLVED that Cabinet approves the proposals for changes to the existing Cabinet Delegations, as listed in Appendix 1 to the report. Cabinet also agrees to delegating the calculation of the Council Tax Base to the Chief Executive in respect of 2006-2007 onwards.

9 PFI BUILDING: NAMING AND OFFICIAL OPENING OF COUNCIL OFFICES

The Chief Executive presented the report seeking Cabinet approval to the suggested name for the new PFI office building and to agree arrangements for the opening ceremony. He confirmed the opening would take place once the works in the courtyard were complete, probably in May 2005.

RESOLVED that Cabinet agree the name 'Neuadd y Sir / County Hall' as the official name for the new offices and the opening arrangements as detailed in the report.

10 CABINET FORWARD WORK PROGRAMME

Councillor S A Davies presented the report and asked officers to ensure that Lead Members were fully involved in developing the Cabinet Forward Work Programme and involving Members from the start.

RESOLVED that Cabinet note the contents of the Forward Work Programme.

11 URGENT ITEMS

11.1 HEAD OF TRANSPORT AND INFRASTRUCTURE

The Corporate Director: Environment verbally reported that the Head of Transport and Infrastructure had resigned to take up a new post with Cheshire County Council. It was hoped to include the recruitment of this post with the Corporate Director: Lifelong Learning advertisement and appoint as soon as possible.

RESOLVED that Members note the report.

11.2 DIRECTORATE SEMINARS

Councillor R W Hughes verbally reported that 30 forms had been returned regarding Directorate Seminars and it was proposed over the next few months to hold seminars on Economic Development; a combined Environmental Services and Transport & Infrastructure seminar; Personal Services; Education Services and Culture and Leisure seminars, with the first seminar covering Finance.

***RESOLVED** that Members note the report.*

11.3 ASSISTANT CHIEF EXECUTIVE [STRATEGY]

Councillor E C Edwards asked Members to join him in wishing Steve Hatton, Assistant Chief Executive [Strategy] a long and happy retirement. He said he had worked with Steve when he was Leader and Denbighshire had become a unitary authority, facing a big change and challenge with the new Modernising Agenda. With Steve's hard work and time commitment Denbighshire had been one of the first Authorities in Wales to have the Cabinet system working. Councillor Edwards thanked him on behalf of the Cabinet and Council and wished him well on his move to a new home in Scotland.

The Assistant Chief Executive [Strategy] said he had enjoyed working with Denbighshire Members and officers and he said Denbighshire could be proud of the co-operation between the two. He hoped that the Authority would continue to grow in the future. Steve thanked Councillor Edwards and Members for their kind words.

***RESOLVED** report agreed.*

At this juncture (11.20 am.) the meeting adjourned for 10 minutes to allow Members to participate in refreshments.

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 paragraph 8 of Part 1 of Schedule 12A of the Local Government Act 1972.

PART II

12 CAPITAL PLAN 2004-2005

Councillor P J Marfleet presented the report seeking Members' consideration of any actions necessary in the management of the Capital Plan. He detailed the current position and said any slippage would be carried forward to the following year. Some of the slippage was due to capacity issues which needs to be addressed.

In response to a request from Councillor P A Dobb, Councillor Marfleet agreed to meet with her in the new year to discuss proposals to provide loans instead of grants for

housing improvements. Councillor E C Edwards agreed with Councillor Dobb's concern regarding housing improvement grants and said it was vital that people were helped to live in their own homes for as long as possible. He suggested more partnerships were required.

Members discussed the issue of capacity in detail. The Corporate Director: Environment said some highways capital schemes remained unfinished owing to protracted negotiations with landowners and such issues as school building design had to be programmed in workload terms. Members further agreed that lack of contractors posed problems to the development of schemes and it was essential that a link was forged with all colleges in the County to encourage education and training programmes which could address the lack of electrical, plumbing or bricklaying courses for example.

Councillor E W Williams said it was essential that the Authority continued to fund community projects and this was one of the most successful areas of expenditure by the Authority. He suggested Members should have project based issues as part of their portfolios.

Councillor J Butterfield said that many contractors wanted to carry out minor works for Denbighshire but they felt the Council were too restrictive in their requirements in regard to insurance etc. She suggested the Care and Repair Scheme, partly funded by Denbighshire, was an option which should be considered.

Councillor E W Williams suggested that training could be included as part of the Housing Improvement Programme, regardless of whether it was financed by Housing Stock Transfer or Prudential Borrowing.

Councillor E C Edwards said many contractors were unable to afford to train apprentices unless special schemes were available and there would always be a shortage of good workers. He suggested partnerships were the way forward and cited Brynhyfryd School as an example of partnership working which had been completed to cost and had won the Ruthin and District Civic Association Quayle Award award.

Councillor R W Hughes agreed to discuss education and training programmes and affordable practices with other North Wales Leaders. Councillor Hughes also agreed that the Housing Revenue Account budget and the Capital Plan would be discussed at an Informal Meeting of the Cabinet in January 2005 to progress the issue.

Councillor D Owens said ELWa were working on developing training programmes, and Denbighshire was continuing to develop its vision for 14-18 year olds. The Head of Education Services said both Llysfasi and Rhyl Colleges would be able to develop these requirements. Councillor P A Dobb reminded Members that there was a need for people to be re-trained later in life and re-training should also be included along with education and training.

Councillor P J Marfleet said 3 year programmes were required as community issues also affected the wellbeing of the County as a whole. He paid tribute to the Principal Management Accountant and his staff for their work on the Capital Plan.

Councillor R E Barton suggested working closely with neighbouring Authorities and replicate good practice by using Objective 1 to fund the training.

RESOLVED that Cabinet:

- [a] *note the updated position in respect of the Capital Plan*
- [b] *agree, in accordance with Council's recommendations regarding the management of the Capital Plan, the resources made available from the identification of slippage are distributed in line with the amounts set out in column G of Appendix 3 to the report.*

Councillor R W Hughes thanked Cabinet Members and officers for all their hard work over the past 6 months and said she looked forward to working together in 2005, to make Denbighshire the best Authority in Wales.

The meeting concluded at 12.25 p.m.

REPORT TO CABINET

CABINET MEMBER: Councillor E Williams, Lead Member for the Environment

DATE: 25 January 2005

SUBJECT: Denbigh Townscape Heritage Initiative (Phase 2)

1.0 DECISION SOUGHT

1.1 To approve the submission of a Stage 2 application to the Heritage Lottery Fund for a Phase 2 Townscape Heritage Initiative for Denbigh, in order to secure £1.5m of in-principle Heritage Lottery Fund assistance.

2.0 REASON FOR SEEKING A DECISION

2.1 The Townscape Heritage Initiative (THI) is a Heritage Lottery Fund (HLF) programme intended to support strategic action by partnerships of public, private and voluntary bodies to address the problems of disrepair, erosion of quality and the under use of historic buildings within Conservation Areas, through offering grant assistance to owners of such properties from a 'common fund' of public sector sources and the proper sustainable management of the historic environment.

2.2 The Phase 1 Denbigh THI, managed by Denbighshire County Council, commenced at the end of December 2000 and has continued to run for the past 4 years. During this time it has formally committed over £4.15m, supporting over 50 individual projects valued at £4.75m. There remain 4 projects within Phase 1, where an anticipated formal commitment will be made prior to the end of the financial year amounting to a further £.9m of assistance and will mean all available funds will be fully committed.

2.3 The THI has been an adopted approach to the regeneration of Denbigh town centre through better management of the historic environment. This scheme will provide an opportunity to repair and reuse historic buildings which undermine the image and perception of the town, while supporting new economic and social uses compatible with the character of the building employing traditional materials and skills in the implementation of individual projects within the programme.

2.4 It was clear early on in 2003, from the level of interest in the scheme, that further regeneration of the town could be achieved if additional funds could be made available. Cabinet authorisation was sought and given in April 2003 to submit a further bid to the HLF. In recognition of Denbigh's particular social and economic problems, within a high quality historic environment, the bid was successful. As a result a further £1.5m of in-principle support was offered by the HLF in October 2003, subject to the securing of further partnership funding and the submission of a satisfactory Stage 2 bid, within the area detailed in Appendix A.

2.5 Further to the HLF's announcement further work has been undertaken to secure partnership funding. This has resulted in a successful bid to the Welsh Assembly Government announced in October 2004 for £.75m from their Physical Regeneration Fund and amongst other sources, as detailed at Appendix B, leveraging in an anticipated total common fund of £5.25m.

2.6 As a condition of transforming the in-principle grant offer into a full award from the HLF a number of items must be addressed by the Council;

2.6.1 The Council is encouraged to support making an annual specific capital allocation in order to support certain types of project within the THI programme which other partnership funder's eligibility criteria do not support. From experience in Phase 1, these types of project tend to be those related to community use and the larger deficit funded projects bringing larger historic buildings back into economic use.

2.6.2 In addition, the HLF also require the Council to adopt procedures related to the proper consideration of the historic environment within the THI area in its policy and decision making, in order to ensure the benefits of the THI are maintained into the future. These will be dealt with through a Conservation Area Management Plan for which a framework detailed at Appendix C provides a guide as to matters for consideration and development during the first year operation of the THI. This will effectively transform current practices in operation into policy and provide better certainty for the community and officers in decision making largely related to planning issues and will include supplementary planning guidance for the Denbigh Conservation Area.

2.6.3 Finally, the Council will have to give a commitment to positively using its wide ranging planning powers, where required, in order to properly manage the special interest of the Conservation Area's character and appearance, protect the investment of the partnership funders from later inappropriate changes and clearly illustrate its support for the objectives of the THI. The Council has to date already used its planning powers extensively to support Phase I and this commitment is a key feature of the THI and this simply formalises the Council's operations to date. These powers include the designation of Conservation Areas, adoption of SPG's, Article 4 Directions, use of section 215 notices, advertisement modification orders, urgent works notices, listed building repairs notices and compulsory purchase.

3.0 POWER TO MAKE THE DECISION

3.1 The Local Authority has a statutory duty to prepare proposals for the preservation and enhancement of Conservation Areas under Section 71(1) of the Planning (Listed Buildings & Conservation Areas) Act 1990. Offering grant assistance to historic buildings by the Local Authority is authorised under Section 57(1) of the same Act.

4.0 COST IMPLICATIONS

4.1 Substantial leverage is achieved by the Council's proposed investment to the Phase II. It is suggested the existing annual £30,000 commitment by the Council to the Denbigh THI be maintained through the lifetime of Phase 2, over the 5 years of the scheme from 2005 to 2010. This results in the Council's proposed £150,000 contribution leveraging in £5.1m of other public sector assistance for the regeneration of Denbigh.

5.0 FINANCIAL CONTROLLER'S STATEMENT

5.1 The proposal would lever in substantial external funding to the authority. If members agree to support the scheme the required level of funding from the Council will be included in the draft capital program for final approval by full Council.

6.0 CONSULTATIONS CARRIED OUT

6.1 Before the submission of the Stage 1 application to the Heritage Lottery Fund a public exhibition was held in Denbigh Library. This was well attended and unanimous support for the continuation of the THI expressed.

Local Members: The Ward members for Lower, Central and Upper Denbigh were contacted and the following comments were received.

Cllr R Bartley (Lower Denbigh): "I welcome the extension of the THI boundary to include the remainder of Vale Street in potentially supporting business located in this area of Denbigh, as part of the wider ongoing regeneration of Denbigh."

Cllr N Hughes (Lower Denbigh): "The potential investment in an area previously excluded from grant assistance which will potentially benefit local businesses is to be welcomed."

Cllr G Kensler (Denbigh Central): "I'm fully supportive of the proposed ongoing work of the THI as a major catalyst for the regeneration of Denbigh, building on the results achieved to date through focusing on investing in the reuse of commercial historic buildings."

Central Area Partnership: Area partnership priorities include sustaining and improving the built environment and safeguard the vitality and vibrancy of our town centres. The Area Partnership Manager commented;

"The Partnership offer support to the THI application...in providing much more than improvements to the built historic environment of the community. The project has engaged the community and provided opportunity for learning, for participation and the strengthening of the community through awareness of cultural identity."

Small Town and Villages Enterprise Initiative : Denbigh town is part of the STVEI which is a partnership programme between the community of Denbigh, the County Council

and the WDA. Its published Business Action Plan identifies the continuation of the Denbigh THI as a proposed action. Its Chairman, Peter Jones, commented;

“Supporting the repair and reuse of the town’s historic buildings forms an important element of the strategic objective for infrastructure and environment, which through THI assistance, working in partnership with others can achieve very visible and sustainable impacts on both the appearance and vitality of the town....supporting the economic reuse of key problem properties.”

7.0 IMPLICATIONS ON OTHER POLICY AREAS INCLUDING CORPORATE

7.1 This proposal accords with 2004/5 Council priorities;

B1:to secure additional grant from other bodies to improve the County

D1:to tackle run down buildings

D3:(in the longer term) attract more visitors to the area

7.2 Denbigh town has been recognised by the Assembly Government, following a Denbighshire application, as a deprived area and was declared a Neighbourhood Renewal Area (NRA) in late 2001, the boundaries of which closely relate to that of the THI. The NRA is a 10 year programme focused on improvements to private housing stock. The THI has worked very closely with the NRA throughout the past 3 years and this relationship is set to continue. Assembly funding for the NRA is partially determined by the resources committed and secured from other sources by the Council to the area.

8.0 RECOMMENDATION

8.1 To authorise:

- (a) The submission of a Stage 2 application to the Heritage Lottery Fund for a Phase 2 Townscape Heritage Initiative (THI) for Denbigh,
- (b) A recommendation to Council for the inclusion of a £30,000 per annum contribution from Denbighshire County Council towards the Phase 2 Denbigh THI, from 2005 onwards for 5 years, within the capital plan,
- (c) The adoption of a Conservation Area Management Plan framework for Denbigh and for its development through the first year of the scheme,
- (d) A commitment by the Cabinet and a recommendation to the Planning Committee to positively use the full range of planning powers to ensure the proper management of Denbigh Conservation Area.

and

- (e) In-principle support for the Conservation Area Management Plan subject to further details being brought to Cabinet at a later date for consideration.

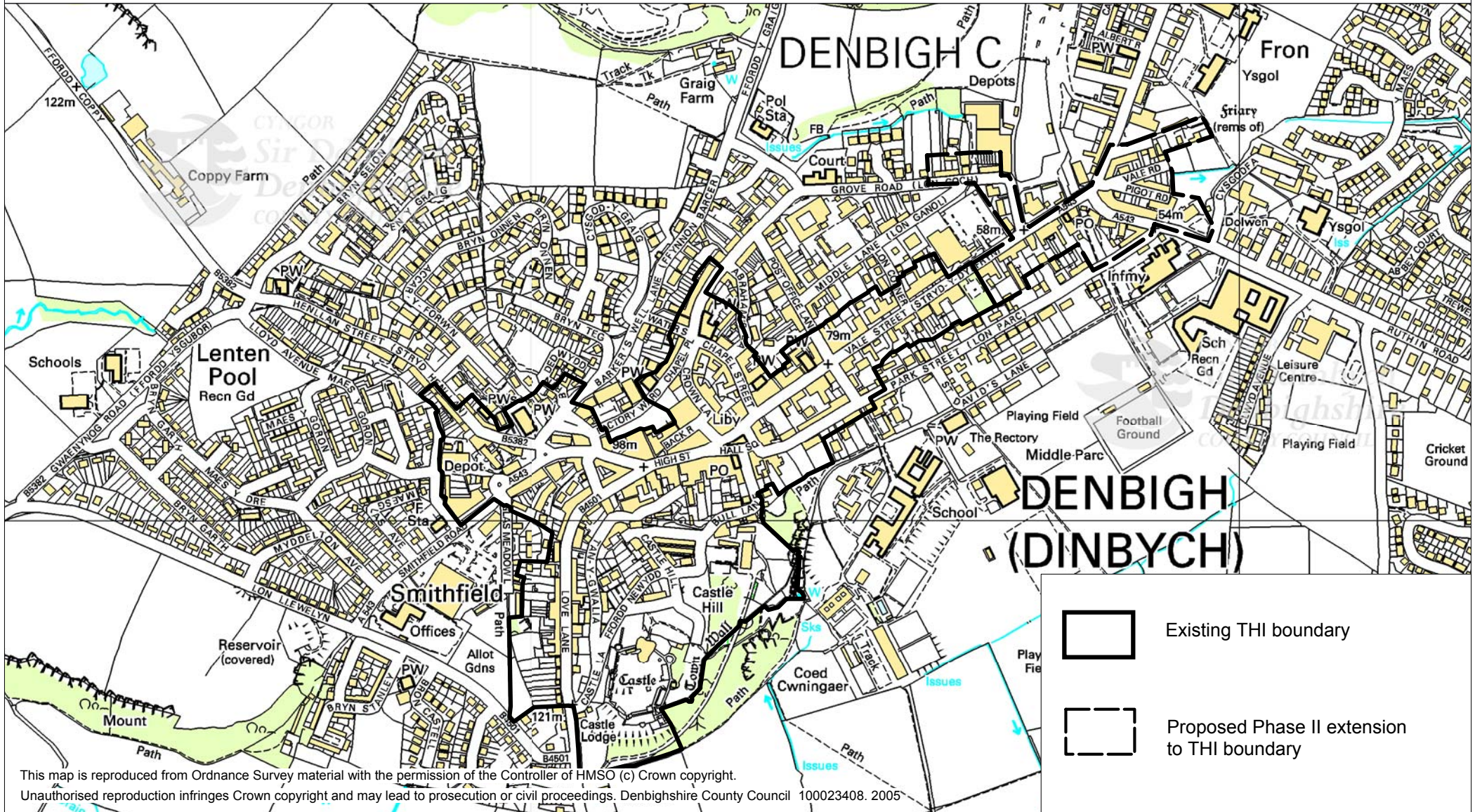


Denbigh THI Phase II 2005 - 2010

Scale: 1: 7500
Date: 12/01/2005



Environment Directorate



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APPENDIX B

Denbigh THI (Phase II)

Anticipated Contributions to Common Fund 2005-10

Level	Status	Funder / Administrator
£150,000	Please see report	Denbighshire County Council (Specific Capital Allocation)
£750,000	Secured	Welsh Assembly Government / THI (Physical Regeneration Fund)
£1,250,000	Secured	Welsh Assembly Government / DCC (Neighbourhood Renewal Area)
£250,000	Secured	Welsh Assembly Government / DCC (Housing Regeneration Grant)
£800,000	Project by project	Welsh Development Agency (Town Improvement Grants)
£60,000	Secured	Cadw (Conservation Area Grants)
£250,000	Project by project	European Regional Development Fund (Objective 1 Programme)
£200,000	Project by project	Cymdeithas Tai Clwyd (HARPS-Housing Above Retail Premises Scheme)
£40,000	Project by project	Wales Tourist Board (Investment Support Scheme)
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£3,750,000		Total Non-HLF Public Sector Contribution
£1,500,000		Heritage Lottery Fund (THI programme)
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£5,250,000		Total Anticipated Common Fund

Denbigh Townscape Heritage Initiative (Phase II)

Conservation Area Management Plan framework

Background

Through the Townscape Heritage Initiative (THI), the Heritage Lottery Fund (HLF) is able to help local authorities to make a significant impact on economic regeneration by investing in the conservation of local heritage. However, the HLF is concerned to ensure that the conservation benefits are maintained for the long term.

It expects local authorities to achieve this by making full use of best practice in conservation management. Authorities are, therefore, required to produce a Conservation Area Management Plan for each THI area. Such a plan will have four principal stages:

- Understanding of the area
- Establishing the policy and resources context
- Action-orientated analysis
- Commitment and review

Understanding

The Conservation Area Appraisal is the key to understanding the qualities that give the conservation area its special interest. The appraisal will include sections on:

- Definition and justification
- Location, history and development
- Character and appearance:
 - Setting
 - Activity
 - Street pattern and topography
 - Buildings and townscape
 - Spaces
 - Trees and landscape
 - Negative factors

The appraisal will begin to identify the issues that management will have to address, such as the need for repairs and enhancement, and policy initiatives, such as Article 4 directions. The benefits of understanding are:

- Designation of the conservation area can be justified in the face of public scrutiny, for instance at a planning inquiry
- Levels of public awareness can be raised
- There is a basis for policy formulation
- The development control process is better informed

Policy and resources

Existing policies, standards and guidance must be reviewed in order to determine the potential for refinement and to ensure that full use is made of all the opportunities provided by the planning legislation. The HLF expects, for instance, a strong framework for achieving high standards of design in new development and for the exemplary treatment of public spaces.

This review may lead to the publication of specific guidance for Denbigh and to the wider use of powers, such as Amenity Notices (Section 215) and Article 4 directions.

The capacity of both human and financial resources is critical to effective management. The plan will review this in order to identify any shortfalls and to set aspirations for the future.

Analysis

This stage addresses the issues coming out of the understanding of the area and the policy review to develop a programme of action. There may be several components:

- Review of statutory lists
- Building-at-risk survey
- Public realm audit
- Surveys of specific issues eg. shopfronts or boundary treatments
- Regular photographic record
- Measurement of change survey
- Education and training initiatives
- Sensitivity analysis to highlight vulnerable areas or issues
- Benchmarking – Assessment of significance
- Opportunities for new development
- Opportunities for planning action
- Opportunities for enhancement
- Opportunities for community involvement
- Review of development control performance

The outcome is likely to include a database of individual buildings and a conservation strategy. The benefits of analysis are:

- Establishing a statistical basis for management
- Enabling a socially inclusive approach
- Meeting the statutory duty to enhance conservation areas
- Supporting the case for funding and other resources

There are, of course, further benefits for regional and national identity and economic regeneration.

Commitment and review

The HLF recognises that delivery of environmental standards is a responsibility shared by more than one local authority department and, indeed, by external agencies as well. It therefore expects the Conservation Area Management Plan to be formally endorsed by as many stakeholders as possible. Most of these have already been identified in the THI and they will be approached again to reaffirm their commitment.

Endorsement, however, must be more than passive. It is essential that targets are set and monitoring indicators are agreed as well as a mechanism for management review.

Next steps

This framework will be implemented after the submission of the Stage 2 document to the HLF and will be developed into a fully formed Conservation Area Management Plan during year one of the Phase II THI for Denbigh. It will involve the community, stakeholders and officers in the process in order to build a consensus for the proper consideration of the historic environment in decision making.

REPORT TO CABINET

CABINET MEMBER: Councillor P Marfleet - Cabinet Lead Member for Finance

DATE: 25 January 2005

SUBJECT: Revenue Budget 2004/05

1 DECISION SOUGHT

That in the light of the budget performance figures for the current financial year as detailed in the attached appendices, members consider any actions necessary to reduce the balance of overspendings on services.

2 REASON FOR SEEKING DECISION

The need to deliver the Council's agreed budget strategies for the current financial year and avoid budget pressures in 2005/06.

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 at the end of December 2004 show a potential overspend at year end of £0.380m (£0.368m at the end of November 2004). This net increase is attributable to small movements in budget variances within all services when compared with last month's report. This reflects a stabilisation in the overall budgetary position.

5 FINANCIAL CONTROLLER STATEMENT

It remains imperative for Directorates to identify measures to offset the impact of the anticipated budget pressures during the remainder of the current financial year.

6 CONSULTATION CARRIED OUT

Lead Cabinet members will be required to consult with Heads of Service to agree necessary remedial action to prevent overspends in 2004/05.

**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

That Members note the figures in the appendices and consider remedial actions to align projected spending levels with approved budgets.

**MONTHLY REVENUE BUDGET MONITORING REPORT - FINANCIAL YEAR 2004/05
POSITION AS AT END DECEMBER 2004**

Directorate	Budget			Projected Outturn			Variance			Net Expenditure (Previous Report) £000s
	Gross Expenditure	Gross Income	Net Expenditure	Gross Expenditure	Gross Income	Net Expenditure	Gross Expenditure	Gross Income	Net Expenditure	
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	
Lifelong Learning (excluding schools delegated)	28,086	-9,474	18,612	28,234	-9,130	19,104	148	344	492	525
Environment	29,077	-7,873	21,204	29,102	-7,995	21,107	25	-122	-97	-79
Personal Services	47,336	-20,141	27,195	47,250	-20,134	27,116	-86	7	-79	-105
Chief Executive	3,370	-876	2,494	3,464	-882	2,582	94	-6	88	51
Resources	7,595	-2,243	5,352	7,832	-2,504	5,328	237	-261	-24	-24
Corporate, Miscellaneous & Benefits	18,802	-15,342	3,460	18,811	-15,351	3,460	9	-9	0	0
Total All Services	134,266	-55,949	78,317	134,693	-55,996	78,697	427	-47	380	368
Capital Financing Charges/Investment Income			10,931			10,931			0	0
Precepts & Levies			4,737			4,737			0	0
			93,985			94,365			380	368

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 REVENUE BUDGET MONITORING REPORT - FINANCIAL YEAR 2004/05
LIFELONG LEARNING
POSITION AS AT END DECEMBER 2004**

	Budget			Projected Outturn			Variance			Net Expenditure (Previous Report) £000s
	Gross Expenditure	Gross Income	Net Expenditure	Gross Expenditure	Gross Income	Net Expenditure	Gross Expenditure	Gross Income	Net Expenditure	
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	
Individual School Budgets	47,544	-5,036	42,508	48,044	-5,536	42,508	500	-500	0	0
School Funds Held Centrally	15,687	-4,256	11,431	15,753	-3,944	11,809	66	312	378	392
Non school Funding	1,219	-817	402	1,219	-817	402	0	0	0	0
Leisure Services	6,553	-3,387	3,166	6,605	-3,325	3,280	52	62	114	133
Culture	2,923	-317	2,606	2,923	-317	2,606	0	0	0	0
Countryside	1,107	-658	449	1,137	-688	449	30	-30	0	0
Youth	597	-39	558	597	-39	558	0	0	0	0
	28,086	-9,474	18,612	28,234	-9,130	19,104	148	344	492	525
Total Lifelong Learning	75,630	-14,510	61,120	76,278	-14,666	61,612	648	-156	492	525

**MONTHLY REVENUE BUDGET MONITORING REPORT - FINANCIAL YEAR 2004/05
LIFELONG LEARNING
POSITION AS AT END DECEMBER 2004**

<u>Comments</u>	Current Month	Previous Month
	£ 000s	£ 000s
<u>Individual School Budgets:</u>		
Schools are becoming more reliant on income generation to support their capitation budgets. The table above reflects the efforts of schools to generate additional income in order to invest in equipment etc. The income includes donations from school funds, vending machine sales etc.		
<u>Education: School Funds Held Centrally</u>		
School Transport:		
Additional costs arising from contract retendering.	44	44
	44	44
Special Educational Needs:		
Shortfall of income due to reduction in out of county placements in special schools. Through the continued scrutiny of behavioral support expenditure further savings have been realised since last month's predicted outturn position, resulting in a reduced predicted overspend.	348	348
The underspends in other areas eg free school meals and vacancy management are being maintained.	67	81
	-81	-81
	334	348
<u>Culture and Leisure:</u>		
Effect of closure at Rhyl Leisure Centre for refurbishment.	80	80
Withdrawal of funding for security at Ffrith Beach.	16	16
Backdated gas invoice relating to Ruthin Leisure Centre	15	15
Increased staffing costs & reduced income at Royal International Pavilion	21	21
Impact of reduced revenue at Pavilion Theatre.	28	28
Miscellaneous savings achieved through management actions.	-46	-27
	114	133
TOTAL	492	525

MONTHLY REVENUE BUDGET MONITORING REPORT - FINANCIAL YEAR 2004/05
ENVIRONMENT
POSITION AS AT END DECEMBER 2004

	Budget			Projected Outturn			Variance			Net Expenditure (Previous Report) £000s
	Gross Expenditure	Gross Income	Net Expenditure	Gross Expenditure	Gross Income	Net Expenditure	Gross Expenditure	Gross Income	Net Expenditure	
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Development Services - (Note 1)	7,695	-3,236	4,459	7,507	-3,048	4,459	-188	188	0	0
Transport & Infrastructure - (Note 2)	8,085	-2,556	5,529	8,261	-2,732	5,529	176	-176	0	0
Planning & Public Protection - (Note 3 & 4)	3,719	-1,462	2,257	3,784	-1,580	2,204	65	-118	-53	-50
Environmental Services - (Note 4)	8,472	-591	7,881	8,465	-606	7,859	-7	-15	-22	-20
Director & Support - (Note 4)	1,106	-28	1,078	1,085	-29	1,056	-21	-1	-22	-9
Total Environment	29,077	-7,873	21,204	29,102	-7,995	21,107	25	-122	-97	-79

Notes:

1. Restructuring within the service and a review of its operations indicate that income and expenditure will be reduced.
2. Decriminalised Parking Enforcement (DPE) - increased expenditure and income due to the implementation and associated running costs.
3. Projected increased Building/Development Control income as well as additional DEFRA grant for Trading Standards.
4. Savings as a result of the delay in recruitment.

**MONTHLY REVENUE BUDGET MONITORING REPORT - FINANCIAL YEAR 2004/05
PERSONAL SERVICES
POSITION AS AT END DECEMBER 2004**

	Budget			Projected Outturn			Variance			Net Expenditure (Previous Report) £000s
	Gross Expenditure	Gross Income	Net Expenditure	Gross Expenditure	Gross Income	Net Expenditure	Gross Expenditure	Gross Income	Net Expenditure	
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Children Services	8,634	-1,646	6,988	8,989	-1,658	7,331	355	-12	343	336
Adult Services	30,990	-12,264	18,726	30,532	-12,086	18,446	-458	178	-280	-297
Business Support & Development	1,494	-117	1,377	1,402	-117	1,285	-92	0	-92	-92
	41,118	-14,027	27,091	40,923	-13,861	27,062	-195	166	-29	-53
Non HRA Housing	6,218	-6,114	104	6,327	-6,273	54	109	-159	-50	-52
Total Personal Services	47,336	-20,141	27,195	47,250	-20,134	27,116	-86	7	-79	-105

MONTHLY REVENUE BUDGET MONITORING REPORT - FINANCIAL YEAR 2004/05
PERSONAL SERVICES
POSITION AS AT END DECEMBER 2004

Comments	Current Month £000s	Previous Month £000s
Children's Services: The increase in projected overspend is due to costly emergency placements over the Christmas period. There may be a further increase as longer term placements are likely to be made before the end of the financial year. Residential placements continue to cause a serious budget pressure.	343	336
	343	336
Adult Services: Learning Disabilities: A detailed budget review has highlighted an estimated overspend of £294k. Cost increase in family support, work opportunities and residential placements continue to cause pressure.	294	294
Mental Illness: An overspend of £166k is projected due to the cost of residential placements.	166	166
Older People: The reduction of £14k in the previously reported under spend arises due to a small increase in the cost of residential and nursing placements.	-206	-220
PDSI: An overspend is projected of £122k due to costs exceeding budget. This budget was overspent by £220k in 2003/04. The improvement in the current year is due to an underspend on Supporting People projects.	122	122
Performance Management & Commissioning: The increase in anticipated under spend is due to savings made through slippage on staff appointments.	-129	-121
Supporting People: The underspend of £250k could increase further. Detailed analysis of all schemes is currently being undertaken. It should be noted that the underspend will be carried forward to meet cuts in the grant in 2005/06.	-250	-250
Other Adult Services: The reduction in the estimated under spend is as a result of an increase in carer's costs.	-277	-287
Cefndy Enterprises No variance anticipated.	0	0
	-280	-296
Business Support & Development: An under spend is shown because the balance of Supporting People grant displacing RSG within service budgets.	-92	-92
	-92	-92
TOTAL	-29	-52

MONTHLY REVENUE BUDGET MONITORING REPORT - FINANCIAL YEAR 2004/05
CHIEF EXECUTIVE, RESOURCES, CORPORATE & MISCELLANEOUS
POSITION AS AT END DECEMBER 2004

	Budget			Projected Outturn			Variance			Net Expenditure (Previous Report) £000s
	Gross Expenditure	Gross Income	Net Expenditure	Gross Expenditure	Gross Income	Net Expenditure	Gross Expenditure	Gross Income	Net Expenditure	
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Chief Executive's Department	3,370	-876	2,494	3,464	-882	2,582	94	-6	88	51
Resources Directorate:										
Finance	4,046	-1,731	2,315	4,307	-1,992	2,315	261	-261	0	0
Audit	416	-41	375	416	-41	375	0	0	0	0
I.T	2,059	-339	1,720	2,039	-319	1,720	-20	20	0	0
Personnel	1,074	-132	942	1,070	-152	918	-4	-20	-24	-24
	7,595	-2,243	5,352	7,832	-2,504	5,328	237	-261	-24	-24
Corporate & Miscellaneous	3,497	-57	3,440	3,506	-66	3,440	9	-9	0	0
Benefits	15,305	-15,285	20	15,305	-15,285	20	0	0	0	0
	18,802	-15,342	3,460	18,811	-15,351	3,460	9	-9	0	0
Total Chief Executive's, Resources, Corporate & Misc. and Benefits	29,767	-18,461	11,306	30,107	-18,737	11,370	340	-276	64	27

REPORT TO CABINET

CABINET MEMBER: Councillor P A Dobb, Lead Member for Health & Wellbeing

DATE: 25 January 2005

SUBJECT: Housing Revenue Account
Capital and Revenue Budgets 2004/05 and 2005/06

1 DECISION SOUGHT

- 1.1 That the Housing Revenue Accounts, Capital and Revenue be adopted.
- 1.2 That rents for Council dwellings be increased in accordance with the Rent Setting Policy in Section 2.2.6 (average 4.4%) from Monday 4th April 2005.
- 1.3 That rents for Council garages be increased by 10p (3.3%) per week with effect from Monday 4th April 2005.

2 REASON FOR SEEKING DECISION

- 2.1.1 Statutory requirement to set budgets and rent levels before the start of the new financial year.
- 2.1.2 This budget must be set before taking any decision on future options for the Council housing stock. The stock will obviously remain with the Council during 2005/06 and a full year budget is proposed which does not prejudice either option of Stock Retention with Prudential Borrowing or Stock Transfer.

2.2 Housing Revenue Account (HRA)

- 2.2.1 The latest forecast out-turn is detailed in Appendix 1. This is the same position as reported to Cabinet in December 2004. Balances, at year end, are forecast to £1,171k.
- 2.2.2 The proposed budget for 2005/06 is also detailed in Appendix 1. The budget has been calculated on the following bases:
 - General Inflation will be 2.5%;
 - The known pay award and salary increments (where due) have been included;
 - 120 Right To Buy (RTB) Sales in 2005/06;
 - Draft HRA Subsidy Determinations;
 - Unsupported (by HRA Subsidy) borrowing of £3.9m (see Capital);
 - Repairs and Maintenance increased by inflation (on a 'per dwelling' basis);
 - Average rent increases of 4.40%.

2.2.3 Draft HRA Subsidy Determinations were received in November 2004:

- Management and Maintenance allowances have increased to £1,475 per dwelling (an increase of 8.46% over 2004/05);
- Notional Rent of £47.14 per dwelling per week (an increase of 4.38% over 2004/05).

2.2.4 It is estimated that the HRA Subsidy payment to Welsh Assembly Government (WAG), for 2005/06, will total £2,686k. The final determinations are due late January 2005 but, based on previous years' experience, it is anticipated that any changes to the draft determinations will be minimal.

2.2.5 It is proposed to increase rents by 4.40%, to an average of £47.14 per week, in accordance with the HRA Subsidy regime. Rents should move towards Target Rents based on Notional Rents set by WAG, allocated proportionately according to the size of the dwelling.

2.2.6 In order to avoid excessive rent increases the Target Rent is set at 105% of Notional Rent. Rents that are currently above Target Rent will remain unchanged (that is, no reduction) and those that are below Target Rent will be limited to a maximum increase:

Rents 2005/06

	Notional Rent	Target Rent	Maximum Increase
Bedsit	£39.54	£41.52	£2.20
1 Bedroom	£41.62	£43.71	£2.20
2 Bedrooms	£45.00	£47.25	£2.50
3 Bedrooms	£51.89	£54.49	£3.50
4 Bedrooms	£57.07	£59.93	£3.50
Weighted Average	£47.14	£49.35	

2.3 Capital

2.3.1 The Capital Programme for 2004/05 was revised and reported to Cabinet in July 2004, with proposed total expenditure of £3,684,000. Progress on most schemes has been good. Spending on 2003/04 Schemes to Completion, Environmental Works, Housing Options, Boiler Works and Disabled Facility Grants are all expected to be close to budget.

2.3.2 The major new improvement works for 2004/05 were split into two contracts. The Northern contract (Groups A and C) is well underway and will be substantially complete by March 31st but any outstanding works can be carried over, together with funding. The Southern contract (Groups B and H) has not yet started due to difficulties with tendering. New tenders have now been received and it is hoped to be on site in January, again the contract can carry over, with funding, into 2004/05. Funding for 2004/05 is also in line with the revised estimates, Council house sales income is on target to achieve £1,091,000.

- 2.3.3 A draft Capital Programme for 2005/06 is attached at Appendix 2. There is significant expansion from 2004/05 based on Prudential Borrowing to be repaid from the future HRA if stock is retained, or from the capital receipt if Stock Transfer goes ahead.
- 2.3.4 The programme is based on the priorities agreed with tenants following extensive consultation. Just over 1,000 properties will have new windows and doors, with the intention of completing all dwellings by 2006/07. Priority will be given to Sheltered Housing for older people. In addition some 400 will have full central heating installed and the complete improvements programme will continue on 200 properties. A draft schedule of these programmes leading to achievement of Welsh Housing Quality Standards by 2012 has been prepared.
- 2.3.5 The programme is dependent on continued WAG support through Major Repairs Allowance and on achieving the expected level of capital receipts from sales. Contracts will not be committed until funding is actually in place.

3 POWER TO MAKE THE DECISION.

Housing Act 1985, Section 24.

4 COST IMPLICATIONS

The Housing Revenue Account is generally ring fenced and costs of implementation are covered by the increased income, especially rents

5 FINANCIAL CONTROLLER STATEMENT

The likely timetable for the consideration of the two options for the future provision of this service and the delivery of the requirements of the Welsh Housing Quality Standards by 2012 mean that the budget for 2005/6 is produced on a traditional basis. Adoption of either Stock Retention with improvements funded through Prudential Borrowing or Stock Transfer will not have a direct impact on the HRA in 2005/6.

The proposed Capital Programme includes provision for a start to be made on works towards compliance with the WHQS to be funded through Prudential Borrowing.

6 CONSULTATION CARRIED OUT

The Denbighshire Tenants' and Residents' Federation are being consulted on the capital and revenue proposals, particularly on the options for the capital programme. Personal Services Scrutiny Committee will also be consulted.

7 IMPLICATIONS ON OTHER POLICY AREAS INCLUDING CORPORATE

Rent increases above inflation will impact on Anti-Poverty policies. The Capital Programme, especially environmental works, will contribute to Community Development. The impending decision on Housing Options between Stock Retention with Prudential Borrowing and Stock Transfer to Dyffryn Community Housing will influence future budgets.

8 RECOMMENDATIONS

- 8.1 That the Housing Revenue Accounts, Capital and Revenue be adopted.
- 8.2 That rents for Council dwellings be increased in accordance with the Rent Setting Policy in Section 2.2.6 above (average 4.4%) from Monday 4th April 2005.
- 8.3 That rents for Council garages be increased by 10p (3.3%) per week with effect from Monday 4th April 2005.

Appendix 1**Housing Revenue Account ~ 2005/06 Budget**

2003/04		2004/05		2005/06
Actual		Revised	Forecast	Original
£		£	£	Budget
				£
	<u>EXPENDITURE</u>			
930,338	Supervision & Management - General	971,469	959,647	923,997
206,524	Supervision & Management - Special	202,511	184,200	190,615
145,969	Welfare Services	134,265	115,822	128,242
78,922	Homelessness	83,222	79,201	147,359
415,317	Rents	430,012	404,610	446,152
2,605,253	Repairs and Maintenance	2,536,060	2,794,234	2,603,316
4,382,323	Total - Management and Maintenance	4,357,539	4,537,714	4,439,681
5,099,232	Rent Rebates	57,489	57,489	28,745
1,408,151	Debt Charges	1,118,204	1,085,131	904,099
0	C.E.R.A.	0	0	0
0	Subsidy	2,518,943	2,552,753	2,685,855
100,000	Provision for Bad Debts	50,000	-286,612	50,000
10,989,706	Total Expenditure	8,102,175	7,946,475	8,108,380
	<u>INCOME</u>			
8,547,660	Rents (net of voids)	8,293,676	8,352,650	8,315,739
86,944	Garages	92,500	88,050	91,088
14,572	Interest (R.T.B. mortgages)	15,000	15,000	8,000
2,701,299	Subsidy	0	0	0
0	Other Income	0	0	0
11,350,475	Total Income	8,401,176	8,455,700	8,414,827
360,769	Surplus / Deficit (-) for the Year	299,001	509,225	306,447
301,301	Balance as at start of year	662,070	662,070	1,171,295
662,070	Balance as at end of year	961,071	1,171,295	1,477,742

Appendix 2

HOUSING CAPITAL PROGRAMME

2004/05	£K
<u>Expenditure</u>	
2003/04 Schemes to Completion	854
Group A	784
Group B	210
Group C	825
Group H	512
Environmental Improvements	275
Stock Condition Survey	24
Boiler Works	100
Disabled Facility Grants	100
Total	3,684
<u>Funding</u>	
Supplementary Credit Approvals (Prudential Borrowing)	169
Usable Capital Receipts, RTBs 2004/05	1,091
WAG Grant, Stock Condition Survey	24
Revenue (Major Repairs Allowance)	2,400
	3,684

2005/06

£K

Expenditure

2004/05 Schemes to Completion

Funding Brought Forward

Group A

St. Davids Square, Rhyl	22
Ffordd Bryn Melyd, Meliden	3
Dawson Court, Prestatyn	6
Mill Street, St. Asaph	1
Derwen Terrace. Bodfari	4

36 @ £28k = 1,008

Group B

Lloyd Avenue, Denbigh	13
Coed Afon, Llangollen	8
	21 @ £10K = 210

Group C

Gwynfryn Avenue, Rhyl	14
Rhydwen Drive, Rhyl	13
Walford Avenue, Rhyl	3
Aled Avenue, Rhyl	2
Cefndy Road, Rhyl	5
Banastre Avenue, Prestatyn	2
South Avenue, Prestatyn	5
Maes y Foel, Dyserth	6
Artillery Row, Bodelwyddan	13
Bryn Elwy, St. Asaph	6
Brynhedydd Close, Rhyl	10
Maes Derwen, St. Asaph	8
	87 @ £15k = 1,305

Group H

Maes yr Eglwys, Denbigh	21
Maes y Llan, Carrog	7
Godrer Coed, Cynwyd	7
Bro Dinan, Llandrillo	11
	46 @ £8k = 368

Disabled Facilities Grants	100
Environmental Improvements	140
Windows	1,005 @ £3k = 3,015
Central Heating	396 @ £2.5k = 990
	7,136

Funding	
Usable Capital Receipts	908
Major Repairs Allowance	2,353
Prudential Borrowing	3,875
	7,136

REPORT TO CABINET

CABINET MEMBER: LEAD MEMBER FOR FINANCE AND PERSONNEL

DATE: 25 January 2005

SUBJECT: REVENUE BUDGET 2005/06 TO 2007/08

1 DECISION SOUGHT

For Members to consider and recommend to full Council the budget proposals included in Appendix 1, together with the resulting impact on Council Tax levels in 2005/6.

2 REASON FOR SEEKING DECISION

2.1 Priorities

The budget proposals for 2005/6 have been framed on the basis of Members views as expressed at the three Priority Away Days and endorsed at full Council on December 14. Members agreed that 2005/6 would need to be a year of consolidation in budget terms. The following services would be regarded as priority areas for development in 2006/7 and 2007/8;

- 1. Schools buildings improvements**
- 2. Highways maintenance & improvements**
- 3. Public Realm services, (i.e. street cleansing, grass cutting, etc.)**

Members also recognised that there will be an ongoing need to consider the requirements of statutory services at all times.

2.2 Budget proposals

2.2.1 2005/6 (Appendix 1)

- 1 Column 1 details the budget for services in the current financial year.
- 2 Column 2 shows the adjustments to the Assembly settlement from changes in the method of funding certain costs.
- 3 The resulting adjusted base budget is detailed in column 3.
- 4 Provision has been made, in column 4, for the known and estimated effects of pay awards and price increases, together with the impact of the increase in non teaching staff employer's pension contributions.
- 5 Column 5 shows the target saving felt to be achievable from improved procurement of goods and services through joint working with other Councils and other bodies.

6 Column 6 allows for the impact of committed increases in spending including a contingency provision for the impact of the Single Status agreement for non teaching staff, as well as providing for other unknown commitments.

7 Pressures currently being experienced and others anticipated are detailed in column 7.

8 Sums provided for specific purposes included in the Assembly settlement are allowed for in column 8.

9 Column 9 details the budget requirement to standstill in service terms while allowing for committed increased spending and additional resources from the Assembly.

10 This produces an increase in Council Tax requirement at Band D of 8.13%, significantly above the sort of levels that most Welsh Councils are likely to set. Proposals for efficiency savings, that don't involve service cuts, have therefore been produced. The detail of these savings are shown in appendix 2 with the figures summarised in column 10.

11 Column 11 details the final proposed budget for services in 2005/6. This level of spending produces an increase in Council Tax at Band D of 4.5%.

2.2.2 LABGI (Local Authority Business Growth Incentive scheme)

The Assembly have announced their intention to make advance payments in connection with this scheme in 2006/7. The figure for Denbighshire is £221k. It is recommended that a large portion of this advance be earmarked to encourage local business growth to secure as much of the funding potentially available from the scheme over three years as possible. It is also recommended that up to £50k be earmarked for funding of the Customer Contact Centre in addition to the minimum requirement allowed for in appendix 1.

2.2.3 2006/7 & 2007/8

Page 2 of Appendix 1 is an attempt to estimate the likely position of Assembly funding and total Council Tax requirement after taking into account known spending pressures. This page suggests that there is little scope to increase spending on the Council's priority areas until 2007/8.

To ensure funds can be made available as soon as possible, an exercise to review service budget requirements will be carried out over the next 12 months. The main aim of this exercise will be to identify further potential efficiency savings to boost reserves, for reinvestment in priority services and to help minimise pressure on Council Tax.

3 POWER TO MAKE THE DECISION

Section 151 of the Local Government Act 1972.

4 COST IMPLICATIONS

Proposals for service budget levels in 2005/6 to 2007/8 are shown in Appendix 1.

Proposals for services efficiency savings are detailed in appendix 2.

5 SECTION 151 OFFICER STATEMENT

5.1 In accordance with the requirements of the Local Government Act 2003, the observations of the Section 151 Officer on the Budget as currently proposed.

5.2 Robustness of Budget Estimates

The financial settlement for 2005/06 is extremely tight, and Denbighshire's settlement is 1% below the all-Wales average. As a consequence there is considerable pressure for the authority to identify cost savings and/or opportunities for increasing fees and charges. In order to achieve a Council Tax increase of less than 5%, efficiency savings in excess of £2m have been identified. Whilst directorates have agreed efficiency savings, there is a need to recognise the risk of these not being delivered in full.

The budget includes a significant provision for the potential increased costs involved with the implementation of Single Status. The impact has not yet been fully evaluated and therefore the provision must be regarded as highly estimated.

New Council Tax bandings come into force in April 2005, with a high percentage of Council Taxpayers facing increases of one band or more. It is anticipated that there will be a high level of appeals, and the budget assumes that a certain percentage of these will be successful. This percentage is based upon historic evidence from the previous rebanding. If the number of successful appeals exceeds the provision, there will be a loss of income to the authority.

It also needs to be noted that the advance payment of £221k referred to in para 2.2.2 under the LABGI scheme is potentially reclaimable if the target growth assumption used to calculate the advance is not delivered.

One major capital scheme that will be implemented during the year is the Regional Autism Centre at Ysgol Plas Brondyffryn. It is a prudential borrowing scheme and finance charges will increase significantly to reflect the new premises. It is critical that Lifelong Learning Directorate plan the transition to the new facilities in detail to minimise the impact of unused capacity which Denbighshire County Council would have to bear.

5.3 Adequacy of Reserves

It is unlikely that it will be possible to make any significant contributions to General Balances for 2004/05. The significant overspend in Lifelong Learning Directorate and the costs of early retirement/restructuring can be accommodated from savings with corporate budgets, but these savings are not of a sufficient level to make a contribution to Balances.

The Audit Commission recommend that a local authority should have Balance of 5% of the net annual budget. Therefore for Denbighshire, balances should be around £7m at current values, of which £2.2m relates to schools. It is unrealistic to consider that the authority can achieve this apart from over a lengthy time period of say ten years.

However at present the £3m balances is being eroded by inflation. It is therefore suggested that over the next three years (2005/06 to 2007/08) balances should increase by £1m. The tightness of the budget settlement for 2005/06 makes it difficult to see Balances being increased. It is therefore proposed that for the following two years, £500k per annum should be set aside with the monies from efficiency savings in 2006/7 being earmarked for this purpose.

6 CONSULTATION CARRIED OUT

Efficiency savings proposals have been arrived at during a series of meetings between officers and Lead Cabinet Members. These proposals have been considered and accepted by service Scrutiny Committees.

Proposed increases in spending, recognising pressures and additional resources made available by the Assembly for specific services have been discussed with Lead Members and Scrutiny Committees.

The Corporate Executive Team have considered the overall position as recommended.

7 IMPLICATIONS ON OTHER POLICY AREAS INCLUDING CORPORATE

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

8 RECOMMENDATION

- 8.1** That Members note the service budget proposals detailed in appendix 1, together with the efficiency savings proposals detailed in appendix 2 and recommend the total budget package to County Council for approval.
- 8.2** That Members recommend the resulting 4.5% impact of the proposals on Band D of Council Tax in 2005/6 to full Council.

- 8.3** That Members note the likely budget position for 2006/7 & 2007/8 and endorse the proposal to carry out further reviews of service budget requirements to identify additional efficiency savings to boost reserves, fund the development of priority areas and reduce pressure on Council Tax in these years.

1. Budget Requirement 2004/5 to 2005/6

	-1-	-2-	-3-	-4-	-5-	-6-	-7-	-8-	-9-	-10-	-11-	
	Cash limited Budget 2004/5	Transfers in & out of Settlement	Adjusted Cash limited Budget 2004/5	Inflation Allocation 2005/6	Saving from improved procurement	Committed Changes 2005/6	2004/05 & 2005/6 Pressures	Passported Growth	Standstill Budget 2005/6	EFFICIENCY SAVINGS TARGETS -1.29%	Budget 2005/6	Increase over 2004/5
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Lifelong Learning - Schools budgets *	42,508		42,508	1,332			307 (7)	987 (9)	45,134	-353	44,781	5.35%
- Other Education	11,833		11,833	461			495 (7)		12,789	-240	12,549	6.05%
- Culture & Leisure	6,780		6,780	157					6,937	-90	6,847	0.99%
Environment	21,204	-1,320 (1)	19,884	538		80 (1&4)		148 (1&10)	20,650	-310	20,340	2.29%
Personal Services	27,191	2,202 (2)	29,393	712		523 (5)	770 (8)	450 (11)	31,848	-400	31,448	6.99% **
Resources	5,352		5,352	159					5,511	-80	5,431	1.48%
Chief Executive	2,494		2,494	73		-94 (4)			2,473	-37	2,436	-2.33%
	117,362	882	118,244	3,432	0	509	1,572	1,585	125,342	-1,510	123,832	4.73%
Corporate	3,460	-430 (1)	3,030	95			70	66 (1)	3,261		3,261	7.62%
Fire/Sea Fisheries Levies	4,737	-930 (3)	3,807	168					3,975		3,975	4.41%
Capital Financing / Interest received	10,891		10,891						10,891		10,891	0.00%
Contingency	0		0			700			700		700	
INFLATION					-500				-500		-500	
Contribution to Reserves												
	136,450	-478	135,972	3,695	-500	1,209	1,642	1,651	143,669	-1,510	142,159	4.55%
2. Level of Funding												
Revenue Support Grant	86,850	-478	86,372	2,767				1,651	90,790		90,790	
NNDR	19,642		19,642	-3					19,639		19,639	
Deprivation grant	157		157	7					164		164	
	106,649	-478	106,171	2,771	0	0	0	1,651	110,593	0	110,593	
Service Reserves/b/f savings	1,024		1,024	0		-1,024			0		0	
Council Tax Yield	28,777		28,777	924	-500	1,933	1,642		32,776	-1,510	31,266	
Less improved Tax Base 2004/5						300			300		300	
	136,450	-478	135,972	3,695	-500	1,209	1,642	1,651	143,669	-1,510	142,159	

* Schools Budgets adjusted for planned transfer of element of SEN budget

** Includes ongoing costs funded in 2004/5 from Service Reserves

Notes	£000
1. PFI funding transferred to Specific Grant & full year effect	-1,336
2. Residential Allowances & Children First from Specific Grant	2,202
3. Flood Defence & Magistrates levies transferred out	-930
4. 2004/5 bids funded from one off sources	-314
5. Full year impact of 2004/5 bids (Children & Elderly)	523 **
7. Threshold/Leadership £307k, SEN £320k, Transport £175k	802
8. Children's £260k, Elderly £160k, Learning Diff £100k, Supporting People - £250k	770
9. Teacher's Workload - 797k, KS3 - 153k, Music - 37k	987
10. Land Fill Tax	100
11. Health & Social Care - 450k,	450

Council Tax collection increase -->	13.90%	8.65%
Council Tax collection increase (ex SP) -->		7.78%
Expenditure increase -->	5.66%	4.55%
Expenditure increase (ex SP) -->		4.37%
Supporting People adjustment - £000s ---->		250
Impact at Band D Council Tax		4.5%

DENBIGHSHIRE COUNTY COUNCIL

1. Budget Requirement 2005/6 to 2007/8

	Projected Budget 2005/6	Inflation 3.00% 2006/7	Committed Changes 2006/7		Projected Budget 2006/7	Inflation 3.00% 2007/8	Committed Changes 2007/8		Projected Budget 2007/8
	£000	£000	£000		£000	£000	£000		£000
Lifelong Learning - Schools budgets *	44,781	1,343	0		46,124	1,384			47,508
- Other Education	12,549	376	0		12,925	388			13,313
- Culture & Leisure	6,847	205	0		7,052	212			7,264
Environment	20,340	610	0		20,950	629			21,579
Personal Services	31,448	943	270 (1)		32,661	980			33,641
Resources	5,431	163	0		5,594	168			5,762
Chief Executive	2,436	73	0		2,509	75			2,584
	123,832	3,715	270		127,817	3,835	0		131,651
Corporate	3,261	98	530 (2&3)		3,889	117			4,005
Fire/Sea Fisheries Levies	3,975	119	0		4,094	123			4,217
Capital Financing / Interest received	10,891		500 (4)		11,391	0	500 (4)		11,891
Contingency	700		300 (5)		1,000	0			1,000
INFLATION	-500		-500 (6)		-1,000	0			-1,000
Contribution to Reserves	0		500 (7)		500		500 (7)		1,000
Further efficiency savings	0		-500 (8)		-500				-500
	142,159	3,932	1,100		147,191	4,074	1,000		152,265

2. Level of Funding

Revenue Support Grant	90,790	2,996			93,786	3,564			97,350
NNDR	19,639	648			20,287	771			21,058
Deprivation grant	164	5			169	5			174
	110,593	3,649	0		114,242	4,340	0		118,582
Service Reserves/b/f savings	0				0	0	0		0
Council Tax Yield	31,566	283	1,100		32,949	-266	1,000		33,683
	142,159	3,932	1,100		147,191	4,074	1,000		152,265

Council Tax collection increase -->

4.38%

2.23%

RSG 3.30%
NNDR 3.30%

RSG 3.80%
NNDR 3.80%

Notes

	£000
1. Full year effect of Demographic pressures in 2005/6	270
2. Housing Stock Transfer impact	400
3. Customer Contact Centre - full year impact of staffing costs	130
4. Effect of Capital Programme	500
5. Potential impact of Single Status	300
6. Further savings from improved procurement	-500
7. Provision for contribution to Reserves	500
8. Further efficiency savings	-500

DENBIGHSHIRE COUNTY COUNCIL**2005/6 Potential Budget Savings**

1) Target savings

	1%	1.5%	2%	2.5%
	£000	£000	£000	£000
Lifelong Learning	600	900	1,200	1,500
Environment	207	310	413	517
Personal Services	268	402	536	670
Resources	53	80	107	133
Chief Executive	25	37	49	62
	-----	-----	-----	-----
	1,153	1,729	2,305	2,882
	-----	-----	-----	-----

Note; 1.5% assumed currently as likely highest achievable level.

2) Summary of Directorate proposals £000

a) Lifelong Learning

Schools Delegated Budgets	640
Education non delageted	170
Culture & Leisure	90

	900

b) Environment

Income generation	200
Slippage in filling vacancies	30
Trading surplus	50
2004/5 underspend c/f	100
less Image Improvement (oneoff 2004/5)	-70

	310

c) Personal Services

Children's Seervices	30
Adult Services	264
Support & Development	23
Non HRA Housing	85

	402

d) Resources

Finance	30
Audit	11
ICT	25
Personnel	14

	80

e) CEO/County Clerk

Recent restructure proposals	37

For details see page 2

Appendix 2

2005/6 Potential Budget Savings

3) Directorate detailed proposals

	£000	£000
a) Lifelong Learning		
Schools Delegated Budgets		353
Education non delageted		
- 1% reduction in non pay budgets together with review of school meals client function	120	
- take account of reduced free meals take up	<u>50</u>	170
Culture & Leisure		
- increased fees & charges wef 01/04/05	38	
- reduce support to outside bodies	27	
- other efficiencies and reductions	<u>25</u>	90
Additional saving to be identified		70

		683

b) Environment		
Income generation		
Car parks	100	
Decriminalisation net position	50	
Other fees & charges	<u>50</u>	200
Slippage in filling vacancies		30
Trading surplus		50
2004/5 underspend c/f		100
less Image Improvement (oneoff 2004/5)		-70

		310

c) Personal Services		
Children's Services		
- Reduced travel costs and slippage filing vacancies		38
Adult Services		
- increased fees & charges	110	
- cap increase for private res care providers	80	
- contract review of expensive placements	30	
- slippage in filling posts	<u>42</u>	262
Support & Development		
- cash limit non pay budgets/vacancy slippage		15
Non HRA Housing		
- increased fees & charges	10	
- take account of reduced level of B & B	<u>75</u>	85

		400

d) Resources		
Finance - freeze PM post and increase income		30
Audit - down grade posts		11
ICT - reduced mtce costs & vacancy		25
Personnel - vacancy savings		14

		80

e) CEO/County Clerk		
Recent restructure proposals		37

		1510
		=====

**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
February 2005	<p>Monthly Budget Monitoring Report: Revenue and Capital - C</p> <p>Housing Revenue Account Budget - C</p> <p>Final Budget 2005-2006 Proposals - C</p> <p>Corporate Quarterly Performance Report – C</p> <p>Customer Service Centre: Customer Relations Management – C</p>	<p>Bodelwyddan Depot Contract – C [S Kent]</p> <p>Real Time Information – Electronic Live Bus Stop Displays – D</p>	<p>WLGA Subscription – C</p>	<p>Managing School Places - C</p> <p>Rhyl Open Space Audit Plan - A</p> <p>Royal International Pavilion Phase I - A</p> <p>Local Biodiversity Action Plan HAPS + SAPS - D</p>	<p>Improving Housing Stock - C</p> <p>Joint Review Action Plan Exceptions Report - C</p> <p>Extra Care Housing Developments in Prestatyn - C</p> <p>Commissioning Strategy for Older People - C</p> <p>Integrated Mental Health Service – C</p> <p>Payment for Skills - Fostering – C</p>
March 2005	<p>Monthly Budget Monitoring Report: Revenue and Capital - C</p> <p>Housing Revenue Account Budget - C</p>	<p>Deposit LD Plan - Approval of Charges - C</p>		<p>Urdd Eisteddfod Staging / Proposals / Programme - C</p> <p>Scala Development Study Progress Report - A</p>	

KEY: C ~ CABINET
A ~ ASSET MANAGEMENT COMMITTEE
D ~ DELEGATED DECISION

April 2005	<p>Monthly Budget Monitoring Report: Revenue and Capital - C</p> <p>Housing Revenue Account Budget - C</p> <p>Progress Against ACiW - C</p>	<p>Affordable Housing – C</p> <p>Public Transport Tender Exercise - C / D</p>		<p>Prestatyn Hillside Local Nature Reserve Designation - D</p> <p>Denbigh Museum Designation Feasibility - A</p>	
May 2005	<p>Monthly Budget Monitoring Report: Revenue and Capital - C</p> <p>Housing Revenue Account Budget - C</p> <p>Corporate Quarterly Performance Report - C</p>	Affordable Housing – C		Youth Services Best Value Final Report - C	
June 2005	<p>Monthly Budget Monitoring Report: Revenue and Capital – C</p> <p>Housing Revenue Account Budget - C</p>				
July 2005	<p>Monthly Budget Monitoring Report: Revenue and Capital –</p>				

KEY: C ~ CABINET
A ~ ASSET MANAGEMENT COMMITTEE
D ~ DELEGATED DECISION

	C Housing Revenue Account Budget - C				
August 2005	Monthly Budget Monitoring Report: Revenue and Capital – C Housing Revenue Account Budget - C				
September 2005	Monthly Budget Monitoring Report: Revenue and Capital – C Housing Revenue Account Budget - C				
October 2005	Monthly Budget Monitoring Report: Revenue and Capital – C Housing Revenue Account Budget - C	Approve Deposit LD Plan for Public Consultation - D			
November 2005	Monthly Budget Monitoring Report:	Approve Deposit LD Plan for Public			

KEY: C ~ CABINET
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	Revenue and Capital – C Housing Revenue Account Budget - C	Consultation - C			
December 2005	Monthly Budget Monitoring Report: Revenue and Capital - C Housing Revenue Account Budget - C				
January 2006	Monthly Budget Monitoring Report: Revenue and Capital - C Housing Revenue Account Budget - C				

KEY: C ~ CABINET
A ~ ASSET MANAGEMENT COMMITTEE
D ~ DELEGATED DECISION