

CABINET

Minutes of the Cabinet meeting held at 10.00 a.m. on Tuesday 27 November 2007 in Conference Room 1, County Hall, Ruthin.

PRESENT

Councillors P A Dobb, Lead Member for Social Services; E C Edwards, Lead Member for Customer Care and Community Safety; H H Evans, Leader and Lead Member for Education; M A German, Lead Member for Environment; G M Kensler, Lead Member for Promoting Denbighshire; P J Marfleet, Lead Member for Modernisation and Improvement; G O Rowlands, Lead Member for Regeneration and Housing; J A Smith, Lead Member for Business Management, Communications & Personnel and J Thompson Hill, Lead Member for Finance.

Observers: Councillors R E Barton; M LI Davies and C L Hughes.

ALSO PRESENT

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

APOLOGIES

There were no apologies.

WELCOME

Councillor H H Evans, Leader and Lead Member for Education welcomed everyone to the first meeting of the recently appointed Cabinet. He looked forward to working closely with Cabinet Members and officers at what was a particularly busy time for the Authority.

Councillor Evans referred to changes to the format of Cabinet meetings and said that for the meeting to work most efficiently and professionally, non-Executive Members would in future be asked to write to both the relevant Cabinet Portfolio holder and officer with any queries they had on the reports to be considered on the Cabinet Agenda, 3 days prior to the Cabinet meeting. Following a brief discussion, it was **agreed** if any non-Executive Members had questions, they would whenever possible submit them to the Lead Member and relevant officer by 11.00 a.m. on the Monday morning before the Tuesday Cabinet meeting.

Councillor Evans introduced and welcomed Dr Mohammed Mehmet, the Interim Corporate Director: Lifelong Learning.

The meeting was chaired by Councillor J A Smith.

526 URGENT MATTERS

There were no Urgent Matters.

527 MINUTES

Members were asked to receive the notes of the Executive Decisions meeting taken by the Chief Executive on 30 October 2007.

RESOLVED that the Executive Decisions taken at the meeting held on 30 October 2007 be noted.

528 MONITORING THE AUTHORITY'S KEY PERFORMANCE INDICATORS AND PROGRESS AGAINST THE KEY ACTIONS IN THE IMPROVEMENT PLAN

Councillor P J Marfleet presented the report for Members to note the Corporate Quarterly Performance report: Performance against the Authority's key performance

indicators for the second quarter of 2007-2008 – July, August and September 2007 and that Cabinet consider any issue in greater depth as deemed necessary.

It was proposed that Lead Members would detail their own portfolio indicators when the next quarter's report was presented. Councillor Marfleet expressed concern regarding the volume of indicators to be monitored. He informed members that the indicators were cumulative and that the real challenge would be to bring all in on target. The Welsh median figures did not necessarily follow the data being collected on an equal basis and he suggested the importance of concentrating on the Authority's own improvements.

Councillor Marfleet referred to the commitment and buy-in to performance indicators by Social Services and Housing staff and stressed the importance of a buy-in not only at strategic level but also at team and individual levels by all Directorates. He referred in general terms to problems with Education / Lifelong Learning and said most of the data to be collected was for the academic year. Referring to Resources, he suggested more indicators were required. He also felt it was important that the underlying causes for staff absences be understood across the Authority.

The Head of Strategic Policy informed Members that 73% of indicators were on target, but of the 27% below target, 70% of those were more than 10% below target.

Referring to the annual Education indicators, Councillor J Thompson Hill asked whether the most effective indicators were being reported as other indicators were being reported quarterly. In response, the Chief Executive said some Education indicators would be reported on a term basis whilst others were annual and asked whether Members there was any point in reporting annual figures. The Deputy Chief Executive / Corporate Director: Resources reminded Members that performance management was the more important, rather than the indicators. Councillor H H Evans agreed and said this was the key to improvement and would be a major challenge for the next few months in particular. He reported that the percentage of pupils eligible for assessment at the end of Key Stage 3 was on an improving trend and this needed to continue.

The Corporate Director: Environment endorsed comments made by the Deputy Chief Executive / Corporate Director: Resources and said his departments were entirely committed to managing performance. The Directorate had 17 indicators, of which 4 were not on target but 2 showed improvement. Significant progress was being made.

In response to comments from Councillor C L Hughes regarding the percentage of pupils' attendance in secondary schools and there being no figures available for attendance by either primary or looked after children, Councillor H H Evans said the issue would be under consideration which would hopefully lead to improvements.

Councillor G M Kensler commented that the symbols used in the report were easy to follow. She asked whether the percentage of looked after children attending one or more schools was covered by both the Education and Social Services and Housing Directorates. The Corporate Director: Social Services said in practice this worked across both Directorates. Information had been given to Estyn and CSSIW that many of the moves were for positive reasons, e.g. adoption or proactive reasons such as being at risk of permanent exclusion from the current school.

Councillor Marfleet again reminded Members that indicators were a measurement and it was important to continue to strive for improvement.

RESOLVED that Cabinet note the Quarterly Performance Report and agree to pay particular attention to issues requiring further discussion and/or remedial action, particularly those indicators which are not on target.

529 PROJECTS PROPOSED FOR SUPPORT THROUGH THE RURAL DEVELOPMENT PLAN FOR WALES

[Councillors J Thompson Hill and H H Evans declared an interest in the item.]

Councillor G O Rowlands presented the report seeking Cabinet approval of the inclusion of Council projects in the business plan for rural Denbighshire to be submitted for financial support through the Rural Development Plan for Wales. The Principal Regeneration Manager detailed the Axes and informed members that the Authority would need to fund 20% of the project costs through either existing revenue budgets or for capital projects, through taking account of the value of assets used or capital funding through the capital match funding allocation.

Councillor P A Dobb, as Champion for Older People, was pleased to see more bus routes being planned and said it was important to have easy access buses in rural areas. She was also pleased, as Health Champion, to see the walking route projects included.

As Chair of the Board, Councillor H H Evans thanked officers for their work and informed Members that the private, community and voluntary sector had been involved. The DCC draft Rural Action Plan would hopefully be endorsed by the Authority and the proposed projects would address some issues which had not been previously addressed.

The Principal Regeneration Manager, in response to questions from Councillor E C Edwards, said that an example of small public realm improvements could be a trail of works of art from the new Craft Centre to the town centre and confirmed that Denbighshire Voluntary Services Council would have an officer working alongside the project applicant.

Councillor J Thompson Hill was pleased to see the wide range of projects and the involvement of both the private and voluntary sectors. He reminded Members that funding was tight and that match funding would need to be sourced from existing budgets. Councillor M A German hoped that the Members' Capital Projects budget would continue and that all Members should be encouraged to collaborate with the Rural Development Plan for Wales.

In regard to some of the proposed projects, there would be limited grants available for match funding and some projects would require staffing. After project completion, the Authority could in some instances be left with an increase in staff headcount. The Principal Regeneration Manager informed Members that staffing was dependent on the Rural Development Plan for Wales being approved by the European Commission. A further business plan would be required for the second phase from 2011-2013 and the principal areas were for visitor infrastructure and rural business centres. Councillor P J Marfleet said that whilst 2013 was some time in the future, currently the Authority was paying for staffing costs from projects which had commenced some years earlier.

Responding to queries from Members, the Principal Regeneration Manager informed Members that the projects, for example bus services, were to bring economic benefit to the County. There was scope in the Plan through Axis 4 for cross-border working.

Councillor R E Barton expressed disappointment that the projects had not been considered by the Rural Forum. He also discussed the definition by the Authority and National Assembly of the Vale of Clwyd and wanted to ensure that the rural ward of Llanarmon yn Ial/Llandegla was included in the business plan. The Principal Regeneration Manager said grants for micro-businesses listed for capital were small. He confirmed the geographical area covered by the Plan only excluded Rhyl, Prestatyn and Dyserth from the whole of Denbighshire.

RESOLVED that Cabinet approve the inclusion of the Council projects listed in the annex to the report in the business plan for Rural Denbighshire to be submitted for financial support through the Rural Development Plan for Wales.

530 DEVELOPMENT BRIEFS FOR SITES IN THE WEST RHYL REGENERATION STRATEGY

Councillor G O Rowlands presented the report seeking Cabinet approval of the development briefs for 3 sites in the West Rhyl Regeneration Strategy.

The Corporate Director: Environment, in response to a query from Councillor P A Dobb, said approximately 70% of residents were in favour of the proposals although some residents would be adversely affected. The private sector were showing interest in Rhyl which was encouraging for the Authority's aspirations for the town. There was more positive support than opposition to the proposals. Councillor J Thompson Hill welcomed the proposals for improvement and said most of the public concern appeared to be to ensure the façade of the Queen's Arcade remained.

Councillor G M Kensler queried whether Rhyl Town Council had been consulted and whether there was a need for a 1000 year lease. The Corporate Director: Environment said it was vital that key decisions taken were the best for the area and would set a direction to secure the future of Rhyl. No formal consultation had been held with the Town Council but discussions had been held with Rhyl and local Councillors who were in general pleased with the improvements being made in Rhyl.

The Chief Executive queried the need for similar projects to be discussed by Cabinet. However, the Corporate Director: Environment said similar projects could be the subject of a compulsory purchase orders at some point in the future and the Welsh Assembly Government would need to see full consideration of the issues by the Cabinet.

RESOLVED that Cabinet approve the development briefs for part of site C (85-90 West Parade), site D (91 West Parade-Sydenham Avenue) and site O (the town centre retail site) in the West Rhyl Regeneration Strategy.

531 HOUSING REVENUE ACCOUNT BUDGET AND CAPITAL PLAN REPORT 2007-2008

Councillor G O Rowlands presented the report for Members to note the latest financial forecast position of the Housing Revenue Account (HRA) for the current financial year. He reported that approximately 460 refurbishments had been completed. Housing Services would in future be managing the Disabled Facility Grant works for Council dwellings but had inherited a considerable backlog.

The Head of Housing Services informed Members that assumptions regarding the Right to Buy scheme were included in the Housing Stock Business Plan and were monitored monthly. The Right to Buy sales were estimated to be 18 this year compared to the forecast in the HSBP of 25. The Plan is regularly monitored and has been externally reviewed. The plan remains viable over the 30 years of the plan.

RESOLVED that Members note the latest financial forecast position of the Housing Revenue Account (HRA) for the current financial year.

532 REVENUE BUDGET AND SUMMARY CAPITAL PLAN 2007-2008

Councillor J Thompson Hill presented the report for Members to note the budget performance figures for the 2007/08 financial year as detailed in Appendix 1 and note the summary capital plan performance for 2007/08 financial year as detailed in Appendices 2 and 3.

Councillor Thompson Hill informed Members of a projected overspend of £422k at the end of October, excluding the schools' delegated budgets, primarily within the Lifelong Learning directorate. Social Services and Housing showed an increased underspend of £31k, the true position being pressure in year offset by an underspend carried forward from the previous year. There was also a £50k projected overspend on translation facilities within the County Clerks services.

There were pressures in the Lifelong Learning directorate from the 52 week residential facility at Ysgol Plas Brondyffryn. Currently there are only 2 out of County placements and is anticipated to result in a £277k overspend. A projection of about a further £200k overspend in the next financial year was also made. The facility is expected to generate annual surpluses from 2009-2010. Discussions were on-going with the Welsh Assembly Government to see if they could help with any funding as the delay in opening the facility was due in part to further requirements by the Assembly.

There were additional costs in connection with the initial impact of the Estyn report and the temporary cover for the Corporate Director and Head of Service. The treatment of the mould outbreak on artefacts in the Archives was a further pressure. Blessed Edward Jones RC High School is also likely to incur extra costs.

Councillor P A Dobb suggested an updated business plan to contain the operating loss at Ysgol Plas Brondyffryn was required and asked whether historical data could be made available. She said immediate action was required. Councillor H H Evans said the current situation was unacceptable and he said he and the Interim Corporate Director would be meeting with the Chair of Governors, staff and advisory officers as a matter of urgency to address this. He was also concerned regarding the situation at Blessed Edward Jones RC High School. The Chief Executive said the project was an example where revenue implications had not been considered in detail at the onset. However, this situation would not again arise as projects had now to be considered by the Capital Sub-Group before being included in the Capital Plan. The Chief Executive informed Members that the delay in opening the facility at Ysgol Plas Brondyffryn was due to more information required by WAG regarding staff appointments and the Minister was being asked to help with the funding shortfall. An active marketing campaign was being held across Wales and this would be extended over the border. Councillor P A Dobb said the facility should be marketed across the UK. Members said the facility had been built as a Regional Centre of Excellence and were eager to ensure that the Authority had the right to ensure the facility could be marketed in England. As Chair of Governors of Ysgol Plas Brondyffryn, Councillor G M Kensler said the Welsh Assembly Government had been very supportive of the school. She informed Members that the delay in registering Hyfrydle, the childrens' home, was partly due to a change in CSSIW regulations which came into effect in July 2007. The house and manager had to be registered before pupils could be admitted to the school. It was hoped more pupils would enrol before the end of the financial year and she looked forward to an early meeting with the Leader and Interim Corporate Director: Lifelong Learning. The Leader advised he would hold this meeting as soon as possible.

Councillor E C Edwards expressed his support for the school and reminded colleagues of the need to treat such issues with sensitivity. He asked whether any collaboration / partnership between the North Wales Authorities had been considered. The Deputy Chief Executive / Corporate Director: Resources confirmed that information regarding the school had been circulated across Wales and that the Welsh Assembly Government would be asked to inform the Welsh Authorities that pupils should be placed at Ysgol Plas Brondyffryn before taking up placements in private establishments.

The Financial Controller explained that the budget for the facility formed part of the non delegated budget and not the school's budget. The spend and therefore the risk therefore rest with the Council not the school. He said it was not possible to forecast

when the budget would move to a surplus figure in the future and therefore any deficit in 2007/8 would need to be written off.

Councillor C L Hughes suggested Ysgol Plas Brondyffryn be marketed to parents also if possible which could lead to a greater take-up of places. He was willing to attend any meetings if he could help in any way.

RESOLVED that Members note the budget performance figures for 2007/08 as detailed in Appendix 1 and agree the need for urgent action to be taken to fill vacant places at the 52 week residential unit at Ysgol Plas Brondyffryn and to also note the summary capital plan performance figures for the 2007/08 financial year as detailed in Appendices 2 and 3.

At this juncture (11.30 a.m.) the meeting adjourned for 15 minutes to allow Members to participate in refreshments.

533 ASSEMBLY SETTLEMENT AND BUDGET SETTING 2008-2008 UPDATE

Councillor J Thompson Hill presented the report for Members to note the detail of the Assembly settlement for the next financial year and indicative figures for 2009-2010 and 2010-2011, together with progress to date on the budget setting exercise. He said the provisional settlement was very disappointing at £129.287m, an increase of only 2.3%, which was well below the level of inflation. It was likely that the figure for the following year next year would be only 2%.

The Performance Incentive Grant, originally a 3 year grant scheme, was being retained. At just over £1m it could be a potential source of funding for service pressures in 2008-2009. However, the Assembly have yet to clarify any new targets that need to be delivered to secure the funding.

The Capital settlement at £7.858m was worse than the Revenue position with an increase of only 1.2% in WAG support.

Councillor Thompson Hill said the first round of Directorate budget setting meetings had been held. After factoring in the likely impacts of pay awards and price increases next year, the commitment to invest £700k in the initial response to the Estyn report, the employer's pension contributions, there would be little available for service pressures if the increase in Council Tax was to be kept at +2%. The review of the use of the Performance Incentive Grant could enable some of that grant to be redirected to service pressure areas. Second round meetings were currently taking place and the final settlement figures were expected from the Welsh Assembly Government by the end of January 2008 and would be considered by Cabinet at its meeting on 5 February 2008.

Members agreed with Councillor Thompson Hill's suggestion that a further Resolution be added at 9.3, stating that the Authority would be sending a strong response to the Assembly regarding the disappointing settlement figures. The Chief Executive agreed and said in two years Denbighshire would be receiving the lowest percentage increase in Wales. The settlement figures for the rural areas in the North of Wales were particularly difficult.

The Financial Controller informed Members that the formula for the settlement was reviewed each year. Good settlements had been received in previous years but the Authority was now suffering adverse formula changes. The Comprehensive Spending Review was carried out every 2 years and from this the Welsh Assembly Government produced a 3 year budget.

Councillor P J Marfleet said Local Authorities were underfunded and expected to pick up more costs each year. He saw no reason why Local Authorities in North Wales were disadvantaged - both Denbighshire and Conwy, for example, had the highest

age group population which had a significant effect on both services and funding. He asked that local AMs be lobbied as well as early contact made with the other Local Authorities. He strongly advocated a limit on the rise in the Council Tax and that Denbighshire should not go to the 5% capping limit. Councillor G M Kensler agreed a constructive dialogue with AMs was required.

Councillor H H Evans suggested frontline and statutory services were at risk. The Authority would have to change how it worked in order to ensure service delivery. There was a need to raise the profile of the position of the Authority. He said he was looking to work with AMs, and particularly on North Wales issues. Councillor M LI Davies suggested that the Chief Executive prepare a draft letter for all Members which they could use to lobby both AMs and MPs and also perhaps for use by schools. Councillor P A Dobb suggested the voluntary sector and private care homes also be asked for their support.

The Corporate Director: Social Services and Housing said that the NHS had received a 4.2% increase but Denbighshire and others were expected to help with care in the community and early release of patients from hospitals.

Councillor E C Edwards reminded colleagues that the current Council term would end in 5 months and although Education was rightly the priority, it was necessary to ensure that the other services also have to be delivered and improved upon for the next 5 months. The new Customer Care Centre was now showing what still needed to be done, both in the Environmental and Social Services and Housing Directorates. A radical solution was required as the Authority was in a serious position.

Councillor P J Marfleet suggested more investment should be made in the voluntary sector as they could play a crucial role in helping services. He felt it was important to explore collaboration but not to necessarily enforce it.

Councillor J Thompson Hill said the Authority would work with all available agencies. He agreed with Councillor Edwards that other services also have to be delivered and improved upon and that efficiency savings would have to be made in other areas. He referred to the potential energy savings which would not now happen. He asked whether Members wished to consider a 2% increase in Council Tax or another figure and whether during the budget setting process a meeting should be convened for all Members.

Councillor H H Evans suggested that figures should be considered initially for a low increase which would allow some leeway in the final discussions when the fuller picture was known. Councillor G O Rowlands agreed with Councillor Evans and Councillor G M Kensler agreed a 2% increase should be the starting point.

RESOLVED that:

- (a) *Cabinet note the general content of the Assembly provisional settlement for 2008-2009 and indicative figures for 2009-2010 and 2010-2011*
- (b) *Cabinet note the progress to date with the budget setting progress for 2008-2009*
- (c) *the Authority would send a strong response to the Assembly regarding the disappointing settlement figures and lobby AMs*
- (ch) *a budget discussion meeting be convened for all Members.*

534 ROUTINE REPORTING ON PERSONNEL

Councillor J A Smith presented the report for Members to note the information on the staff headcount.

The Deputy Chief Executive / Corporate Director: Resources said that now that there was confidence in the figures, it was necessary to consider how the information would be utilised. Councillor E C Edwards agreed the information provided was useful and stressed the importance of utilising the information in regard to service delivery.

Councillor P J Marfleet suggested that from the information provided, it would be useful to know the underlying causes of sick absence. Staff were the Authority's single biggest cost and it could be possible to make savings on staff costs which would in turn help with the budgets. The percentage of full time employees was currently increasing greater than the population. It was important to consider carefully any grants being sought which would ultimately lead to increases in the staff headcount. It was the Authority's role to run some services but in other instances it was to develop and not run projects. He felt it was important to create an economic, vibrant society in the County and detailed discussion should take place on the information being provided.

Councillor M LI Davies supported the need for utilising the information in the report and suggested that instead of the decision on the report asking Members to note the figures, the decision should ask Cabinet to take action where relevant.

Councillor P A Dobb said it was important to be proactive with the information being provided. She suggested information could be sought from counties of excellence in Wales or Beacon Councils in England if relevant. Councillor P J Marfleet said he had asked for information from other Welsh Local Authorities to see if there was a growth in anomalies. Councillor G M Kensler stressed the importance of tying in the information with performance management and also exit interviews.

The Chief Executive discussed sickness absence being lower in the summer months, but some of this was due to the fact that teachers and many staff were on annual leave. Seasonal patterns happened in every organisation. Councillor R E Barton said it was also important to tackle short term absences.

RESOLVED that Members note the information in the report.

535 CABINET FORWARD WORK PROGRAMME

Councillor J A Smith presented the Cabinet Forward Work Programme.

Councillor E C Edwards strongly felt that the Work Programme should not be used as a Scrutiny tool, and Cabinet reports (with the exception of policy changes etc) should not be considered first by Scrutiny Committees as a matter of course. The Executive took the decisions and if applicable, Scrutiny Committees should call in reports. He asked that Scrutiny Chairs be reminded of their important role.

RESOLVED that Cabinet note the Cabinet Forward Work Programme.

536 URGENT ITEMS

There were no Urgent Items.

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 20 of Part 4 of Schedule 12A of the Local Government Act 1972.

PART II

537 CAPITAL PLAN

Councillor J Thompson Hill presented the report for Members to note the latest position on the 2007-2008 element of the Capital Plan. He said the Welsh Assembly Government had allocated £1.4m grant in 2008-2009 to enable the Authority to continue its Housing Renewal Areas work. To date, capital bids totalling £42.2m for capital resources in 2008/9 had been received. These would have to be considered by the Capital Strategy group in the light of the capital funding available.

Councillor E C Edwards thanked the Corporate Director: Environment and the 3D and Catering departments in particular for their excellent work on the new dining facilities at Ysgol Brynhyfryd, Ruthin. The dining room was a much needed and appreciated improvement at the school.

Councillor J Thompson Hill asked Members to note the new column on Appendix 1 which now included risk assessment.

RESOLVED that Members note the latest position on the 2007-2008 element of the Capital Plan.

Councillor M LI Davies thanked the Chair, Members and officers for their consideration of Observer Members at the meeting.

The meeting concluded at 12.50 p.m.
