

CABINET

Minutes of the Cabinet meeting held at 10.00 a.m. on Tuesday 15 December 2009 in Conference Room 1, County Hall, Ruthin.

PRESENT

Councillors P A Dobb, Lead Member for Health, Social Care and Wellbeing, H H Evans, Leader and Lead Member for Education; S Frobisher, Lead Member for Communities; R W Hughes, Lead Member for Personnel and Business Management; M M Jones, Lead Member for Children's Services; P J Marfleet, Lead Member for Modernisation and Improvement; D A J Thomas, Lead Member for Environment: Regeneration, J Thompson Hill, Lead Member for Finance and E W Williams, Lead Member for Environment: Sustainable Development.

Observers: Councillors W L Cowie; G C Evans, E R Jones and S Thomas.

ALSO PRESENT

Chief Executive; Acting Corporate Director: Resources; Corporate Director: Environment; Corporate Director: Lifelong Learning; Corporate Director: Social Services and Housing and the County Clerk.

APOLOGIES

There were no apologies.

1 URGENT MATTERS

There were no urgent items.

2 MINUTES OF THE CABINET MEETING 24.11.2009

The Minutes of the Cabinet meeting held on 24 November 2009 were submitted. Item 6 Revenue Budget and Summary Capital Plan 2009-2010 – Councillor J Thompson Hill had declared an interest in the Ysgol Clawdd Offa part of the report.

***RESOLVED** that, subject to the above, the Minutes of the meeting held on 24 November 2009 be approved as a correct record and signed by the Leader.*

3 COLLABORATION STATEMENT FROM NORTH WALES AUTHORITIES

The Chief Executive presented the report for Members to note the statement which all North Wales local authorities would be asked to endorse. All 6 local authorities agree a vision statement, articulating their collective understanding of collaboration, was necessary. It was hoped a version of the statement would be adopted by the Regional Partnership Board and this would provide leadership to staff and partners.

Although Denbighshire was committed to collaboration it was also committed to the 6 North Wales Authorities still being separate authorities and political entities. The 6 authorities could not provide the full range of services on their own, there was a need to be much more pragmatic on how services would be delivered, with each retaining its commissioning role, accountability and monitoring – the authorities felt less strongly about who would provide the actual service.

The Chief Executive was congratulated by Councillor R W Hughes who said North Wales did not have a powerful lobbying voice with either MPs or AMs. However, such collaboration would provide such a voice and this was a timely message to the Assembly.

Councillor H H Evans said the other North Wales Council Leaders would support the collaborative work and this would be an opportunity to work on both a sub-regional and local basis. The Deputy First Minister was invited to meet with Leaders every 6 weeks to drive the collaboration agenda forward.

Responding to a query from Councillor P A Dobb, the Chief Executive said that the North Wales Chief Executives met every 6 weeks, with the meeting chair being rotated. The meetings were facilitated by Stephen Jones, Welsh Local Government Association, as were the North Wales Leaders meetings.

Councillor E W Williams said the political dimension in Wales had now changed. He reminded colleagues that reorganisation of authorities did not always create savings. He also referred to the successful joint Head of Highways and Transportation role with Conwy CBC, set up by the Corporate Director: Environment. He suggested it was important to ensure collaboration on equipment purchase and that authorities did not work in silos.

The First Minister had said it was not appropriate to have a large-scale reorganisation at an economically difficult time and the Chief Executive said this was pleasing to hear. However, this still meant that effective, efficient services had to be delivered. There were good examples of collaboration to build on and with a growing trust between Chief Executives, they would deal with issues together.

RESOLVED that Cabinet endorses the statement set out in section 2.5 of the report.

4 DELIVERY OF HOUSING MAINTENANCE SERVICE

Councillor P A Dobb presented the report seeking Cabinet agreement to the recommendations of the APSE Report being accepted in principle with the client and contractor roles in responsive housing repairs being consolidated in Housing Services. Cabinet were further asked to agree a Project Team be established with appropriate support to implement the proposals to an agreed timetable and that the Action Plan for the Internal Audit Report be implemented with any necessary adjustments to allow for the revised structural arrangements.

Approximately 6 months earlier Councillor Dobb said a paper would be brought to outline the way forward for the Housing Maintenance Service, a way forward which would respond to improvement in the quality of service offered to tenants. Internal Audit have reviewed the documentation and procedures for processing jobs and it has been agreed that a new procedure manual and tenant information leaflets setting out how they report different maintenance problems must be prepared. An action plan has been developed and these will be available early in the New Year.

During the summer, external consultants have been hired through APSE to review the service and its structure, especially the client / contractor split and to indicate how performance could be improved. Their executive summary is attached to the report and it suggests that consolidation of the repairs function within Housing and some adjustments of staffing through the amalgamation of roles. A new IT system for housing repairs has been commissioned from CAPITA systems to integrate with rents and allocations and also to interface with the CRM and COMs. Housing would also obtain some further APSE support in order to implement the integration of both services.

There had been good consultation both with staff and tenants both during the reviews and since.

Congratulating the service on its work, Councillor S Frobisher said she was pleased to see the service moving forward and asked whether there were timescale in the action plan. Councillor Dobb replied that the action plan did not need to be presented to Cabinet but the implementation of the APSE report would. The Corporate Director: Social Services and Housing said the action plan would be fully implemented and a corporate project manager would oversee this.

Councillor E W Williams took the opportunity to congratulate the team nominated as one of the best 6 in the UK and the only 1 in Wales for APSE awards. The Corporate Director: Environment also said the street cleaning, school dinner service and street lighting teams had been nominated for awards and he congratulated the staff on their excellent work.

The report was also welcomed by Councillor J Thompson Hill. He asked whether the Council could expect any savings and said office moves would involve costs and had these been factored into any savings. The Head of Housing Services said any savings would fall into the Housing Revenue Account and that there would be no large-scale staff moves, however there would be some line management staff changes.

RESOLVED that Members agree the recommendations of the APSE Report be accepted in principle with the client and contractor roles in responsive housing repairs being consolidated in Housing Services. Members further agree that a Project Team be established with appropriate support to implement the proposals to an agreed timetable and that the Action Plan for the Internal Audit Report be implemented with any necessary adjustments to allow for the revised structural arrangements.

5 HOUSING REVENUE ACCOUNT BUDGET & CAPITAL PLAN UPDATE 2009-2010

Councillor P A Dobb presented the report for Members to note the forecast outturn of the Housing Revenue Account (H.R.A.) and Housing Capital Plan for 2009/10. The forecast for the HRA showed that an in-year revenue surplus of £213k should be generated by the end of the financial year, which was £80k less than forecast in the original budget set in February 2009.

A further review and assessment of the financial viability of the Housing Stock Business Plan and the implications of stock retention compared to transfer had to be submitted to the Welsh Assembly Government by Christmas in order for Denbighshire to qualify for the Major Repairs Allowance of £2.4m. Currently this was with Tribal Consultants for a due diligence review before being submitted.

To date, the new contractors on the capital programme, Bramhalls, were doing a very satisfactory job and had almost completed the Maes Emlyn, Rhyl complex. Although there were some unexpected problems with wiring and many frail older people living in the accommodation, very few complaints had been received. Any slippage would be made up during 2010.

RESOLVED that Members note the forecast outturn of the Housing Revenue Account (H.R.A.) for the current financial year.

6 REVENUE BUDGET AND SUMMARY CAPITAL PLAN 2009-2010

Councillor J Thompson Hill presented the report for Members to note the latest estimate of the likely outturn figures for the 2009/10 financial year as detailed in Appendix 1 attached to the report and the summary capital plan performance for 2009/10 as detailed in Appendices 2 and 3 attached to the report.

A minor overall overspend of £8k was forecast, excluding schools' delegated budgets. The figure was made up of pressures within the Lifelong Learning Directorate and Corporate Budget and savings in Social Services and Housing, Environment and the County Clerk's Department.

The Capital expenditure at the end of November at £15.9m was broadly on track for a plan totalling £33m.

RESOLVED that Members note the latest projected outturn figures for 2009/10 as detailed in Appendix 1 attached to the report and also note the summary Capital Plan performance figures for the 2009/10 financial year as detailed in Appendices 2 and 3 attached to the report.

7 CABINET FORWARD WORK PROGRAMME

Councillor R W Hughes presented the Cabinet Forward Work Programme and asked Members and officers to supply information on reports to be presented in 2010 as soon as possible.

Members discussed the proposed Cabinet meeting to be held on 12 January 2009 and agreed the meeting be cancelled. Therefore, the next Cabinet meeting would be held on 26 January 2009.

RESOLVED that Cabinet note the Cabinet Forward Work Programme and the cancellation of the meeting to be held on 12.01.2009. .

8 ISSUES REFERRED TO CABINET BY THE SCRUTINY COMMITTEES

There were no issues referred.

9 URGENT ITEMS

There were no Urgent Items.

PART II

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

10 SCHOOLS' ICT SUPPORT REVIEW

Councillor H H Evans presented the report seeking Cabinet approval to authorise the award of the 'ICT Infrastructure Services for Schools' contract to the company named in the report for the remaining secondary schools and to endorse the decision of the schools who have decided to continue with support provided by the County. (The current support model would be enhanced as the schools would fund additional ICT engineers and the team would also be managed by the current corporate ICT team.)

Demand for ICT support from schools had grown and they felt the service provision had been under-resourced. To address this, schools had agreed to procure a bid to ensure best value and economies of scale for the ICT support for a 3 year agreement. However, this would mean more effective support for those schools not participating, on a service level agreement with the Council.

Councillor S Frobisher asked whether it would be possible to collaborate with neighbouring Authorities on the provision of ICT support, whilst Councillor R W Hughes asked for assurances on the company. The Corporate Director: Lifelong Learning said

the agreement did not stop any collaboration with neighbouring Authorities in the future and ICT support could form part of collaboration. He confirmed the company had been checked for financial robustness and it would only be providing a support service, with no replacement of computers. Responding to a query from Councillor P A Dobb, the Corporate Director: Lifelong Learning said with enhanced provision for primary schools one extra member of staff would be required, although there would be no need for further accommodation.

Councillor E W Williams referred to facilities for smaller schools and said he wanted to ensure all schools had the facilities required. He supported the use of a central service for the smaller schools. He suggested service provision should be discussed with Flintshire and Gwynedd for example, as both counties had schools close to the Denbighshire boundaries.

The Acting Corporate Director: Resources said the contract was in the form of a framework agreement and other Authorities would be able to join the agreement at a later date.

RESOLVED that Cabinet authorise the award of the 'ICT Infrastructure Services for Schools' contract to the company named in the report for the remaining secondary schools for the next 3 years and to agree to the County providing the ICT support to primary schools for the next 3 years with annual reviews.

It was further agreed to collaborate with all other Local Authorities on partnership working.

11 DIRECT PAYMENTS CONTRACT

Councillor P A Dobb presented the report seeking Cabinet approval to extend the contract with the organisation named in the report for a further 12 months to 31.03.2011.

Direct Payments were monies paid directly to individuals to help them manage their own support and care. The report outlines the 4 year collaboration plan, firstly with Conwy CBC and then with the 6 North Wales Authorities in 2014. In order for this to happen, the current contract needed to expire at an appropriate time to jointly tender with Conwy CBC for a 3 year contract. The amount of the contract would be contained within budget.

RESOLVED that Cabinet approves the extension of the contract with the organisation named in the report, for a further 12 months to 31.03.2011.

12 SUPPORTING PEOPLE – GIFT PROJECT CONTRACT EXTENSION

Councillor P A Dobb presented the report for Members to agree the extension of three Supporting People Contracts for the GIFT Project to 1st August 2010.

Generic Intensive Floating Support provides housing support to vulnerable people who may become homeless without specialized services. The 3 contract extensions to August 2010 were re-modelled projects which would reach more people as outlined in the Supporting People Operational Plan previously presented to Cabinet. The extensions were necessary to harmonise end dates, allow the Welsh Assembly Government time to approve and for Denbighshire to consult with users and providers. The total cost of the contract extension would be accommodated within the annual budget.

RESOLVED that Members agree:-

- (a) To extend the GIFT Floating Support Project Contract to 1st August 2010
- (b) To extend the Drugs & Alcohol x 2 GIFT Project Contract to 1st August 2010
- (c) To extend the GIFT Probation Service Floating Support Project Contract to 1st August 2010.

13 CAPITAL PLAN 2009-2010 TO 2012-2013

Councillor J Thompson Hill presented the report for Members to note the latest position on the 2009/10 element of the Capital Plan and approve the use of existing Modernising Education funding for a feasibility study to be carried out at Ysgol Bryn Collen / Gwernant, Llangollen at the costs detailed in the report. Members were also asked to approve the use of existing Modernising Education funding for a feasibility study to be carried out at Ysgol Dyffryn Ial, approve the use of existing ICT funding to support improvements to the schools network infrastructure and to the corporate network infrastructure all at costs detailed in the report to maintain compliance with the GCSx Code of Connection.

Councillor Thompson Hill said the Dinas Bran project was on schedule for completion by 21.12.2009 with a projected overspend of £30k-£50k. The work at the Royal International Pavilion, Llangollen was also on schedule to be completed by early May 2010.

The Council had agreed a sum of capital funding for Modernising Education in February 2009 and the Capital Strategy Group had recommended funding be made available for the feasibility studies for the schools at Bryn Collen / Gwernant and Dyffryn Ial. Following discussions, the Corporate Director: Lifelong Learning confirmed there was no need for formal statutory consultation regarding Ysgol Bryneglwys. However, parents, pupils and staff would be consulted on any proposals. The schemes were all part of the Dee Valley East area review.

RESOLVED that Members note the latest position on the 2009/10 element of the Capital Plan and approve the use of existing Modernising Education funding for a feasibility study to be carried out at Ysgol Bryn Collen / Gwernant, Llangollen at the costs detailed in the report. Members also approve the use of existing Modernising

Education funding for a feasibility study to be carried out at Ysgol Dyffryn Ial and approve the use of existing ICT funding to support improvements to the schools' network infrastructure, all at costs detailed in the report and to the corporate network infrastructure at costs detailed in the report to maintain compliance with the GCSx Code of Connection.

14 UPDATE ON BUDGET SETTING PROCESS AND FINAL ASSEMBLY SETTLEMENT FOR 2010-2011

Councillor J Thompson Hill presented the report for Members to note the content of the Assembly's Final Settlement for the Council for the next financial year and to also review the progress with the budget setting process for 2010/2011 and comment accordingly. The level of Assembly support for Revenue purposes for 2010-2011 had increased by £187k over the provisional figures announced in October 2009. The majority of this increase related to funding transferred from Specific Grants and therefore had a neutral impact.

Councillor Thompson Hill outlined the overall position, which had been reviewed by the Corporate Executive Team and said it was proposed that Education receive increased funding to maintain the service budget at the level of SSA. There were also proposals to provide one off funding for services to help contain pressures and deliver savings in future years. The increase in the Fire Service Levy was likely to be fairly modest. The recommended position was detailed in the appendices.

Members discussed the resulting level of increase in Council Tax and said this would be discussed further at the seminar for all Members to be held later in the week.

Various issues were discussed, including the leadership management programme for headteachers. The Corporate Director: Lifelong Learning said the leadership programme was part of the succession planning and development for headteachers and this would also help schools deliver improvements rather than being dependent upon the Authority. The Corporate Director: Environment responded to queries on school meals costs and provision as well as free school meals and said it was uneconomic to fund a service in some areas whilst participation rates on free school meals was increasing. He went on to detail the Highways patching repairs bid and said this bid could be reduced if an extra machine was approved as part of the Capital bid.

Councillor D A J Thomas suggested that whilst no one wanted to increase Council Tax, it was important that the Authority planned ahead and he suggested the Council should err on the side of caution due to uncertainty over future year's Assembly funding levels. Councillor H H Evans agreed and said any increase in Council Tax should not be looked at in isolation as the Authority should be planning for the next 2-3 years.

The Chief Executive agreed with Councillor D A J Thomas' comments and said it was possible a 2.5% Council Tax increase would continue to put pressure on to deliver savings. Putting money in reserves was also a consideration for Members.

Councillor E W Williams, referring to 2011-2012, suggested it was unlikely for Authorities to receive a poor settlement just before the elections. He agreed delivery of services was important and said the Authority should be realistic. He questioned whether the County should be delivering non-statutory services. Councillor P J Marfleet suggested that a Council Tax increase of higher than 2.5% could mean the pressure being taken off the Authority. Councillor H H Evans said the Council Tax set this year should also give consideration for the following 2-3 years with officers being given continued pressure to save. He hoped the Council Tax increase would be as low as possible. Councillor R W Hughes said Members and officers were managing an organisation and this should be well run and managed and not linked to Council Tax.

The Acting Corporate Director: Resources said it had been possible to dampen pressures for one year but there was still a need to identify potential savings in future years.

RESOLVED that Members note the content of the Assembly's Final Settlement for the Council for the next financial year and note the progress with the budget setting exercise for 2010-2011.

At this junction (11:30 a.m.) the meeting adjourned for 10 minutes to allow Members to participate in refreshments.

15 ST ASAPH ALL WEATHER PITCH

Councillor M M Jones presented the report for Members to authorise officers to negotiate a settlement as detailed in the report.

Various options and their implications were considered by Members. Councillor W L Cowie, Local Member supported the Resolution in the report.

Responding to a query from Councillor P A Dobb, the Head of Leisure Services said that at some point in the future the Youth Centre in St Asaph could be available for use by officers and Members for some meetings.

RESOLVED that Members agreed to negotiate a settlement, up to the maximum figure stated, as detailed in the report.

16 NORTH WALES COAST STRATEGIC REGENERATION AREA DCC / WAG PARTNERSHIP ACQUISITION OF NO 88 WEST PARADE, RHYL BY COMPULSORY PURCHASE ORDER

Councillor D A J Thomas presented the report seeking Cabinet approval to use Compulsory Purchase procedures for the acquisition of No 88 West Parade, Rhyl as part of the North Wales Coast Strategic Regeneration Area scheme.

Councillor Thomas outlined the reasons behind the acquisition request and said the remainder of the site in question was owned by the Welsh Assembly Government who wished to develop the whole site.

RESOLVED that Cabinet approves the use of Compulsory Purchase procedures for the acquisition of No. 88 West Parade, Rhyl as part of the North Wales Coast Strategic Regeneration Area scheme.

17 REVIEW OF THE POLICIES AFFECTING THE OPERATIONAL MANAGEMENT, SUSTAINABILITY, CONDITION AND SIZE OF THE COUNCIL'S AGRICULTURAL ESTATE

Councillor P J Marfleet presented the report for Members to consider the options as detailed in the report. Councillor Marfleet thanked David Mathews, Valuation and Property Manager and his team for all their hard work in producing the report.

He went on to say that ideally there should have been much more investment in the agricultural estate over the years as buildings needed updating or repairing. Various disposals were discussed and also the possibility of moving some tenants from a smaller farm to a larger holding. Selling some of the holdings could help clear the backlog of repair work required on the agricultural estate and deal with the Nitrate Vulnerable Zones requirements on the Council's dairy units. Councillor Marfleet suggested a further recommendation be included, that Cabinet agree to review the Council's strategy and policy on the agricultural estates within the next quarter. It was also suggested that Recommendation 10.3 be amended to include a further disposal.

Councillor J Thompson Hill agreed there was a backlog of work to be addressed and reminded colleagues that Capital funding would reduce by 50% over the coming years. He said the Authority could invest in the remainder of the estate if the recommendations were followed and this would mean the Authority had a viable estate. He supported the proposals.

Councillor E W Williams reminded colleagues 'they've stopped making land' and said there were varying strands to the estate – the first was the viability of the agricultural estate and he said he would want the full value of the estate for example any developments which could bring in income to both the agricultural estate and authority, the second was the possibility, for example, of looking at plants which could deal with residual waste processing. He was also unconvinced that the Authority had considered all the benefits of selling the land, and said business cases for other uses should be supplied.

Councillor Marfleet agreed waste processing could be considered within the review of agricultural estates. He said some tenants had asked for discussions on future tenancies and succession planning. He said he had spoken to the local Members, except Councillor S Thomas, and all were broadly in favour of the approach being taken.

Councillor R W Hughes suggested that discussions with people who had agricultural knowledge would be beneficial.

It was felt by Councillor P A Dobb that Denbighshire was in the business of providing services and suggested it was time for unviable units to be sold to enable necessary works to be carried out on other farms. However, Councillor D A J Thomas quoted an expert at a seminar he had attended who said agriculture was not a thing of the past but of the future and that there could be food shortages in years to come. He said it was important to look at production for the future.

The sale of small unviable farms would be supported by Councillor S Thomas but he felt that it would be a mistake to sell a unit of say 100 acres which could be let on terms that the tenant maintain the buildings. He supported the need for a rational approach for small farms and suggested perhaps consideration be given to allotment provision, as suggested in the Local Development Plan. Councillor Marfleet thanked Councillor Thomas for his comments and said another debate was required on the estate as a whole.

Councillor E R Jones said he would support selling smaller farms, once vacant but he would be disappointed to see 100 acre farms being sold.

The Chief Executive thanked Members for a good debate and agreed there were some holdings whose buildings were in disrepair and needed to be attended to without delay. He said the strategy would address this and also allow the generation of capital receipts for the estate and the Authority in general. He agreed a long term view was required and this would have to be provided in 3 months. He also agreed the need to involve Members where relevant to ensure the process was smooth and efficient.

Councillor H H Evans said it was important to focus on reducing the backlog of works and also ask tenants to carry out some maintenance works. He felt a radical debate with tenants was required. Any contentious recommendations in future reports would have to be evidenced to enable decisions to be taken. He challenged the urgency of disposal at this time.

RESOLVED that Cabinet:-

- (a) agrees the disposal of Maes Y Groes Farm, Henllan and offers its current tenant a new tenancy at Pen y Maes Farm (para 2.11.3)*
- (b) agrees the disposal of Bryn Gwyn Farm (para 2.11.6)*
- (c) notes that as part of its review of assets the Council will review the current tenancy agreements on a number of farms to consider whether new, longer tenancies should be entered into once the current tenancies come to an end and give consideration to Nitrate Vulnerable Zones with a view to mitigate the capital costs of the work (para 2.11.7)*
- (ch) agrees the amendments to the Agricultural Policy as shown in para 2.5.5*
- (d) agrees to carry out a full review of the existing Agricultural Estates Strategy and Policy*

At this junction (1:30 p.m.) the meeting adjourned for 10 minutes to allow Members to participate in refreshments.

18 PRESTATYN SCALA: BUSINESS PLAN

[Councillors R W Hughes and J Thompson Hill declared an interest in the item and both left the room.]

Councillor D A J Thomas presented the report to update Members in detail on the current business plan for the Scala, the current cashflow situation of the company and to seek approval for further financial support for the company in the form of a loan of up to £80,000 over a 10 year period.

The Acting Corporate Director: Resources confirmed that the monies requested would be on the basis of a loan and that it would be reasonable for the Authority to put conditions on that loan whilst still allowing the company to keep their charitable status and gain the maximum financial benefit from that status. The County Clerk suggested that a Denbighshire officer could sit on the Scala Board, as an observer as was the case with the Clwyd Leisure Board.

The Chief Executive said the Authority was committed to supporting the Board, as it was with other arms-length organisations. He said the Board would have to deliver on the action plan. However, if the deficit continued to grow the Authority would have to decide at some point in the future whether it could continue to fund the company. He said the £80k loan was attached to a successful business plan. He also wanted a Denbighshire County Council officer attending the Board meetings as a finance officer but the officer would not be a member of the Board. He also suggested that the Board membership be considered to ensure whether there were enough Members representing the Authority rather than representing the Scala. The business plan would be reviewed to ensure its robustness and officers would be expected to ensure robust recommendations were made. Councillor H H Evans said he would be considering the Board membership to ensure there was no conflict of interest for Denbighshire Councillors on the Board.

Councillor D A J Thomas said Clwyd Leisure had received invaluable advice from the Corporate Director: Environment as an observer on the Board and he would welcome an officer attending the Scala Board meetings.

RESOLVED that Cabinet approve the following Recommendations:

- (a) *Cabinet approve the granting of a loan facility of a maximum of £80,000 to assist the Company with ongoing cash flow requirements. The final terms of the loan to be agreed by the Leader in consultation with the County Clerk and the Chief Financial Officer*

- (b) *The loan to be drawn down in stages based on the Company's need for additional funds by agreement with the Chief Financial Officer and the Corporate Director: Environment*
- (c) *That the loan be for up to 10 years, repayable from the 1 April 2012, and to be subject to an annual formal review of the business plan of the Company and the achievement of the annual financial targets within the business plan – to be monitored by the Chief Financial Officer*
- (ch) *As part of the loan agreement that specific experience be sought from the Corporate Director: Environment to add to the Board, providing finance and business skills to help develop the Company*
- (d) *As part of the loan agreement, that the Council agree robust and formal monthly financial management reporting arrangements with the Company, and that regular update reports are provided to the County Council Scrutiny Committee, with an annual report highlighting progress with delivering the business plan to the Cabinet and any issues of concern being presented to Cabinet as they arise – to be monitored by the Chief Financial Officer and the Corporate Director: Environment*
- (dd) *That the Chief Financial Officer be authorised to provide some short term financial support for the Company, in advance of the formal loan being agreed*
- (e) *That the Council, led by the Corporate Director: Environment, initiate a benefits review of the project, to assess how the Scala has performed against the original project plan and to evaluate the experience gained from the project.*

The meeting concluded at 2.50 p.m.

REPORT TO CABINET

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

DATE: **26th January 2010**

SUBJECT: Housing Revenue Account Budget & Capital Plan Update Report 2009 / 2010

1 DECISION SOUGHT

- Note the forecast outturn of the Housing Revenue Account (H.R.A.) and Housing Capital Plan for 2009/10.

2 REASON FOR SEEKING DECISION

- The need to deliver the Council's agreed budget strategies for the current financial year.

3 POWER TO MAKE THE DECISION

Housing Act 1985 Part II.

4 RESOURCE IMPLICATIONS

4.1 Cost Implications - Housing Revenue Account Budget 2009/10

- The forecast for the HRA shows that an in-year revenue surplus of £247k should be generated by the end of the financial year, which is £46k less than forecast in the original budget set in February 2009. The forecast has improved by £34k from the position reported last month.
- There have been some minor changes in most expenditure categories but the most significant is a reduction in the forecast capital charge of £44k. This is because the estimated interest rate used to calculate the charge has been reduced slightly. Income forecasts based on actual activity to date for garage rents have reduced a little from last month but dwelling rents are the same.
- The council's housing stock remains at 3,469 following a sale in November but no further sales are expected this financial year. Part of the receipt from the sale will be used to fund capital expenditure.

4.2 Cost Implications - Housing Stock Business Plan (HSBP)

- The 2009/10 Plan was approved by Cabinet in February and the five-year review agreed with Wales Audit Office is underway. A due diligence review was also commissioned as part of the process. Cabinet will be informed of progress next month when the annual budget and rent setting report is submitted for consideration. A further review assessing the financial viability of the Plan and the implications of stock retention compared to transfer has to be submitted to WAG in December as a new condition of receiving the Major Repairs Allowance funding (£2.4m per year).

4.3 Cost Implications Housing Capital Plan (Improvement Programme)

- As previously reported, 1,132 properties have been improved as part of the major improvement programme so far and the windows and heating contracts have also been successfully completed. The expenditure shown against the window and heating contracts relates to contractual retention payments. The first phase of works on the new improvement contract is underway and improvements to the Maes Emlyn complex in Rhyl almost complete and work now starting at Meredith Crescent.
- The new improvement contract is expected to deliver between 150-200 completions by the end of the financial year. The next phases of the programme will see a contract for 219 properties in the north of the county hopefully being awarded in February and a further contract for 199 properties in the south being tendered in February.
- The capital plan has been adjusted to reflect planned activity this year and therefore shows a reduced expenditure forecast of £3.9m (previously £7.8m). The reduced expenditure this year benefits the business plan financially. This obviously delays improvements for some tenants but the slippage will be recovered during 2010/11 so the council remains on target to achieve the Welsh Housing Quality Standard by 2012.

5 RISK ASSESSMENT

5.1 Risks associated with not agreeing the recommendation

There would be a reduction in financial control and ability to influence the current HRA budget and the longer term future of the Housing Stock Business Plan.

5.2 Risks associated with agreeing the recommendation

No risk in agreeing the HRA Budget recommendation however there are risks involved with the delivery of the Housing Stock Business Plan (sales, capital costs, etc.) that must be continually reviewed.

6 CHIEF FINANCIAL OFFICER STATEMENT

The improved revenue position this year is noted and will benefit the housing Stock Business Plan. The five-year review of the HSBP, including the due diligence review, will provide an opportunity to reassess key planning assumptions and should confirm the long-term viability of the Plan.

7 CONSULTATION CARRIED OUT

Cabinet agreed the HRA capital and revenue budget in February 2008.

8 IMPLICATIONS

8.1 Assessment of Impact on Corporate Priorities

Improving the housing stock will contribute to the council's regeneration priority. Maintenance, improvement and adaptation of properties will assist independent living for elderly tenants – particularly those in sheltered accommodation.

8.2 Assessment of impact on the Vision, Community Strategy, Equalities and Sustainability

The level of funding available to services together with budgetary performance impacts upon all services of the Council. The HSBP will help achieve the ideal living vision, through access to good quality, affordable housing, which is more energy efficient and designed to meet their needs.

8.3 Assessment of Impact on Climate Change - Mitigation and Adaptation

The improvement works will assist in reducing carbon emissions by installing more efficient windows, heating systems and loft insulation.

9 ACTION PLAN

Action	Responsibility	Date
Ongoing monitoring of the HSBP.	Head of Housing Services & Senior Management Accountant.	Monthly updates to Cabinet.

10 RECOMMENDATIONS

Members note the latest financial forecast position of the Housing Revenue Account (H.R.A.) for the current financial year.

Appendix 1

<u>Housing Revenue Account 2009/10 Budget</u>					
<u>2008/09</u>			<u>2009/10</u>		<u>2009/10</u>
Final		Original	Forecast	Variance	Previous
Outturn	<u>Period 9 - DECEMBER 2009</u>	Budget	Out-turn	to	Report
£	<u>EXPENDITURE</u>	£	£	£	Nov
					£
1,773,347	Supervision & Management - General	1,771,215	1,850,887	-79,672	1,842,345
251,090	Supervision & Management - Special	278,325	277,325	1,000	277,325
144,789	Welfare Services	146,710	150,499	-3,789	152,384
377,064	Homelessness - Leased Properties	386,000	0	386,000	0
2,580,144	Repairs and Maintenance	2,696,000	2,700,829	-4,829	2,698,471
5,126,434	Total Housing Management	5,278,250	4,979,541	298,709	4,970,525
2,042,233	Item 8 Capital Charges	2,247,000	2,267,035	-20,035	2,311,595
3,000,000	CERA	0	0	0	0
0	Rent Rebate Subsidy Limitation	240,000	125,000	115,000	125,000
2,925,877	Subsidy	2,811,000	3,043,695	-232,695	3,043,695
17,190	Provision for Bad Debts	25,750	25,750	0	25,750
13,111,734	Total Expenditure	10,602,000	10,441,021	160,979	10,476,565
	<u>INCOME</u>				
9,955,062	Rents (net of voids)	10,435,000	10,468,566	33,566	10,468,566
231,038	Leased Rents	281,000	0	-281,000	0
138,416	Garages	151,065	138,104	-12,961	139,694
102,168	Interest on Balances & Other Income	28,000	81,680	53,680	81,680
10,426,684	Total Income	10,895,065	10,688,350	-206,715	10,689,940
	Surplus / Deficit (-) for the Year				
314,950	General Balances	293,065	247,330	-45,736	213,375
-3,000,000	Earmarked Balances	0	0	0	0
3,706,736	Balance as at start of year ~ General	1,021,686	1,021,686	0	1,021,686
1,021,686	Balance as at end of year ~ General	1,314,752	1,269,016	-45,736	1,235,061

Appendix 2

HRA Capital Plan Update 2009/10				
<u>Month 9</u>				
Actual 2008/09 £	Description	Approved Schemes £	Actual at End Dec £	Forecast Outturn £
383,638	Environmental Improvement Works	400,000	219,533	440,000
7,985,011	Major Improvements - All Groups	6,853,000	2,011,937	2,874,711
228,111	Windows Replacement	0	115,840	115,840
403,135	Central Heating Contract	0	1,879	17,203
522,826	Disabled Adaptations (Council Houses)	400,000	280,362	400,000
0	HRA Capital Contingency	430,000	0	42,840
9,522,721	Total	8,083,000	2,629,550	3,890,594
2008/09 £	HRA Capital Plan Financed By:	Original £	Forecast £	
2,400,000	Major Repairs Allowance Grant	2,400,000	2,400,000	
73,636	Useable Capital Receipts	0	18,000	
4,049,085	Prudential Borrowing	5,683,000	1,472,594	
3,000,000	CERA	0	0	
9,522,721	Total	8,083,000	3,890,594	

REPORT TO CABINET

REPORT BY: Councillor J Thompson-Hill, Lead Member for Finance

DATE: 26th January 2010

SUBJECT: Revenue Budget and Summary Capital Plan 2009/10

1. DECISION SOUGHT

- 1.1 To note the latest estimate of the likely outturn figures for the 2009/10 financial year as detailed in the attached Appendix 1.
- 1.2 To also note the summary capital plan performance for the 2009/10 financial year as detailed in the attached Appendices 2 and 3.
- 1.3 To agree the final allocation of additional resources for services impacted upon by the recession and other pressures.

2. REASONS FOR SEEKING DECISION

- 2.1 To advise members of the latest indications of budget performance in light of the need to deliver the Council's agreed budget strategy for 2009/10 and avoid reducing already inadequate reserves, to allocate the balance of the contingency budget set up to dampen the impact of specific pressures in year and also, to keep members informed of the Council's money market dealings.

3. POWER TO MAKE THE DECISION

- 3.1 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

- 4.1 This report details latest projections for the current financial year. Appendix 1 details an overall under spend of £313k, excluding the schools' delegated budgets. This figure is made up of pressures within the Lifelong Learning directorate and Corporate Budgets and savings in Social Services & Housing, Environment and the County Clerk's Department.

i) Lifelong Learning is forecasting an overspend position of £341k due to:

a) the residual costs relating to the Hyfrydle facility on the Ysgol Plas Brondyffryn, £50k.

b) Impact of early retirement costs in schools in financial difficulty, £291k.

ii) Social Services & Housing is forecasting an underspend of £602k mainly due to:

- a) *pressures on Adult Services Community Care and the implementation costs of PARIS offset by underspends brought forward from last financial year and temporary savings resulting from the Extra Care Housing programme.*
- b) *The latest projections shows a net improvement of £299k from last month. Continuing Healthcare (CHC) funding from the NHS of £394k and additional charging policy income of £60k has been included in the forecast. The CHC funding included represents the amounts agreed so far for which invoices have been raised. There is potential for more CHC funding to be agreed as challenging negotiations continue with the NHS, so the position may improve further before the end of the year. It is also likely that financial support will be forthcoming from the NHS as a result of the Royal Alexandra Hospital (RAH) ward closures to support the consequences of this on social care budgets. Both the CHC money and funding in respect of the RAH are nonrecurring at this stage.*
- iii) **Environment budgets** *are now forecasting an under spend of £129k mainly due to successful vacancy control procedures. (Note the latest Environment report takes account of the changes following on from the recent restructuring of senior management).*
- a) *The recent snow has placed a significant strain on the winter maintenance budget and it is proposed that any overspend is charged to the Winter Maintenance Reserve (WMR) in 09/10. In all likelihood there will also be a significant cost after the thaw from sweeping and gully emptying to pothole filling, patching and resurfacing. In addition, to date the school closures have impacted significantly on the school meals service and latest forecasts indicate that the loss (over and above the £150K Council subsidy) will now increase from £55K reported last month to something in the order of £85K.*
- b) *Car parking income continues to be a serious concern as a result of the economic downturn (exacerbated by the recent snow conditions) and is now forecast to "lose" £143K in 09/10.*
- c) *To counter some of the pressures listed above there is now projected to be a saving of £70K on the procurement costs of the NW residual waste facility project in 09/10. The school closures have resulted in improved savings on the school transport budgets (circa an extra £60k).*
- iv) **Corporate budgets** *include the additional level of trading loss of the School Meals Service above the £150k agreed level of subsidy. This is currently estimated at £85k.*

4.2 Appendix 2 shows a **Capital Plan summary** and Appendix 3 shows expenditure split by Directorate priority.

- 4.3 Capital expenditure at the end of December is **£18.7m**, for a plan that totals **£34.1m**. Full details of the Capital Plan are contained in a separate report in part two of the agenda.

5. RISK ASSESSMENT

5.1 Risks associated with not agreeing the recommendations

Risk of service overspends not being contained within the overall Council budget with the resulting reduction to Reserves & Balances and pressure continuing into future years.

5.2 Risks associated with agreeing the recommendations

The potential impact upon service levels and quality with the possibility of a negative impact upon the Council's public image.

6. CHIEF FINANCIAL OFFICER STATEMENT

- 6.1 Directorates need to exercise tight control over their revenue expenditure to ensure they are able to remain within their budgets. The first call on any agreed underspends carried forward into the new financial year together with underspends in the current year, will of course be any pressures in the current year.
- 6.2 The closure of the Hyfrydle facility means the Council's liabilities currently are restricted to the costs of mothballing the building. A review is currently being undertaken to identify a potential use for the building.
- 6.3 The Council is now working closely with both Rhyl High School and Blessed Edward Jones to improve their financial situation. There is still some work to be done however positive steps have been taken at both schools. Members of the Corporate Governance committee are kept informed of progress.
- 6.4 The continuing loss making trading position of the school meals service was the subject of a report to an earlier meeting. Members agreed a series of measures to help drive up take up of meals. The temporary subsidy of £150k has been converted into base budget provision while in the current year the service is expected to lose up to a further £85k.
- 6.5 Detailed negotiations with the NHS to ensure that the Council receives a fair share of the additional W.A.G. Continuing Health Care funding for the current year are still ongoing. The inclusion of £223k this month is encouraging but there is potentially more available to help alleviate growing demand on social care budgets. It is disappointing that funding can only be agreed late in the financial year concerned with any resources for next year having to be the subject of a further round of negotiations. This sort of process does not help the directorate plan for additional levels of service.

6.6 MONEY MARKET INVESTMENTS UPDATE

The Council is continuing to take steps to protect itself in the current economic situation:

- Further opportunities for debt repayment are being monitored closely and will be pursued when the conditions are favourable in order to reduce investment balances and exposure in the money markets.
- The Council is investing short term cash with the HM Treasury deposit account on a regular basis in order to ensure the security of its investment funds.

Investments with foreign-owned banks matured some months ago and the proceeds have all been redirected into UK or HM Treasury investments.

Officers have met with the Council's Treasury advisers to evaluate the current market position and are reviewing the strategy going forward. In the meantime as borrowing rates are currently around 4%, the practice of borrowing internally remains in place, i.e. run down cash levels. By doing this the Council saves the borrowing costs which currently are about 3% above investment rates. This strategy has produced a significant saving in borrowing costs that should result in an underspend of up to £300k at year end. Each year the Council needs to review the level of provisions that need to be set aside for various issues, e.g. Bad Debts Provision and Voluntary Redundancy costs. A review is currently under way and it is likely that a similar level of provision, i.e. £300k, would need to be made if the Council is to prudently provide for these issues.

6.7 FINAL ALLOCATIONS FROM CONTINGENCY BUDGET.

In February 2009, full Council agreed to the provision of a Contingency Budget of £880k as part of the budget setting process for 2009/10. The Contingency was to be allocated to services that experienced lost income as a result of the recession and experienced financial pressure from other reasons namely, legal costs in connection with the former North Wales Hospital, increased Homelessness costs and costs in connection with intervention at schools in financial difficulty.

Initial allocations of £680k were agreed in the June Cabinet meeting and Appendix 4 details CET's recommendations for the use of the £200k balance. Bids exceeded the sum available and services that had already received an allocation have had their further bids rationed to keep the total allocated within the sum available.

7. CONSULTATION CARRIED OUT

- 7.1 Lead Cabinet members will consult with Heads of Service during the financial year to agree necessary remedial actions to accommodate pressures in year.

8. IMPLICATIONS ON OTHER POLICY AREAS

8.1 Assessment of Impact on Corporate Priorities:

Proper management of the Council's revenue budget underpins activity in all of the Council's priority areas.

8.2 Assessment of impact on the Vision, Community Strategy, Equalities and Sustainability:

Proper management of the Council's revenue budget enables services to work towards delivering the Council's Vision.

8.3 Assessment of Impact on Climate Change - Mitigation and Adaptation:

None directly

9. ACTION PLAN

- 9.1 All departments undertake regular budget monitoring to identify savings and efficiencies.

10. RECOMMENDATION

- 10.1 To note the latest projected outturn figures for 2009/10 as detailed in the attached Appendix 1.
- 10.2 To also note the summary Capital Plan performance figures for 2009/10 financial year as detailed in the attached Appendices 2 and 3.
- 10.3 For Members to agree the allocation of the £200k balance of the contingency budget as shown in Appendix 4.

APPENDIX 1

**MONTHLY REVENUE BUDGET MONITORING REPORT - FINANCIAL YEAR 2009/10
SUMMARY POSITION AS AT END DECEMBER 2009**

Directorate	Budget			Projected Outturn			Variance			Variance
	Gross Expenditure £000s	Gross Income £000s	Net Expenditure £000s	Gross Expenditure £000s	Gross Income £000s	Net Expenditure £000s	Gross Expenditure £000s	Gross Income £000s	Net Expenditure £000s	Previous report £000s
Lifelong Learning (excluding schools delegated)	20,366	-5,933	14,433	20,707	-5,933	14,774	341	0	341	341
Environment	53,768	-22,398	31,370	53,292	-22,051	31,241	-476	347	-129	-77
Social Services & Housing	56,843	-17,486	39,357	60,459	-21,704	38,755	3,616	-4,218	-602	-303
County Clerk	2,141	-488	1,653	2,161	-516	1,645	20	-28	-8	-8
Resources	11,244	-3,818	7,426	11,244	-3,818	7,426	0	0	0	0
Corporate, Miscellaneous & Benefits	33,728	-26,457	7,271	33,813	-26,457	7,356	85	0	85	55
Total All Services	178,090	-76,580	101,510	181,676	-80,479	101,197	3,586	-3,899	-313	8
Capital Financing Charges savings & additional Investment Income net of contributions to specific provisions			11,041			11,041			0	0
Precepts & Levies			4,503			4,503			0	0
Contribution to balances/reserves			0			0			0	0
			117,054			116,741			-313	8

Note:

The Management Accounting rules of the Council require debtor account entries to be reversed in respect of amounts outstanding for more than 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 2009/10
LIFELONG LEARNING
SUMMARY POSITION AS AT END DECEMBER 2009

	Budget			Projected Outturn			Variance			Variance
	Gross Expenditure	Gross Income	Net Expenditure	Gross Expenditure	Gross Income	Net Expenditure	Gross Expenditure	Gross Income	Net Expenditure	Previous report
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Individual School Budgets	58,977	-5,538	53,439	59,682	-5,647	54,035	705	-109	596	596
Partnership & Inclusion	4,403	-2,354	2,049	4,453	-2,354	2,099	50	0	50	50
Leisure	4,702	-2,312	2,390	4,702	-2,312	2,390	0	0	0	0
School Development	7,260	-1,073	6,187	7,551	-1,073	6,478	291	0	291	291
Planning & Performance	1,601	-63	1,538	1,601	-63	1,538	0	0	0	0
Libraries	2,400	-131	2,269	2,400	-131	2,269	0	0	0	0
Total excluding schools	20,366	-5,933	14,433	20,707	-5,933	14,774	341	0	341	341

**MONTHLY REVENUE BUDGET MONITORING REPORT - FINANCIAL YEAR 2009/10
LIFELONG LEARNING DIRECTORATE**

	Current Month £000s
<p><u>INDIVIDUAL SCHOOLS BUDGET</u> School balances are currently projected at £902k which is based on the 08/09 brought forward balances of £1,498k less the forecast overspend of £596k across all schools. Significant work is being undertaken with schools in financial difficulty to review their forecasted position with a view to significantly reducing expenditure levels for the year. The total deficit across the schools in financial difficulty is £661k. Additional support is currently being provided to support these schools in developing robust financial recovery proposals.</p>	596
<p><u>PARTNERSHIP & INCLUSION</u> Estimated costs associated with the closure of Hyfrydle Children's Home. The estimated costs have been calculated based on the equivalent 08/09 running costs. Further work will be undertaken to clarify the future position of the site.</p>	50
<p><u>SCHOOL DEVELOPMENT</u> The costs associated with the schools in financial difficulty and subsequent early retirements have now been finalised and are currently being projected at a £291k deficit. There is a pending bid against the recession fund for up to £100k to support the outstanding pressure against early retirements. Work will be done to ascertain how future redundancies pressures to this level can be contained within the schools delegated/non-delegated budgets. It is anticipated that as our financial modelling of staffing and pupil numbers becomes more robust that the need for further redundancies will be reduced.</p> <p>There are currently £250k of reserves earmarked for Modernising Education. These reserves have now been allocated and will support 3 areas across the Directorate</p> <ol style="list-style-type: none"> 1. SEN £167k - The Authority has introduced a new banding system to control spending on SEN funding and to better distribute the current funding equitability across schools based on real, rather than historical, perceived needs. Introducing this system takes time and requires a two year implementation phase to avoid detrimentally affecting the support to children and young people with ALN. Time is also required to properly manager the HR implications. Schools are keen to progress with the new formula but are concerned of the financial implications resulting from the formula also bearing in mind that they are already carrying historic deficit balances in this area. This funding will be directed to support schools in clearing the historic b/f balances to allow them to focus on moving forward with the banding arrangements. 2. Ysgol Clawdd Offa £36k - The budget for the school was not properly set when the school was established in Sept 2008 due to a loss of income arising from an untimely change to the budget formula. This has not been corrected to date and has left the school with considerable financial difficulties. 3. Rhyl 6th project £47k- There is currently issues regarding a shortfall in funding due to the transfer of Rhyl 6th to Llandrillo College. This allocation will be used as transitional funding to address a key pressure area 	291
TOTAL excluding schools	341

MONTHLY REVENUE BUDGET MONITORING REPORT - FINANCIAL YEAR 2009/10
ENVIRONMENT DIRECTORATE
SUMMARY POSITION AS AT END DECEMBER 2009

	Budget			Projected Outturn			Variance			Variance
	Gross Expenditure £000s	Gross Income £000s	Net Expenditure £000s	Gross Expenditure £000s	Gross Income £000s	Net Expenditure £000s	Gross Expenditure £000s	Gross Income £000s	Net Expenditure £000s	Previous report £000s
HIGHWAYS & INFRASTRUCTURE (Notes 1-3)	15,244	-5,505	9,739	14,965	-5,451	9,514	-279	54	-225	-131
PLANNING & PUBLIC PROTECTION (Notes 1&5)	4,661	-1,551	3,110	4,602	-1,488	3,114	-59	63	4	60
DIRECTOR & SUPPORT (Note 8)	945	-237	708	816	-237	579	-129	0	-129	-138
ENVIRONMENTAL SERVICES (Note 6)	17,199	-6,615	10,584	17,167	-6,615	10,552	-32	0	-32	0
REGENERATION & TOURISM (Note 4)	8,344	-4,373	3,971	8,346	-4,231	4,115	2	142	144	101
PROPERTY SERVICES (Note 7)	7,375	-4,117	3,258	7,396	-4,029	3,367	21	88	109	31
Total Environment	53,768	-22,398	31,370	53,292	-22,051	31,241	-476	347	-129	-77

Potential Pressures

- 1 As the downturn in the economic climate shows no immediate sign of recovery there is a major pressure on the large income budgets relating to Car Parking, Building Control and Development Control. The total of the income pressure on these services in 08/09 was £487K and based on current information will exceed £535K in 09/10. There is however a corporate contingency sum set aside as part of the 09/10 budget round to help with these type of pressures and earlier in the year £395K was set aside from this budget to help offset a large proportion of these. The car parking budget continues to be hit severely and it is now proposed to allocate a further £70K of the remaining corporate budget to help fund some of the ongoing shortfall. The additional £70K funding is excluded from the above figures.
- 2 The recent severe weather conditions have placed a huge financial strain on the winter maintenance budget. It now seems likely that the winter maintenance reserve will be required to be utilised in 09/10 to offset some of the additional costs incurred. If the extreme weather conditions continue for much longer then all the reserve will be exhausted and further funding will be needed. After the thaw there will also be a significant cost from sweeping, gully emptying and the massive pothole filling, patching and resurfacing which will be required to be undertaken on the highways network.
- 3 Major savings on the school transport and public transport budgets due to effective new route planning and also through the efficiencies being achieved via the introduction of e-auctions for some recent tenders. Also the recent school closures have to date contributed a further £60K savings to this particular budget.
- 4 There is likely to be pressures on the Llangollen Pavilion budget in 09/10 but measures are being put in place to try and minimise these as much as possible. In addition the current projections indicate a pressure of £73K on the Rhyl Pavilion Theatre budget largely due to losses on productions.
- 5 Included in the projections are legal and witness costs totalling £90K in relation to the Graig Park prosecution case. The Council was successful in winning the case and the judge ruled that those prosecuted must pay the Council's costs within 56 days of the verdict. The above projections are on the assumption that no costs are recovered but clearly the outturn will improve if and when any costs are reimbursed to the Authority.
- 6 Latest indications are that there will be a pressure of £85k (over and above the agreed £150k Council subsidy) on the school meals service. Cabinet agreed at its September meeting to fund this pressure from balances in 09/10. The recent school closures due to snow have impacted negatively on the financial performance of the service since the last Cabinet report.
- 7 Pressure due to reduced income in the Small Works Section and also as a result of staff salary savings transferred to the Directorate's central budget (see Note 7 below).

MONTHLY REVENUE BUDGET MONITORING REPORT - FINANCIAL YEAR 2009/10
SOCIAL SERVICES AND HOUSING
SUMMARY POSITION AS AT END DECEMBER 2009

	Budget			Projected Outturn			Variance			Variance
	Gross Expenditure	Gross Income	Net Expenditure	Gross Expenditure	Gross Income	Net Expenditure	Gross Expenditure	Gross Income	Net Expenditure	Previous report
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Children's Services	8,643	-118	8,525	10,164	-1,640	8,524	1,521	-1,522	-1	2
Adult Services	37,113	-8,872	28,241	38,815	-10,839	27,976	1,702	-1,967	-265	47
<i>Underspend Brought Fwd</i>					-557	-557	0	-557	-557	-557
Business Support & Development	2,781	-538	2,243	3,204	-663	2,541	423	-125	298	286
<i>Underspend Brought Fwd</i>					-150	-150	0	-150	-150	-150
Cymorth Grant	1,741	-1,643	98	1,741	-1,643	98	0	0	0	0
Supporting People Grant	4,564	-4,552	12	4,564	-4,552	12	0	0	0	0
Sub Total Social Services	54,842	-15,723	39,119	58,488	-20,044	38,444	3,646	-4,321	-675	-372
Non HRA Housing	2,001	-1,763	238	1,971	-1,660	311	-30	103	73	69
Directorate Total	56,843	-17,486	39,357	60,459	-21,704	38,755	3,616	-4,218	-602	-303

MONTHLY REVENUE BUDGET MONITORING REPORT - FINANCIAL YEAR 2009/10
SOCIAL SERVICES & HOUSING

<u>Comments</u>	Current Month	Previous Month
	£000s	£000s
<u>SOCIAL SERVICES</u>		
CHILDREN'S SERVICES		
It is expected at this stage that Children's Services will achieve a balanced budget, however there is an underlying overspend predicted this year in the region of £114k. A bid has been made against the corporate pressures contingency, with the remaining overspend to be drawn down from the Specialist Placement reserve. There has been an increase in costs from new placements this month (approx £43k). No CHC income has been assumed at this stage for Children's Services as negotiations are still ongoing.	-1	2
TOTAL CHILDREN'S SERVICES	-1	2
ADULT SERVICES		
Learning Disabilities		
The improved position overall this year is mainly as a result of obtaining NHS funding for packages and assumes some currently in dispute will be settled in the council's favour. Residential placements are a general pressure area due to the increasing number of people requiring high cost placements and others requiring additional support as they get older. In addition £46k of CHC grant funding has been included in the outturn with the possibility of an additional £50k depending on clarification of details with the NHS.	-27	-35
Mental Illness		
Expenditure on Residential, Nursing and Homecare continues to be the main budget pressure though the outturn has improved by £23k (increased income). The Mental Health Partnership expenditure is expected to be £13k under budget now that income from Wrexham CBC looks secure.	79	125
Older People		
Predicted spend on Residential, Nursing & Domiciliary Care budgets has largely been based on 08-9 costs, plus the cost of the fee increase offered to providers. A review earlier in the year showed that demand for residential and nursing care had increased. It was also noted that expenditure on Domiciliary Care in the North of the county had reduced though this can be unpredictable to forecast because of fluctuations in demand. The main reason for the improvement this month is £60k CHC income has now been included against Gorwel Newydd and £141k CHC income has been included against Older People budgets. Also, an additional £10k charging policy income is predicted decreasing the overall overspend.	174	387
Extra Care Housing Provision. The closure of Llys Nant Residential Home should provide savings in 09/10 because part of that budget will be unallocated until 2010/11, when the new Prestatyn extra-care facility opens. Any remaining budget will be used to support the revenue costs of the Ruthin scheme. The savings will be used to dampen pressures in the current and next financial year. Note, £150k has now been vired from Extra Care Housing to the new Extra Care Scheme, Gorwel Newydd as referred to above.	-214	-214
PDSI		
Community Care spend is still the main budget pressure though the position has improved by £16k and Direct Payments by £8k. The forecast outturn for Vision Support Services has also improved by £10k. It is still expected that Occupational Therapy and CESI (Disability Stores) will be on budget.	107	150
Performance Management & Commissioning		
This projected under spend is mainly savings in staffing costs which is due to the continuation of the vacancy control process.	-265	-284
Other Adult Services		
Charging policy income received so far is higher than the corresponding period last year and could mean income from charges exceeds original expectations. Income from charges can be volatile and difficult to predict so the situation is reviewed every month and the outturn improved when it is felt prudent to do so. Currently it is believed safe to assume that Charging Policy will exceed budget by £140k (an improvement of £30k on the last outturn).	-221	-182
Joint Working & Older People Strategy Grant		
This grant is fully committed with a minor overspend forecast.	2	0

Cefndy Healthcare		
Sales in 2009/10 were expected to exceed £3m but due to recent performance this target may now prove difficult to achieve. Tighter controls on expenditure should improve this year's position by around £64k from 2008/09 (which was an over spend of £164k).	100	100
UNDER SPEND B/FWD 2008/09	-557	-557
TOTAL ADULT SERVICES	-822	-510
Business Support & Development		
Costs associated with the PARIS project (£91k) and MIS budgets (£83k) are the main pressure. The bulk of the PARIS costs should be non-recurring. In addition Directorate support costs are expected to overspend by £90k with the main pressure being communication and other general infrastructure costs.	298	286
UNDER SPEND B/FWD 2008/09	-150	-150
	148	136
Cymorth Grant		
All expenditure relating to the Cymorth grant has to be spent in year.	0	0
	0	0
Supporting People		
There is approximately £639k of recurrent under spend and £198k of in year under spend within the grant, until the formula is revised and the grant is cut. The Planning Group agreed not to commit this money in order to dampen the impact of grant formula changes and/or a transfer to a regional body. Either proposal will disadvantage the council financially but the latter could have a significant impact (possibly the immediate removal of £1.2m). The SP funding strategy proposes that no further contributions are made to the reserve, that the in-year surpluses are used to dampen future pressures throughout the Directorate and to contribute to a proposed specialist placement reserve. The reserve will be used to contribute to new pressures from highly expensive care packages.	0	0
HOUSING		
The pressure on homeless budgets is currently £61k. Recent changes to the HRA leasing subsidy have had a negative impact on council funded housing services to the value of £52k. Other accommodation costs are currently lower than expected however demand can be volatile and it is likely that the economic climate will eventually have an impact.	73	69
TOTAL HOUSING	73	69
TOTAL SOCIAL SERVICES & HOUSING	-602	-303

**MONTHLY REVENUE BUDGET MONITORING REPORT - FINANCIAL YEAR 2009/10
RESOURCES, COUNTY CLERK, CORPORATE & MISCELLANEOUS
SUMMARY POSITION AS AT END DECEMBER 2009**

	Budget			Projected Outturn			Variance			Variance
	Gross Expenditure	Gross Income	Net Expenditure	Gross Expenditure	Gross Income	Net Expenditure	Gross Expenditure	Gross Income	Net Expenditure	Previous report
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
County Clerks (See Note 1)	2,030	-488	1,542	1,980	-516	1,464	-50	-28	-78	-78
Translation (See Note 2)	111	0	111	181	0	181	70	0	70	70
Resources Directorate										
Finance	5,254	-2,338	2,916	5,254	-2,338	2,916	0	0	0	0
Policy Unit	394	0	394	394	0	394	0	0	0	0
Audit	448	-124	324	448	-124	324	0	0	0	0
I.T	2,528	-587	1,941	2,528	-587	1,941	0	0	0	0
Personnel	1,497	-359	1,138	1,497	-359	1,138	0	0	0	0
Project Management	322	-222	100	322	-222	100	0	0	0	0
Customer Care	801	-188	613	801	-188	613	0	0	0	0
						0	0	0	0	0
Total	11,244	-3,818	7,426	11,244	-3,818	7,426	0	0	0	0
Corporate and Miscellaneous	8,087	-816	7,271	8,172	-816	7,356	85	0	85	55
Benefits	25,641	-25,641	0	25,641	-25,641	0	0	0	0	0
Total	47,113	-30,763	16,350	47,218	-30,791	16,427	105	-28	77	55

Notes

1. Planned saving in salary costs due to delayed recruitment to fund translation overspend, -£70k
2. Underlying pressure under review.

Denbighshire County Council - Capital Plan 2009/10 - 2012/13

APPENDIX 3

Position as at December 2009

		2009/10	2010/11	2011/12 *	2012/13 *
		£000s	£000s	£000s	£000s
Capital Funding:					
1	General Funding:				
	Unhypothecated Supported Borrowing	9,989	6,224	5,894	5,894
	General Capital Grant	1,905	2,017	1,961	1,961
	General Capital Receipts	523			
	Earmarked Capital Receipts	1,049	0	0	0
		13,466	8,241	7,855	7,855
2	Prudential Borrowing	7,119	909	269	
3	Reserves and Contributions	1,720	261	0	0
4	Specific Grants	11,811	1,311	80	70
	Total Finance	34,116	10,722	8,204	7,925
	Total Estimated Payments	-33,758	-8,877	-6,359	0
	Contingency	-358	-1,000	-1,000	-1,000
	Earmarked Contingency	0			
	Unallocated Reserve	0	0	0	0
	Surplus/ -Insufficient Resources	0	845	845	6,925

Note

* The level of general Assembly funding for future years is unknown currently, but is likely to reduce significantly

Capital Expenditure By Directorate

	2009/10	2009/10	2010/11	2011/12	2012/13
	Spend to December	Estimated programme	Estimated programme	Estimated programme	Estimated programme
		£000	£000	£000	£000
Environment	14,700	25,298	6,422	4,435	80
Lifelong Learning	3,668	6,867	2,011	1,480	0
Resources	260	1,203	269	269	0
Social Services and Housing	106	390	175	175	0
Total	18,734	33,758	8,877	6,359	80

Capital Expenditure by Council Priority

	2009/10	2009/10	2010/11	2011/12	2012/13
	Spend to December	Estimated programme	Estimated programme	Estimated programme	Estimated programme
	£000	£000	£000	£000	£000
Modernising Education	3,392	6,222	1,681	1,150	0
Roads and Flood Defence	6,959	9,977	800	800	0
Regeneration	1,029	2,390	315	315	0
Responding to Demographic Change					
Total	11,380	18,589	2,796	2,265	0

As part of the 09/10 revenue budget, the Council agreed to fund the borrowing costs of additional Prudential Borrowing. The table below shows how the funds were allocated and forecast expenditure

Additional Prudential Borrowing

	2009/10	2009/10
	Spend to December	Estimated programme
	£000	£000
Highways	3,894	4,000
Total		4,000

APPENDIX 4**ALLOCATION OF £880K CONTINGENCY BUDGET 2009/10**

	BIDS	JUNE 2009 ALLOCATION	SUGGESTED FURTHER ALLOCATION
	£000	£000	£000
Planning fees	271	210	0
Building control fees	144	110	0
Land charges fees	43	35	0
Car Parks income	50	40	70
Intervention in schools	325	255	70
Leisure Centre income	40	30	0
N Wales hospital S106 legal costs - dependent upon external factors	10 to 150	0	22
Increased Homelessness		0	0
Increased referrals to Children's services		0	38
TOTAL RECOMMENDED FOR ALLOCATION		680	200
RETAINED		200	0

REPORT TO CABINET

**CABINET MEMBER: COUNCILLOR J THOMPSON-HILL,
LEAD MEMBER FOR FINANCE**

DATE: 26 JANUARY 2010

SUBJECT: REVENUE BUDGET PROPOSALS 2010/11

1 DECISION SOUGHT

- 1.1 That Members support the budget proposals for 2010/11 as shown in the appendices, (which incorporate the views of Scrutiny Committee members together with the views expressed by those members that attended the two Budget Seminar sessions), and recommend accordingly to full Council.
- 1.2 That members recommend the resulting 2.49% increase in the level of Council Tax for 2010-11 to full Council.
- 1.4 That Members note the need for significant further efficiency savings and cost reductions in future financial years, as a result of the likely poor settlements from the Welsh Assembly Government, together with significant service pressures.

2 REASON FOR SEEKING DECISION

2.1 Background

Members have been advised of the final WAG settlement details for next financial year at the December meeting. The level of increase in support at £3m is 2.4%.

2.2 Budget assumptions

The overall position has been reviewed by Cabinet, CET and members at 2 half day Seminars. In line with previous discussion the current proposals are as follows;

a) A tight view has been taken of the need to provide for inflationary impacts in 2010/11. A total of £2.56m has been assumed at this stage.

b) Savings proposals, totalling £2.2m, are detailed in Appendix 2. These have been achieved with the minimum impact upon front line services. Officers are continuing to review the potential for adding to the current level of savings proposals, to assist the delivery of the significant level of savings needed for future years.

c) Budget proposals have for some months assumed the need to demonstrate a commitment to improving agreed Priority service outcomes and a sum of £1m is assumed to be necessary on an on going basis summarised as follows:

i) Lifelong Learning directorate

	£k
Enhancement of School ICT Network	93
Increase 'Tim Data' staffing by 1 post	25
Provision for funding Prudential Borrowing for Capital spend in connection with Modernisation	132

ii) Social Services & Housing

Demographic impact on client numbers	250
--------------------------------------	-----

iii) Environment

Increased staffing for Regeneration to respond to Special Regeneration Area pressures and Rural Development issues	160
Provision for funding Prudential Borrowing for Capital spend in connection with Highways	340

TOTAL **1,000**

d) The Council has striven in recent years to ensure that the funding allocated to the Education service, including all overheads and support costs, is at the level of the element of Standard Spending Assessment that relates to the service.

Members have previously agreed the need to increase funding for the service by £1.2m, but recognising that this would be on a one off basis. The dire funding position for future years makes it impossible to consider this additional sum as permanent at this stage. Proposals for one off spend are included in Appendix 3.

e) Members will recall the impact of the Single Status Pay Agreement on future years. The current level of contingency budget for the increasing costs will begin to be inadequate from 2011/12. It has been recognised as prudent for the Council to use some of the additional resources next year to increase the contingency sum. The provision of a further £500k would push back to 2012/13 the point at which the contingency would become insufficient.

f) The increase in the Fire Service Levy is fairly modest at 2.8%. The impact is included in the £2.56m for inflation quoted in paragraph 2.2 a).

The above investment and savings proposals leave a potential further sum available for investment in services on a one off basis.

A sum of £1m, suggesting a Council Tax increase of 2.49%, has received general support at previous Cabinet and Member Seminar meetings to be made available on a one off basis to fund pressures in Priority areas and assist in the delivery of future savings. Recommended proposals are detailed in Appendix 3.

2.3 Capital funding. The position on unhypothecated support for capital schemes is a small reduction of £47k over the current year, however total capital resources available in Wales have reduced by an estimated 10% overall. This impact will be felt on special capital funding and will not become clear for some time.

A report elsewhere on the agenda highlights new capital funding proposals as recommended by the Capital Strategy Group which has reviewed bids for resources from services. The future significant reduction in WAG capital support brings into sharper focus the need for the Council to review its stock of assets and seek to generate significant capital receipts from sales if future years Capital Plans are to contribute to reducing maintenance backlogs and help develop Priority services.

2.4 Future Years Prospects.

The settlement makes no mention of the potential funding position for later years. The Council still only has the best estimate information from WLGA and other sources which is based upon the overall likely public sector funding position in the future. This will make meaningful Medium Term Financial Planning a difficult but none the less crucial exercise.

Current best estimates of the position for DCC from 2011/12 are;

minimum savings target of £4m per annum for Revenue budgets,

and a 17% annual reduction in overall Capital support i.e. -50% by 2013/14

Members have reviewed the budget position for both next year and future years at two half day seminars.

2.5 Schools

Schools Delegated Budgets have not been subject to savings proposals for the next financial year and a significant element of the increase in expenditure on the service will be focussed on the schools budgets.

2.6 Council tax

The final level of Council Tax increase will be a major concern for Members especially as Denbighshire already levies the highest level of Council Tax of all the North Wales authorities despite receiving the second highest level of Assembly funding per head of population. Current proposals suggest an increase of 2.49% for next year which is likely to be below the level of increase from most other North Wales Councils and also at the likely level of increase in retirement pension. This 2.49% assumption would have to rise if the target level of savings is not agreed or further spending proposals emerge. The Assembly has reserve powers to cap any increase at 5%.

2.7 Prudential Borrowing

Provision has been made in the proposals for the costs of about £4.4m of further Prudential Borrowing. The Capital Strategy Group has made recommendations on the use of this sum in a separate report elsewhere on the agenda: the bulk would go to fund highways works.

3 POWER TO MAKE THE DECISION

- 3.1 Section 151 of the Local Government Act 1972
Local Government Act 1992
Part 1 of Local Government Act 2003

4 COST IMPLICATIONS

- 4.1 Appendix 1 shows the detail of the budget proposals for 2010/11. Projected information for later years will be included in the next version of the Medium Term Financial Plan. Members will be aware of the extremely difficult financial position for later years. The delivery of further efficiency savings will be crucial to the formulation of balanced and robust future budget proposals together with proposals for the development of the Council's agreed priorities.

5 CHIEF FINANCIAL OFFICER (Section 151 Officer) STATEMENT

- 5.1 During the review of budget proposals any savings that are deleted or reduced, and any additional allocation of resources, will result in an increase in Council Tax next year and/or an alternative saving needing to be identified.
- 5.2 It is important to stress that the assumptions built into the Budget for next year must be robust and deliverable. This is particularly so for savings proposals. The final level of Council Tax next year must be based on proposals that the Council can have reasonable confidence in delivering.
- 5.3 The figures in the appendices demonstrate that the proposals to deliver a Council Tax of 2.49% are potentially robust at this stage.
- 5.4 **Funding for agreed Priority areas.**

The proposals detailed in this report take account of the Assembly settlement, inflation, pressures and savings proposals. It has also been possible to provide resources to develop the Council's agreed Priorities within a proposed Council Tax increase of 2.49%.

The Council is working to define clearly the outcomes that are to be delivered in the future for these priorities. Clarification of these outcomes will be via the Corporate Plan process and highlighted in the medium Term Financial Plan.

- 5.5 A number of very positive elements can be seen from within the Budget proposals,
 - a) Savings from improved efficiency of £2.2m with minimum impact on the front line service delivery.
 - b) Increased resources of £3.2m made available to the Council's agreed Priorities.
 - c) £4.4m of additional capital resources for Highway works through Prudential Borrowing, to tackle the impact of the current hard winter.
 - d) Proposals contained within a 2.49% increase in Council Tax.

6 CONSULTATION CARRIED OUT

- 6.1 A round of Directorate meetings with the Budget Challenge group was held to review savings proposals and bids for additional resources.
- 6.2 CET has considered the position on several occasions.
- 6.3 The budget proposals have been considered by all Scrutiny Committees on more than one occasion.
- 6.4 2 seminars for all members have been held to update members on the overall position as matters progressed and to seek feedback on several issues.

7. IMPLICATIONS ON OTHER POLICY AREAS INCLUDING CORPORATE

- 7.1 The level of resources available and the cost effectiveness of service delivery, impacts upon all the services of the Council.

8 ACTION PLAN

- 8.1 Cabinet recommendations to Full Council 9 February.
Full Council to set Council Tax resulting from above programme 23 February.

9 RECOMMENDATIONS

- 9.1 That Members agree the budget proposals for 2010/11 and recommend accordingly to full Council.
- 9.2 That Members recommend the resulting 2.49% increase in Council Tax for 2010-11.
- 9.3 That Members note the need for significant further efficiency savings and cost reductions/cuts in future financial years, in the light of the poor settlement from the Welsh Assembly Government.

DENBIGHSHIRE COUNTY COUNCIL										APPENDIX 1		
Draft Budget 2010/11 to 2012/13												
	-1-	-2-	-3-	-4-	-5-	-6-	-7-	-8-	-9-	-10-		
	Approved Budget 2009/10	Pressures contingency adjustment	Inflation	Transfers In & Out 2010/11	Additional WAG funds 2010/11	Additional resources (appendix 3)	SAVINGS (appendix 2)	Service Pressures	Projected Budget 2010/11	% Increase		
	£k	£k	£k	£k	£k	£k	£k	£k	£k	%		
Lifelong Learning - Schools budgets	54,388		1,164	388		1,200		0	57,140	5.06		
- Other Education inc Corp Services	10,005	-255	176			309	-123	250	10,362	3.57		
- Libraries & Leisure	3,979	-30	58				-167	0	3,840	-3.49		
- School & College transport	4,662		9		116			0	4,787	2.68		
Environment	26,068	-395	290			165	-408	160	25,880	-0.72		
Social Services & Housing	39,432		649	482		386	-261	250	40,938	3.82		
Resources	7,569		37	0		125	-258	0	7,473	-1.27		
County Clerk	1,834		7	0		36	-40	0	1,837	0.16		
	147,937	-680	2,390	870	116	2,221	-1,257	660	152,257	2.92		
Corporate	3,709		48				-174		3,583	-3.40		
Fire/Sea Fisheries levies	4,504		125	-27					4,602	2.18		
Capital Finance/Interest received	11,041		0				-250	340	11,131	0.82		
Contingency for Single Status	2,600		0			500			3,100	19.23		
CONTINGENCY for Further Pressures	200	680	0				-230		650			
CONTINGENCY for service improvement	0								0			
Contribution to Reserves	570		0				-270		300	-47.37		
Further Efficiency Savings	0		0						0	0.00		
	170,561	0	2,563	843	116	2,721	-2,181	1,000	175,623	2.97		
2. Level of Funding												
W A G funding	133,828		430	1,012	116	2,721			138,107	3.20		
Deprivation grant	169		0	-169					0	-100.00		
Use of reserves	50		0						50	0.00		
	134,047	0	430	843	116	2,721	0	0	138,157	3.07		
Council Tax yield	36,514		2,133	0	0	0	-2,181	1,000	37,466	2.61		
	170,561	0	2,563	843	116	2,721	-2,181	1,000	175,623	2.97		
	2010/11				£k				SAVINGS			£k
	Council Tax to support Budget 2010/11				37,466				- EVR Exercise			770
	plus funding for Business Rates Relief				100				- Improved Procurement			250
	TOTAL YIELD REQUIREMENT				37,566				- Debt Rescheduling			250
	COUNCIL TAX BASE (no. of Band D properties)				37,741				- Staffing reviews			410
	BAND D COUNCIL TAX 2010/11 (£)				995.36				- Reduced cont to blces and contingency			500
	Increase over 2009/10 (%)				2.490							

DENBIGHSHIRE COUNTY COUNCIL					APPENDIX 2	
ANALYSIS OF SAVINGS PROPOSALS OVER DIRECTORATES 2010/11						
	VOLUNTARY REDUNDANCY.		LIBRARY &	SENIOR	OTHER	
	In Place	Pending	LEISURE	STAFF		
	'GREENS'	'AMBERS'	REVIEWS	REVIEW		
	£000	£000	£000	£000	£000	£000
Lifelong Learning						
- Education	-34		-13	-76		-123
- Libraries			-90			-90
- Leisure Services			-77			-77
Environment	-256			-152		-408
Social Services & Housing	-125	-60		-76		-261
Resources	-118	-140				-258
County Clerk	-30	-10				-40
Corporate						
- Procurement					-250	-250
- Borrowing costs					-250	-250
- Contribution to reserves					-500	-500
- other				76		76
TOTAL	-563	-210	-180	-228	-1000	-2181

							APPENDIX 3
ALLOCATION OF £1.2M ADDITIONAL FUNDING FOR EDUCATION AND FURTHER £1M FROM WAG SETTLEMENT							
		SUGGESTED		-----STATUS OF PROPOSALS-----			
	BIDS	ALLOCATION	ONE OFF	POTENTIAL ONE OFF	POTENTIAL ONGOING	COMMENTS	
	£k	£k	£k	£k	£k	£k	
a) EDUCATION £1.2m							
SEN transition funding	380	380	380				
LMS budgets - focussed temp increase	820	820		820		Service being transformed Specific outcomes need to be agreed with schools and one off nature of funding needs to be stressed	
Total (a)		1200	380	820			
b) FURTHER £1m							
Lifelong Learning							
Data Post -Modernising Educ Leadership & Management programme for Heads	30	30	30				
Improve support for Hard to Move schools	200	75	75				
Increase redundancy costs provision	95	54	54				
Modernise ICT provision in schools (see note)	200	75	75				
		309					
Social Services & Housing							
Care Procurement	50	10		10		Potential Regional project - Covered by savings	
Business Process Re-engineering	50	0		0		Corporate bid refers	
Independent Living Fund charges	35	30		30		Covered by savings	
Improve sickness monitoring	10	0		0			
Increase Welfare Rights capacity	30	18		18		Covered by savings	
Demography - increase in service demand	388	328		328		Funded in future years from savings and use of Reserves	
		386					

				-----STATUS OF PROPOSALS-----		
	BIDS	SUGGESTED REALLOCATION	ONE OFF	POTENTIAL ONE OFF	POTENTIAL ONGOING	COMMENTS
	£k	£k	£k	£k	£k	£k
Environment						
Highways - patching repairs	50	20	20			
- speed limit review	40	20			20	Future funding source needed
Increase Development services capacity	161	40			40	Future funding source needed
PPP - enforcement	50	10			10	Future funding source needed
- Planning appeals	20	4			4	Future funding source needed
Environmental services - free school meals	70	62			62	Future funding source needed
- school meals	50	9			9	Future funding source needed
- garden waste	12	0				
		165				
Resources, County Clerk & Corporate						
ICT support for major software implementation & BPR	100	50	50			Needed to help deliver efficiency improvements
Support for Ffynnoin and WLGA Peer Review	25	0				
Modern apprentices	47	15	15			
Corporate Governance Committee support	36	36			36	Subject to Change Programme results for future year's funding
Increased capacity for H & S	167	60			60	Need to restrict spend to one year only
		161				
Total (b)		1021	394	482	145	
c) SINGLE STATUS						
Increase contingency	500	500			500	
TOTAL	3191	2721	774	1302	645	

CABINET: FORWARD WORK PROGRAMME

16 FEBRUARY 2010	
Revenue Budget Monitoring Report 2009-2010	Councillor J Thompson Hill R Parry
Capital Plan	Councillor J Thompson Hill R Parry
Routine Reporting on Personnel	Councillor R W Hughes L Atkin / G Humphreys
Housing Revenue Account Budget 2009-2010	Councillor P A Dobb P Quirk
Housing Revenue Account Budget Proposals 2010-2011	Councillor P A Dobb P Quirk
Monitoring Performance Against the Authority's Corporate Plan	Councillor P J Marfleet E McWilliams
North Wales Residual Waste Project - approval of Outline Business Case and Inter-Authority Agreement Part I	Councillor E W Williams S Parker
North Wales Residual Waste Treatment Project – approval of affordability envelope Part II	Councillor E W Williams S Parker
North East Wales Food Waste Treatment Project – approval of affordability envelope Part II	Councillor E W Williams S Parker
Village Green Application, Ffordd Elan, Rhyl	Councillor P J Marfleet I K Hearle / Alan S Jones
Recommendations from Scrutiny Committees	Scrutiny Officers
30 MARCH 2010	
Revenue Budget Monitoring Report 2009-2010	Councillor J Thompson Hill R Parry
Capital Plan	Councillor J Thompson Hill R Parry
Housing Revenue Account Budget	Councillor P A Dobb P Quirk
Supported Lodgings Contract – Support Project for Young People	Councillor P A Dobb Gary Major
Future Direction of Cefndy Healthcare	Councillor P A Dobb Deborah Holmes Langstone
Welsh Medium Education Scheme - to consider the draft scheme and recommend to Council prior to public consultation - Denbighshire is required to produce a new 3 Year Welsh Education Scheme which sets out the vision for improving Welsh education provision and includes specific targets. Once drafted and agreed with the Welsh Language Board, there is a requirement for public consultation. The report will ask Cabinet to recommend to Council that the authority begin public consultation on the new scheme	Councillor H H Evans Hedd Vaughan Evans
Transforming Post 16 Education – final report from consultants and will look at options recommended by Denbighshire Learning Partnership, following discussion at County Council and Lifelong Learning Scrutiny Committee	Councillor H H Evans J Gambles / H Williams
Coastal Shoreline Management Plan – The Shoreline Management Plan is a policy document for coastal	Councillor E W Williams David Hall

defence management, and its objective is to identify sustainable long-term management policies	
Young Carers' Strategy – to approve the strategy	Councillor M M Jones Vicky Allen / Emma Banfield
Recommendations from Scrutiny Committees	Scrutiny Officers
27 APRIL 2010	
Revenue Budget Monitoring Report 2010-2011	Councillor J Thompson Hill R Parry
Capital Plan	Councillor J Thompson Hill R Parry
Housing Revenue Account Budget	Councillor P A Dobb P Quirk
Monitoring the Actions Agreed by Cabinet	Councillor R W Hughes J Williams
Corporate Plan Stage I 2009-2012: Annual Review for recommendation to Council	Leader David Morgan
Rural Development Plan for Wales Business Plan 2	Councillor E W Williams M Dixon
Recommendations from Scrutiny Committees	Scrutiny Officers
25 MAY 2010	
Revenue Budget Monitoring Report 2010-2011	Councillor J Thompson Hill R Parry
Capital Plan	Councillor J Thompson Hill R Parry
Housing Revenue Account Budget	Councillor P A Dobb P Quirk
Review of Progress with the Strategic Regeneration Area and Future Programme	Councillor D A J Thomas M Dixon
Monitoring Performance Against the Authority's Corporate Plan	Councillor P J Marfleet E McWilliams
Recommendations from Scrutiny Committees	Scrutiny Officers
JUNE 2010	
Revenue Budget Monitoring Report 2010-2011	Councillor J Thompson Hill R Parry
Capital Plan	Councillor J Thompson Hill R Parry
Housing Revenue Account Budget	Councillor P A Dobb P Quirk
Recommendations from Scrutiny Committees	Scrutiny Officers
JULY 2010	

Revenue Budget Monitoring Report 2010-2011	Councillor J Thompson Hill R Parry
Capital Plan	Councillor J Thompson Hill R Parry
Housing Revenue Account Budget	Councillor P A Dobb P Quirk
Performance Framework for Community Strategy	Leader David Morgan
Recommendations from Scrutiny Committees	Scrutiny Officers
AUGUST ~ NO MEETING	
SEPTEMBER 2010	
Revenue Budget Monitoring Report 2010 -2011	Councillor J Thompson Hill R Parry
Capital Plan	Councillor J Thompson Hill R Parry
Housing Revenue Account Budget	Councillor P A Dobb P Quirk
Corporate Plan II 2009-2012 – Annual Review for recommendation to Council	Leader David Morgan
Monitoring Performance Against the Authority’s Corporate Plan	Councillor P J Marfleet E McWilliams
Review of Progress with Community Capital Projects	Councillor D A J Thomas M Dixon
Recommendations from Scrutiny Committees	Scrutiny Officers