



To: Members of the Cabinet

Date: 9 July 2012

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Dear Councillor

You are invited to attend a meeting of the **CABINET** to be held at **10.00 am** on **TUESDAY, 17 JULY 2012** in **CONFERENCE ROOM 1A, COUNTY HALL, RUTHIN.**

Yours sincerely

G Williams
Head of Legal and Democratic Services

AGENDA

PART 1 - THE PRESS AND PUBLIC ARE INVITED TO ATTEND THIS PART OF THE MEETING

1 APOLOGIES

2 DECLARATION OF INTERESTS

Members to declare any personal or prejudicial interests in any business identified to be considered at this meeting.

3 URGENT MATTERS

Notice of items which, in the opinion of the Chair, should be considered at the meeting as a matter of urgency pursuant to Section 100B(4) of the Local Government Act 1972.

4 MINUTES (Pages 5 - 10)

To receive the minutes of the Cabinet meeting held on 19 June 2012 (copy enclosed).

5 AGREEMENT OF A JOINT SCHEME FOR THE PROVISION OF LOCAL PRIMARY MENTAL HEALTH SUPPORT SERVICES (Pages 11 - 38)

To consider a report by Councillor Bobby Feeley, Lead Member for Social Care and Children's Services (copy enclosed) seeking Cabinet's approval of a joint scheme for the provision of Local Primary Mental Health Support Services in North Wales.

6 RUTHIN LEISURE CENTRE DEVELOPMENT PROPOSAL (Pages 39 - 62)

To consider a report by Councillor Huw Ll. Jones, Lead Member for Tourism, Leisure and Youth (copy enclosed) seeking Cabinet's approval of the proposals for the development of PE and leisure facilities at Ruthin Leisure Centre / Ysgol Brynhyfryd.

7 FORMER NORTH WALES HOSPITAL, DENBIGH - PROGRESS REPORT (Pages 63 - 70)

To consider a report by Councillor David Smith, Lead Member for Public Realm (copy enclosed) updating Cabinet on progress with the site and recommending Cabinet confirm its approval to serve a Repairs Notice, set up a Single Purpose Vehicle, and proceed to Compulsory Purchase action. The report includes a **confidential** appendix on projected costs (Appendix A).

8 FINANCE REPORT 2012/13 (Pages 71 - 86)

To consider a report by Councillor Julian Thompson-Hill, Lead Member for Finance and Assets (copy enclosed) detailing the latest financial position and progress against the agreed budget strategy.

9 ECONOMIC AMBITION STRATEGY FOR NORTH WALES (Pages 87 - 114)

To consider a report by Councillor Hugh Evans, Leader and Lead Member for Economic Development (copy enclosed) seeking Cabinet's approval of the principles of the Economic Ambition Strategy for North Wales and the establishment of an Economic Ambition Board to coordinate and oversee delivery of the strategy.

10 CABINET FORWARD WORK PROGRAMME (Pages 115 - 116)

To receive the enclosed Cabinet Forward Work Programme and note the contents.

PART 2 - CONFIDENTIAL ITEMS

EXCLUSION OF PRESS AND PUBLIC

It is recommended in accordance with Section 100A (4) of the Local Government Act 1972, that the Press and Public be excluded from the meeting during consideration of the following item of business because it is likely that exempt information as defined in paragraph 14 of Part 4 of Schedule 12A of the Act would be disclosed.

11 MELIDEN REEMA'S REPORT (Pages 117 - 192)

To consider a confidential report by Councillor Hugh Irving, Lead Member for Customers and Communities (copy enclosed) seeking Cabinet's consideration of the preferred investment option.

12 CONTRACT 7 AWARD OF WHQS IMPROVEMENT PROGRAMME (Pages 193 - 196)

To consider a confidential report by Councillor Hugh Irving, Lead Member for Customer and Communities (copy enclosed) seeking Cabinet approval to formally award Contract 7 of the Housing Improvement Programme.

MEMBERSHIP

Councillors

Hugh Evans
Julian Thompson-Hill
Eryl Williams
Bobby Feeley

Hugh Irving
Huw Jones
Barbara Smith
David Smith

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CABINET

Minutes of a meeting of the Cabinet held in Conference Room 1a, County Hall, Ruthin on Tuesday, 19 June 2012 at 10.00 am.

PRESENT

Councillors Hugh Evans OBE, Leader and Lead Member for Economic Development; Julian Thompson-Hill, Lead Member for Finance and Assets; Eryl Williams, Deputy Leader and Lead Member for Education; Bobby Feeley, Lead Member for Social Care and Children's Services; Hugh Irving, Lead Member for Customers and Communities; Huw Ll. Jones, Lead Member for Tourism, Youth and Leisure; Barbara Smith, Lead Member for Modernising and Performance and David Smith, Lead Member for Public Realm.

OBSERVERS

Councillors, Bill Cowie; Richard Davies; Joan Butterfield; Gwyneth Kensler; Meirick Lloyd Davies; Ray Bartley and Colin Hughes.

ALSO PRESENT

Chief Executive (MM); Corporate Directors: Business Transformation & Regeneration (BJ); Demographics, Wellbeing and Planning (SE); Customers (HW). Head of Legal & Democratic Services (GW); Head of Finance & Assets (PMC); Chief Accountant (RW); Head of Business Planning and Performance (AS); Corporate Improvement Team Manager (TW); Head of Children & Family Services (LR); Head of Adult & Business Services (PG); PA to Head of Modernising Education and Head of Customer Services and Committee Administrator.

The Leader welcomed everyone to the first Cabinet meeting of the new Council and stated he was looking forward to working with those attending and the Chief Executive and Officers.

The Leader stated he would also like to wish Bethan Jones, the Corporate Director, Business Transformation and Regeneration best wishes as this was her final Cabinet meeting and wished her good luck in her new position in Anglesey.

The Leader also wished to extend his official congratulations to the Denbighshire Schools for their performance in the National Urdd Eisteddfod.

1 APOLOGIES

None received.

2 DECLARATION OF INTERESTS

None received.

3 URGENT MATTERS

None.

4 MINUTES

Matters arising:-

Councillor Bobby Feeley commented on page 5, second bullet point should read “getting closer to the community” and not “getting closure

RESOLVED that the Minutes of the meeting held on 24th April, 2012 be approved as a correct record and signed by the Leader.

5 CORPORATE PERFORMANCE REPORT: QUARTER 4 2011/2012

Councillor Barbara Smith, presented the report which provided information regarding the key areas of performance for the Council, to enable Cabinet to carry out its performance management function.

Paragraph 2.1, percentage of all pupils who leave compulsory education, training or work-based learning without an approved external qualification has reduced to 0.8% which equates to 11 pupils.

Councillor Eryl Williams, clarified to the Committee that the indicator would improve due to the hard work being done in changing some children’s attitude to education. The numbers are expected to decrease even further this summer.

Paragraph 2.2, percentage of adult protection referrals completed where the risk has been managed, this indicator will be discussed at the Service Challenge.

Paragraph 2.3, of the two people who were reported to be in unsuitable accommodation, one was pregnant and the second would not co-operate. Head of Adult & Business Services (H:ABS), had been in correspondence with high performing local authorities to discuss similar issues.

Regarding paragraphs 12.1 and 12.2 there have been issues with PARIS regarding data cleansing. This had now commenced, and an update would be available during the next service challenge. Four local authorities in Wales access the PARIS system – Denbighshire, Conwy, Flintshire and Swansea. Work was currently taking place for a national system to be used.

Councillor Eryl Williams raised the issue of school key stage 1 and 3. Councillor Williams expressed concern as Estyn did not consider key stage 3 to be important. Another concern was whether key stage 2 children were assessed at the end of primary school and beginning of junior school.

Councillor Williams and Karen Evans visited Tower Hamlets last week. Both Denbighshire and Tower Hamlets have deprived and affluent areas within their areas but Tower Hamlets did not include key stage 3 in their figures at all. Tower

Hamlets felt key stage 2 and 4 show exactly what standard children had reached and key stage 4 was classed as the most important.

Councillor Julian Thompson-Hill welcomed the report. Approximately £15million had been spent on roads throughout the County and the residents survey responses received were not responsive of this fact. The perception of the general public needs to be investigated. Councillor Thompson-Hill expressed concern regarding the measuring of indicators on the priorities.

Corporate Improvement Team Manager (CITM) responded by explaining the following:-

- (a) Performance Measures measure the Council's performance.
- (b) Indicators give an indication of whether what Denbighshire was doing had an impact.

Councillor Williams commented that it was essential the lists of outstanding highway work were robust and accurate.

The Chief Executive (CE) stated this was the last report on the current Corporate Plan. There was a need to review Performance Indicators and also an opportunity to review priorities and how these would be measured.

He referred to:-

- (a) The two young people in custody have been mentioned previously in reports due to the Court recommending their accommodation was unsuitable.
- (b) Regarding the roads, investment in improving roads was taking place but Denbighshire had been unable to demonstrate the improvements to members of the public and this needed to be rectified.

The Head of Business Planning and Performance (HBPP) informed Cabinet that a new corporate plan was being developed with new priorities and indicators. Members would be involved in the process.

The Corporate Performance Report would be presented to the Performance Scrutiny Committee meeting on 28th June 2012.

RESOLVED that subject to the above, Cabinet receive and approve the report.

6 FINANCIAL OUTTURN 2011/12

Councillor Julian Thompson-Hill presented the report for Cabinet to consider:-

- (a) the final revenue outturn position for 2011/12 and recommend the position to Full Council.
- (b) recommendation to Full Council the treatment of reserves and balances as detailed in the report.

Councillor Thompson-Hill stated that this report was also being presented to Full Council on 10th July 2012. The annual statement of accounts were to be submitted to external auditors at the end of the month.

Councillor Thompson-Hill gave a resume of the report.

Councillor David Smith said that Appendix 3 gave cause for concern. There was a lot of movement which meant schools would be using their reserves. If this trend continued, schools would face financial difficulties.

The Corporate Director, Customers, (CD:C) stated that the trend was improving. Previously there were various schools in severe financial difficulties but Finance Managers were now delegated to school clusters to assist schools. These interventions were to prevent schools falling into deficit.

Councillor Eryl Williams, stated schools had the responsibility for their own budgets and Denbighshire could not stipulate how their budgets were spent.

Councillor Bobby Feeley, raised the issue of the possibility of the Council buying out its PFI agreement. Councillor Thompson-Hill confirmed there had been talks but the Welsh Government were not willing to assist Denbighshire at this time.

The Head of Finance and Assets (H:FA) clarified the Welsh Government would need to provide Denbighshire with funds but they were not prepared to do that.

Councillor Huw LI Jones, clarified the issue of overspend at Rhyl Pavilion Theatre. He advised that the team who worked with Llangollen Pavilion were now working with Rhyl Pavilion but unfortunately within the first week of working, the Council were required to return a £94k grant. There have been movement of staff including the administrator leaving and the early retirement of the Theatre Manager. The Head of Leisure, Libraries and Community Development was planning on making savings of £50k this year.

Councillor Gwyneth Kensler raised the issue of telephone lines. In order to make efficiency savings, some officers now shared phone numbers. It was the responsibility of the officers to change their telephone number on the intranet but the numbers were not always correct. She stated It was important the numbers were correct.

RESOLVED that:-

- (a) Cabinet agrees to recommend the final revenue outturn position for 2011/2012 to full Council
- (b) Cabinet agree to recommend to Council the treatment of reserves and balances as detailed in the report.

7 FINANCIAL UPDATE 2012/13

Councillor Julian Thompson-Hill presented the report for Cabinet to note the budgets and savings targets for the year and the progress against the agreed budget strategy.

Councillor Thompson-Hill reported this was the first report for 2012/13 financial year. At this stage there were no deviations from the agreed budget strategy 2012/13 as defined in the Medium Term Financial Plan, the Capital Plan and Housing Stock Business Plan.

Councillor Thompson-Hill gave a brief resume of the report.

Councillor Bobby Feeley, raised the Genesis issue. She reported that the scheme was sponsored by the Welsh Government for women with young families and that a shortfall in funding was having to be covered by the underspend in Children's Services.

The Corporate Director of Demographics, Wellbeing and Planning (CD:DWP), stated that efforts had been made to address funding issues. The Welsh Government were sponsors for the scheme and needed to make sure that this situation did not occur again prior to end of scheme in 2013.

The Leader questioned the total borrowing figure of £135million and whether this had decreased.

The Head of Finance and Assets (H:FA) confirmed the figure was static.

RESOLVED that Cabinet note the budgets and savings targets for the year and the progress made against the agreed budget strategy.

8 CABINET FORWARD WORK PROGRAMME

Councillor H.H. Evans, presented the Cabinet Forward Work Programme for consideration.

Regarding the Mental Health measure, Councillor Bobby Feeley, stated neither she nor the Corporate Director of Demographic, Wellbeing and Planning (CD:DWP), would be able to attend the Cabinet meeting in July and, therefore, a representative would need to lead on the report in their place.

RESOLVED that Cabinet receive the Forward Work Programme.

At this juncture (11.35am) the meeting was adjourned for a comfort break.

The meeting reconvened at 11.45am

PART II

It was resolved that under Section 100A 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 it involved the likely disclosure of exempt information as defined in paragraph 14 of Part 4 of Schedule 12A of the Local Government Act 1972

9 ABBA (AROS BYW BOD ADREF) FLOATING SUPPORT PROJECT CONTRACT AWARD

Councillor Bobby Feeley, presented the ABBA Floating Support Project Contract Award report for the Cabinet to approve the recommendation to award a 24 month contract (with the option to extend for a further one or two years) to Cymryd Rhan.

RESOLVED that Cabinet award a 24 month contract (with the option to extend for a further one or two years) to Cymryd Rhan.

10 COMPULSORY PURCHASE ORDER AREAS FOR WEST PARADE, RHYL

Councillor Julian Thompson-Hill presented the report for approval of the acquisition of Title by use of a Compulsory Purchase Order for land at the rear of 21-37 West Parade and adjacent to Crescent Road Car Park, Rhyl.

***RESOLVED** that Cabinet approve the use of Compulsory Purchase powers for the acquisition of the freehold interest of adopted highway and other land as identified on the Plan at Appendix A as Plots 2, 3 and 4 used as highway and access land to the rear of 21-37 West Parade and surrounding Crescent Road Car Park pursuant to Section 226(1)(b) of the Town and Country Planning Act 1990.*

The meeting concluded at 11.50am.

Report To: Cabinet

Date of Meeting: Tuesday 17th July 2012

Lead Member / Officer: Councillor Bobby Feeley

Report Author: Phil Gilroy/ Leighton Rees

Title: Agreement of a Joint Scheme for the Provision of Local Primary Mental Health Support Services.

1. What is the report about?

1.1 Agreeing a joint scheme for the provision of Local Primary Mental Health Support Services (LPMHSS) in North Wales, as required under Part 1 of the Mental Health (Wales) Measure 2010.

2. What is the reason for making this report?

2.1 To seek agreement from partners to the attached scheme.

2.2 Part 1 of the Mental Health (Wales) Measure seeks to strengthen the role of primary care in delivering effective mental health care and treatment and sets out the requirement that LPMHSS will be provided throughout Wales by October 2012. Under Section 3, Local Health Boards and Local Authorities are expected to deliver such services in partnership, and that the services will in the main operate within or alongside existing GP practices.

2.3 Section 2 of the Measure requires Local Authorities and Local Health Boards to develop and agree a joint scheme for the provision of LPMHSS as part of the Measure, by the end of May 2012.

2.4 Under Welsh Government regulations it has been agreed that a regional scheme for the area of the Betsi Cadwaladr University Health Board can be developed and agreed by the Partners.

3. What are the Recommendations?

3.1 That the attached scheme is formally approved by Cabinet.

4. Report details

4.1 Background

4.1.1 The Welsh Assembly has passed the Mental Health (Wales) Measure 2010 which brings about legislative changes in respect of the assessment and

treatment of people of all ages with mental health problems in Wales. The Measure has similar effect to an Act of Parliament.

4.1.2 This Measure is different to current mental health law, as it does not provide for the compulsory admission and treatment of people. The Measure deals with accessing and receiving care and treatment within primary and secondary mental health services. It will apply to everyone receiving care and treatment within these services in Wales.

4.1.3 The Measure does not deal with compulsory admission and treatment, and cannot be used to require a person to receive assessment, treatment or advocacy who does not wish to do so - these remain matters for the Mental Health Act 1983.

4.1.4 The Measure contains four key strands which will have a direct impact upon the legal duties placed upon the LHB and local authorities in relation to the assessment and treatment of people with mental health problems. The four areas and their implementation dates are; –

Part 1 – Local Primary Mental Health Support Services (LPMHSS) (October 2012)

Part 2 – Care co-ordination and care and treatment planning (June 2012)

Part 3 – Assessments of former users of secondary mental health services (June 2012)

Part 4 – Mental Health Advocacy (January and April 2012)

This report relates to Part 1 of the Measure

4.1.5 Local partners are required as part of the Measure to develop a formal scheme for Parts 1 of the Measure in partnership. Section 2 of the Measure sets out the requirement that the local mental health partners for a local authority area must take all reasonable steps to agree a scheme:

- (a) which identifies the treatment which is to be made available for the area (local primary mental health treatment), and
- (b) for securing the provision for that area of the local primary mental health support services (described in section 5)

4.1.6 Secondary legislation, finalised in May 2012, provides for a scheme to cover more than one local authority area. In North Wales this means the 6 Counties co-terminus to the Health Board.

4.1.7 In the context of the local government elections and to enable required deadlines to be met (i.e. agreement of the Scheme by the end of May 2012), the attached scheme has been agreed by the Director of Social Services subject to member approval.

4.2 Part 1 – Local Primary Mental Health Support Services (LPMHSS)

4.2.1 The Welsh Assembly Government recognises the crucial role that primary care plays in delivering effective mental health care and treatment. The aim of the Measure is to strengthen that role so that throughout Wales there will be LPMHSS. These will be delivered by Health Boards and Local Authorities in partnership, and it is expected that these services will operate within or alongside existing GP practices.

4.2.2 These services are aimed at individuals of all ages who are experiencing mild to moderate, or stable but severe and enduring, mental health problems.

4.2.3 A national service model for LPMHSS Services has been issued by Welsh Government. It sets out that LPMHSS will provide local access to support for people of all ages who have mild to moderate and/or stable severe and enduring mental health problems, including psychosocial, behavioural and emotional difficulties experienced by children and young people and memory impairment experienced by older people, and that the delivery of primary mental health will enrich and enhance relationships between primary and secondary care.

4.2.4 The intention is to provide early intervention to reduce the risk of needs escalating and the pressure on secondary mental health services.

4.2.5 The national service model has been developed with children and young people very much in mind and has been drafted to be equally relevant to children and young people, adults and older adults.

The services that will be delivered within LPMHSS are:

- a) comprehensive mental health assessments for individuals who have first been seen by a GP, and for whom the GP considers a more detailed assessment is required, or who are referred through secondary mental health services (where the local joint scheme provides that individuals in receipt of secondary mental health services are eligible). In addition local partners have agreed to authorise referrals from allied professionals where appropriate and as agreed in local pathways, so as not to break existing and effective routes into equivalent services, recognising that they are not provided for under the terms of the Measure;
- b) Short-term interventions (i.e. treatment), either individually or through group work, if the initial assessment has identified this as appropriate. Such interventions may include counselling, a range of psychological interventions including cognitive behavioural therapy, solution-focussed therapy, family work, online support, stress management, bibliotherapy and education;

- c) Onward referral and the co-ordination of next steps with secondary mental health services, where this is felt to be appropriate for an individual;
- d) Provision of support and advice to GPs and other primary care providers (such as practice nurses) to enable them to safely manage and care for people with mental health problems;
- e) Provision of information and advice to individuals and their carers about interventions and care, including the options available to them, as well as 'signposting' to other sources of support (such as support provided by third sector organisations), and helping them to access these services.

4.3 Scheme

The attached initial scheme sets has been developed collaboratively with officers from the Health Board and Local Authorities in North Wales to meet the requirements of the Measure and will be reviewed regularly and revised if necessary. It sets out the objectives for the Local Primary Mental Health Support Service (PMHSS), the vision for the service, the eligibility and referral processes, governance and management arrangements and the treatments to be made available.

4.4 The scheme will be reviewed at least annually by partners and in the first instance will be reviewed more frequently.

5. How does the decision contribute to the Corporate Priorities?

5.1 Signing up to the scheme will enable the Health Board and Local Authorities to adhere to the requirements placed upon them by the Mental Health Measure.

6. What will it cost and how will it affect other services?

6.1 Welsh Government has informed the Health Board that indicatively a sum of £810,000 additional funding will be made available across North Wales to provide the LPMHSS. This will be used to recruit additional workers in adult mental health and Child and Adolescent Mental Health CAMHS services and commission additional services from the third sector that support LPMHSS. These will supplement existing staff and services providing mental health services in primary care.

6.2 In summary the proposed investment in staffing the service will comprise of;

	Gwynedd & Mon	Conwy & Denbs	Wrhxm & Flint
<u>CAMHS</u>			
Current Staffing	3.80	4.50	6.60
Proposed Additional Clinical Staffing	2.50	2.00	2.00
<u>AMH & OPMH</u>			
Current Staffing	6.15	15.84	14.80
Proposed Additional Clinical Staffing	10.15	3.00	10.00
Proposed Additional Clerical Staff	1.00	1.00	1.00

The additional staffing requirements are based on equalising the relevant caseload across the areas.

6.3 It is currently difficult to estimate resource implications for local authorities as these are new statutory duties and there are no baselines to use to judge what take up will be. Every effort has been made to focus the additional resources available to meet the new duties. It is possible that additional demand will arise for local authority services e.g. Benefits Advice or Housing support, arising from 4.2.5 (e) above i.e. the information, advice and signposting duty. This will be carefully monitored and feed into Scheme Review and revision processes and into representations to Welsh Government on funding arrangements, should the need arise.

7. What consultations have been carried out?

7.1 Welsh Government has consulted on the overall Measure and individual elements and regulations over the past 12 months.

7.2 The Health Board has undertaken engagement with various service user groups, third sector organisations and primary care contractors and their staff.

7.3 Involvement of senior social care managers in the development of the scheme

8. Chief Finance Officer Statement

There is a requirement to deliver a joint mental health provision under the Measure and additional funding has been earmarked to support this by Welsh Government. It is difficult at this stage to assess whether there will be additional direct or indirect costs to the council as a result of implementing the

new requirements and therefore the impact must be monitored to inform the Scheme Review.

9. What risks are there and is there anything we can do to reduce them?

9.1 The Measure is intended to provide improved access to primary mental health services. While there is an assumption that this should reduce demand on secondary mental health services, there is a danger that it will increase demand as more patients/clients are identified.

9.2 Regular monitoring of activity and demand will be undertaken by the partners to assess the impact of the Measure.

10. Power to make the Decision

The Mental Health (Wales) Measure 2010

Appendix 1



Bwrdd Iechyd Prifysgol
Betsi Cadwaladr
University Health Board



CYNGOR
Sir Ddinbych
Denbighshire
COUNTY COUNCIL



The Mental Health (Wales) Measure 2010

Part 1 Scheme

Local Primary Mental Health Support Services

for

BETSI CADWALADR UNIVERSITY HEALTH BOARD

ANGLESEY COUNTY COUNCIL

GWYNEDD COUNCIL

CONWY COUNTY BOROUGH COUNCIL

DENBIGHSHIRE COUNTY COUNCIL

FLINTSHIRE COUNTY COUNCIL

WREXHAM COUNTY BOROUGH COUNCIL

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1. INTRODUCTION

This document sets out a joint Regional Scheme which determines how the statutory partners are to formally meet the requirements of Section 2, Part 1 of the Measure, the development and implementation of Local Primary Mental Health Support Services (LPMHSS); it is not an operational plan. However it does identify the care and treatment available for the Betsi Cadwaladr University Health Board area and secures provision for that area of the local primary mental health support services.

Part 1 of the Mental Health (Wales) Measure 2010 requires local mental health partners for a local authority area to take all reasonable steps to agree a scheme which identifies the treatment which is to be made available for that area and secures the provision of services for that area.

The Mental Health (Regional Provision) (Wales) Regulations 2012 enables schemes to be made on a Regional basis.

The Mental Health (Wales) Measure 2010 is a law made by the National Assembly for Wales. It has similar legal status to an Act of Parliament. The Measure introduces a number of important changes relating to the assessment, care and treatment of people with mental health problems in Wales.

The Measure is divided into six Parts and two Schedules:

- Part 1 – Local Primary Mental Health Support Services
- Part 2 – Coordination of and Care and Treatment Planning for Secondary Mental Health Users
- Part 3 - Assessments of Former Users of Secondary Mental Health Services
- Part 4 - Mental Health Advocacy
- Part 5 - General
- Part 6 – Miscellaneous and supplemental
- Schedule 1 - Consequential amendments to the Mental Health Act 1983
- Schedule 2 - Repeals

Part 1 of the Measure – Local Primary Mental Health Support Services, seeks to strengthen the role of primary care in delivering effective mental health care and treatment, and sets out the requirement that LPMHSS will be provided throughout Wales.

The statutory duties on LHBs and Local Authorities to provide these services will come into force from 1st October 2012. These services will be delivered by Local Health Boards and local authorities in partnership, and it is expected that these services will operate either within, or alongside, existing GP practices.

The 5 key functions of LPMHSS are:

- i. Comprehensive mental health assessments
- ii. Local primary mental health treatments
- iii. Supporting onward referral and co-ordination
- iv. Provision of information and advice to individuals and carers
- v. Provision of support and advice to professionals

As described in the National Service Model the objectives of LPMHSS are to:

- Increase the availability and uptake of mental health services at the primary care level in order to improve outcomes for individuals of all ages and to increase effectiveness and efficiency in accessing secondary care, where this is indicated;
- Provide for people of all ages across North Wales area, i.e. Gwynedd, Anglesey, Conwy, Denbighshire, Flintshire, Wrexham; effective LPMHSS that are accessible and close to those who require them. These services should be appropriate, acceptable and outcome-focussed, with an emphasis on promotion of an individual's well-being, recovery and resilience, in partnership with the third sector;
- Work with and develop close relationships with GPs, practice staff and other relevant partners and stakeholders, and to provide support, consultation, advice on clinical management, education, training, and liaison in order to develop capacity for, and approaches to, managing mental health problems in primary care.

In the North Wales area this will be achieved by:

Preventing deterioration and promoting recovery and well-being by;

- Providing support, consultation, advice on clinical management, education, training, and liaison;
- Increasing the capacity at primary care level for appropriate assessment, targeted brief interventions, onward referral, advice and information for people of any age with any form of mild to moderate mental health problems. This will include psychosocial, behavioural and emotional difficulties experienced by children and young people, and memory impairment experienced by older adults;
- Providing wider access to effective psychological therapies;
- Promoting the rights of individuals to access these services in the Welsh Language;
- Providing wider access to an availability of mental wellbeing services, at the primary care/universal level delivered in languages (other than English or Welsh) according to the needs of the local population;
- Ensuring intervention to promote early and accurate diagnosis, and appropriate and timely follow up, to improve emotional wellbeing and mental health outcomes, reduce the risk of the individual's condition worsening and, where appropriate, helping individuals to sustain employment and education by signposting to appropriate services;

- Involving individuals, and their carers where appropriate, in the individual's care and treatment and supporting and encouraging them in their own mental and physical health self-management;
- Appropriate prescribing for mental health conditions at primary care level, improving medication management and encouraging compliance with medication that is prescribed;
- Non-medical prescribing e.g. bibliotherapy, exercise
- Assisting Primary Care in promoting and addressing the physical health needs of those who access mental health services at primary care level;
- Increasing the speed and appropriateness of referrals to secondary care mental health services through streamlined referral processes and effective communications, ensuring that individuals are supported at the level of care most appropriate to their need;
- Developing and maintaining effective interfaces with relevant services in all sectors to support individuals in their social and physical health needs to benefit their mental health;
- Reducing discrimination and improving community awareness through increased local provision and local access; and
- Assuring the effectiveness, efficiency and quality of the services provided.

In conjunction with the scheme an Operational Framework is being developed. The Operational Framework will provide greater operational detail and guidance as to how the scheme and its accompanying service models will be implemented.

2. PARTNERS

The Scheme covers the area of North Wales and the statutory partners are:

- Betsi Cadwaladr University Local Health Board
- Gwynedd Council
- Anglesey County Council
- Conwy County Borough Council
- Denbighshire County Council
- Flintshire County Council
- Wrexham County Borough Council

Who provide the service in non-statutory partnership with the following:

- General Practitioners and General Practice staff
- Third Sector
- Service Users
- Families and Carers
- Independent Sector
- Criminal Justice System

3. PURPOSE/SCOPE OF THE SCHEME

This scheme identifies the local mental health partners who have responsibility under the Measure for providing LPMHSS to the local authority populations covered by BCUHB. It identifies the local primary mental health treatments which are to be made available and sets out the arrangements for securing the provision of those services. It identifies the extent of the responsibilities of each of the local mental health partners for the provision of these services and sets out how referrals from secondary care will be accepted under the scheme.

LPMHSS provide local access to support people of all ages who have mild to moderate mental health problems. This includes psychosocial, behavioural and emotional difficulties experienced by children and young people as well as memory impairment experienced by older people.

The principal focus of the primary mental health response is about promoting, prevention, early intervention and de-stigmatising approaches to mental health issues.

The service enriches and enhances relationships between primary and secondary mental health care without creating duplication. The specific primary mental health services that are delivered include:

- Comprehensive fit for purpose mental health assessments for individuals who have first been seen by a GP, and for whom the GP considers a more detailed assessment is required, or who are referred through secondary mental health services;
- Short term interventions either individually or through group work, if the initial assessment has identified this as appropriate. Such interventions include counselling, a range of brief psychological interventions including cognitive behavioural therapy, solution focussed therapy, online support, stress management, bibliotherapy and education;
- Supported onward referral and the coordination of next steps within a stepped care process, where this is felt to be appropriate for an individual;
- For Children's services, provision of support, consultation, advice on clinical management, education, training, and liaison to a range of health, education, social care and other professionals to enable them to safely manage and care for people with mental health problems;
- Provision of support, training and advice to GPs and attached staff to enable them to safely manage and care for people with mental health problems, promoting a recovery approach and a positive attitude to mental health wellbeing;
- Provision of information and advice to individuals and their carers about interventions and care, including the options available to them, as well as 'signposting' to other sources of support and helping them to access these services.

4. VISION

The National Service Model for LPMHSS (2011) sets out that the overall objectives of LPMHSS are to:

- a) Increase the availability and uptake of mental health services at the primary care level
- b) Provide for people of all ages across Wales, effective primary mental health support services that are accessible and close to those who require them.
- c) Work with and develop close relationships with GPs and practice staff.

In North Wales our vision for LPMHSS are:

- To deliver responsive and flexible services which put the individual at the heart of the service which enables people to recover and lead a good quality of life which supports choice.
- Individuals, their carers and families are fully involved in the centre of care and treatment.
- For children and young people, services that focus on the early detection of risk, the development of resilience and the development of life skills.
- For people of working age, services that focus on ensuring that they live as full and independent lives as possible.
- For older people particular emphasis on prevention and re-ablement.

Clear communication in terms of language and culture is essential to ensure patients and carers are truly involved, and receive the best possible care and treatment. In Wales, this means bilingual (Welsh and English) services available wherever possible.

5. RESPONSIBILITIES OF PARTNERS

Part 1, section 3 of the Measure states that local mental health partners for a local area must provide local primary mental health support services in accordance with a scheme for their agreed area.

The Health Board is the lead agency for the scheme and each of the partner organisations will maintain employment responsibility for those staff providing LPMHSS either as direct LPMHSS workers (BCUHB, Flintshire County Council and Wrexham County Borough Council) or as part of general mental health staff in the other counties.

For North Wales the mental health partners are committed to meeting the requirements of Part I of the Measure in partnership and it is agreed that any

new Welsh Government investment will be used to supplement the existing LPMHSS services in place across North Wales.

The Health Board is the lead agency for the scheme and each of the partner organisations will maintain employment responsibility for those staff providing LPMHSS either as direct LPMHSS workers (BCUHB, Flintshire County Council and Wrexham County Borough Council) or as part of general mental health staff in the other counties.

General Practitioners will remain responsible for providing services to patients as outlined within the general medical services contract. The LPMHSS will enhance the range of services available to patients in primary care.

Primary mental health practitioners are responsible for providing:

- Assessment (within 28 calendar days)
- Treatment (individually or through group work and normally within 6-10 sessions,)
- Signposting
- Education and training to primary care staff, and
- Advice and support for individuals, carers and families

6. ELIGIBILITY FOR ASSESSMENT AND REFERRAL

LPMHSS are available for individuals of all ages; from children and young people to older adults who have been referred by a GP, or, as this scheme allows, from secondary care, for an initial assessment.

Sections 6 -8 of the Measure set out the duties to carry out primary mental health assessments in relation to the three categories of referrals which may be made to the service

- Patients who live in the local authority area and are registered with the GP (practice) who refers them (s6)
- Patients not living in the local authority area,/not having a usual address/ not registered with the GP – (s7) and these are now covered by the Mental Health (Primary Care Referrals and Eligibility to conduct primary mental health assessments) (Wales) Regulations 2012 or particular categories of individual would not otherwise be entitled to an assessment, if the scheme so provides – (s2 (4) (b) and (c) refers and then s7 applies)
- Referrals from secondary care if the scheme allows (s S4 refers and then s8 applies)

This scheme allows for referrals to be made from secondary mental health services to the local primary mental health support services but does not provide for referrals to be made in respect of any particular categories of individual, as all are now covered by the Mental Health (Primary Care

Referrals and Eligibility to conduct primary mental health assessments) (Wales) Regulations 2012. In respect of referrals from secondary care, this scheme provides that a consultant or manager working in secondary mental health services may make a referral to the LPMHSS in respect of an individual subject to the provision of the Mental Health Act 1983, or in receipt of secondary mental health services.

The mental health partners also support the continued right of allied professions to refer to the LPMHSS where appropriate and as agreed in local pathways so as not to break existing and effective routes into equivalent services, recognising that they are not provided for under the terms of the Measure.

Referrals should only be made in respect of individuals (of any age) who present with any form of mild to moderate and/or stable severe and enduring mental health problem, regardless of whether that individual may also be experiencing any co-occurring condition such as a learning disability or a substance misuse problem. An individual subject to section 117 of the Mental Health Act 1983 may be referred to the service, provided that they are eligible via one of the referral routes outlined above, and it is appropriate to do so given their clinical presentation.

A referral will be a request from a GP to the LPMHSS to see someone in the surgery where possible or if not in the locality, and the referral systems is designed to not be overly complex. Appropriate record keeping together with a secure method of information sharing is in place.

The BCUHB standard for the maximum length of time between a referral being received by a LPMHSS and the assessment being carried out is 28 calendar days, in accordance with the target set in the National Service Model.

Operational Frameworks have been developed (adults and children) which include Clinical Protocols for referral for assessment and will be reviewed at least annually to ensure they remain relevant to local need, and that the skills of the LPMHSS staff are being used appropriately.

The North Wales LPMHSS is not appropriate for all individuals with mental health problems who present to GPs. Where a GP considers that other services within the mental health care system would be appropriate to meet an individual's needs, the GP should continue to refer them to these local services (e.g. Community Mental Health Teams, specialist CAMHS, substance misuse services etc). The GP may wish to be guided and supported in relation to the appropriate referral of individuals through consultation with, and/or advice from, the LPMHSS. The aim is to facilitate all new requests for mental health services for children and young people through a single point of access based on discussion of presenting concerns.

The agreed referral process including boundary issues and associated documentation is included in the Operational Frameworks.

7. EQUALITY

The Equality Act 2010 extended the public sector equality duty to all protected characteristics, which are defined as age, disability, sex, religion and belief, pregnancy and maternity, gender reassignment, ethnicity, sexual orientation and marriage/civil partnership.

Each partner organisation has published a Strategic Equality and Human Rights Plan (SEP) which includes a commitment to embedding equality impact assessment into everything they do in order to ensure that the services they are responsible for are delivered in ways that are consistent with the duty which requires us to:

- eliminate unlawful discrimination, harassment and victimisation;
- advance equality of opportunity; and
- promote good relations between different groups.

The Partners will undertake a full Equality Impact Assessment of the Scheme by 30th September 2012 and publish the outcome.

8. PROVISION OF SERVICES IN WELSH AND ENGLISH

The Welsh Language Strategy 2012-17, 'A Living Language: a language for living' sets out a clear aim to strengthen the use of the Welsh language in everyday life.

The Welsh Language Measure imposes duties on organisations to: provide services in Welsh; consider the impact of policy decisions on the Welsh language; promote the use of Welsh in the workplace; promote and facilitate the use of Welsh more widely; keep records of compliance with standards and complaints.

LPMHSS will wherever possible be provided in the language of choice of the service user, and where local services find this difficult, make every effort to arrange for the language choice to be fulfilled. The chosen language of the service user will be recorded.

9. WHERE SERVICES ARE TO BE PROVIDED

The LPMHSS are a specialism in the community and they operate within or alongside existing GP practices, or other settings as deemed appropriate.

10. LOCAL PRIMARY MENTAL HEALTH SUPPORT SERVICES

A schedule of the primary mental health treatments and services secured by the scheme, is set out in appendix 1

LPMHSS are operationally managed by the Health Board. and interventions are recovery-focussed, with clear expected and documented outcomes, and are underpinned and quality assured by evidence-based approaches. They are based on a thorough assessment of each individual and delivered by suitably skilled and trained staff that are appropriately supervised and managed. Wherever possible, the interventions agreed will support individual self-management, health promotion and prevention of deterioration.

Care plans that are proportionate to need, will be developed for individuals treated within the service. The care of people who are seen within the LPMHSS under the services listed in Appendix 1 will not normally be subject to care and treatment planning, although some individuals whose care is already subject to care and treatment planning may also be seen within the LPMHSS. In such circumstances their care coordination and care and treatment plan will remain in secondary care.

Currently different arrangements exist for record keeping but the LPMHSS will move towards primary care held records within appropriate governance frameworks.

Discharge from the LPMHSS will occur at the point that no further intervention is required. This may be due to:

- Successful completion of treatment
- Signposting to other services
- Referral to secondary mental health services
- Service user no longer wishes to use the service

LPMHSS spend approximately 10% of their time in supporting primary care practitioners to develop capabilities in mental health. In addition, time will be spent supporting practitioners from other relevant agencies to develop skills and capabilities in recognising and (where appropriate) providing community based support to promote mental health and well-being and enhance coping skills e.g. staff from Education or Social Services.

11. PARTNERSHIP ARRANGEMENTS AND GOVERNANCE

While accountability and responsibility for the scheme rests with the individual partner organisations, the health Board is the lead agency for LPMHSS.

A Mental Health Collaborative for adults, families and children (including involvement from education) will be established by the Partners, and administered initially by Health Board, to oversee the operation of the Scheme and the other parts of the Mental Health Measure. Detailed Terms of Reference will be developed. The Mental Health Collaborative will report to

the North Wales Social Services Improvement Collaborative (NWSSIC) and BCUHB Quarterly Strategic Forum, who will ensure onward reporting to appropriate governance arrangements in the partner organisations.

The North Wales Mental Health Collaborative will monitor the resources associated with the LPMHSS and will in the first instance consider and attempt to resolve any disputes regarding finance.

12. MANAGEMENT ARRANGEMENTS FOR THE LOCAL PRIMARY MENTAL HEALTH SUPPORT SERVICES

For adult services, LPMHSS are jointly managed by the partners with each organisation accountable for their own staff.

For children and families the LPMHSS provision will be managed through the BCUHB CAMHS arrangements.

13. FUNDING

The additional indicative funding notified to BCUHB, from Welsh Government, for the provision of services in relation to Part 1 of the measure is £810,000, although only partial funding is available for Year 1 (2012/2013). This funding will supplement existing investment and be utilised to employ additional primary mental health workers and commission additional allied services from the third sector.

There is no intention at present to pool funds formally and enter into a Section 33 agreement in relation to the scheme.

The Partners are committed to undertaking an extensive process of resource mapping to identify existing and new investment in LPMHSS

A review of third sector commissioned services will be undertaken, separately to the Measure, to reduce any duplication and maximise investment potential.

In addition to the allocation from Welsh Government, the partner organisations will take into account existing resources and will identify where resources can be re-allocated or shared with LPMHSS.

Funding arrangements and the sharing of information, resources, accommodation, staff and reporting will be managed through the North Wales Mental Health Collaborative

14. PERFORMANCE MANAGEMENT

Robust performance management arrangements will be developed to monitor the impact of the services. As a minimum the following information will be collected and reported to the Partnership, with a view to developing more sophisticated outcome measures.

- The number of primary care practitioners per 20,000 population (all ages)
- The number of assessments undertaken
- Waiting times for assessment (in calendar days) against the target of 28 calendar days
- Waiting times for interventions, where indicated (in calendar days)
- The number of completed interventions (to include treatment, referral or information)
- User, carer and GP satisfaction levels
- Demand for and delivery of services through the Welsh language

Requirements for reporting against these performance measures are to be issued by the Welsh Government.

Additionally, the service will undertake regular local audits against standards in relation to access, outcomes, appropriateness and acceptability for the five functions of the service. This will support improvements in practice and give stakeholders assurance about service delivery. The expected benefits and required quality standards should be determined at the outset of service development and reviewed regularly.

15. GOVERNANCE OF THE LOCAL PRIMARY MENTAL HEALTH SUPPORT SERVICE

Throughout the duration of an individual's contact with the LPMHSS, clinical responsibility for the individual is shared between the service and the GP, in respect of individuals who have accessed the service via the GP.

Clinical responsibility for individuals who access the LPMHSS via secondary mental health services remains with the secondary mental health service. Individual professionals are however, accountable for their own professional decisions.

The Mental Health (Primary Care Referrals and Eligibility to Conduct Primary Mental Health Assessments) (Wales) Regulations 2012 sets out the professional requirements for a person to be eligible to conduct primary mental health assessments. The mental health partners will establish arrangements to ensure that they are satisfied with the skills and experience of the staff that are to conduct mental health assessments. The North Wales Mental health Collaborative will monitor the LPMHSS workforce and ensure the mental health partners are adequately fulfilling this role.

16. FREEDOM OF INFORMATION

The Partners acknowledge that they are subject to the requirements of the FOIA and the Environmental Information Regulations and shall assist and cooperate with each other (with costs being shared between the partners) to enable any Partner to comply with any information disclosure requirements.

The Partners acknowledge that each is subject to the requirements of FOIA, and shall assist and co-operate with one another to enable each Partner to comply with these information disclosure requirements, where necessary.

17. DATA PROTECTION AND INFORMATION SHARING

Each Partner will ensure that they comply with any notification requirements under Data Protection Legislation.

The Partners will share information about Service Users to improve the quality of care and enable integrated working under established arrangements in place.

18. CONFIDENTIALITY

As per section 42 of the Measure local mental health partners may supply to other partners information obtained in the discharge of its functions under Part 1 or 3 of the Measure which relates to an individual for whom LPMHSS are being or might be provided in respect of.

19. CONCERNS

The partners recognise that suggestions, comments, incidents and complaints can be a valuable source of information in maintaining and improving standards of care. The aim is to learn from these and use them positively to improve quality of care.

A “concern” means any complaint, notification of a patient safety incident or, save in respect of concerns notified in respect of primary care providers or independent providers, a claim for compensation.

All “concerns” are dealt with in line with policy and procedure of the provider of LPMHSS or commissioner of any third sector services as identified in this scheme.

20. PROMOTING THE LOCAL PRIMARY MENTAL HEALTH SUPPORT SERVICES

An integrated communication plan for the LPMHSS will be implemented across the partnership, including stakeholders groups, service users and carers.

The communication hubs of the Partners will be used to signpost the LPMHSS for primary, community and secondary services to enhance access and awareness.

21. ARRANGEMENTS FOR REVIEW OF THE SCHEME

The scheme will be reviewed quarterly by the North Wales Mental Health Collaborative and recommendations for any changes communicated to NWSSIC and BCUHB for formal approval.

Signatories to the Scheme

Each partner by way of signature confirms that the information contained in this scheme together with all appendices and attachments, is current and correct as at the date of signing, their acceptance and their acquiescence to comply. Should a revised edition of the scheme be produced it will not be legally binding until all partners have agreed by way of signature. In these circumstances the existing fully signed version will stand.

Betsi Cadwaladr University Health Board

Designation

Signed

Date

Anglesey County Council

Designation

Signed

Date

Gwynedd Council

Designation

Signed

Date

Conwy County Borough Council

Designation

Signed

Date

Denbighshire County Council

Designation

Signed

Date

Flintshire County Council

Designation

Signed

Date

Wrexham County Borough Council

Designation

Signed

Date

Mental Health Measure Part 1
Schedule of Primary Mental Health Treatments and Services

Adult and Older People

Primary Mental Health Services (providing assessment, evidence based psychological therapies and counselling, information and advice to primary care staff service users and carers, some of which will be provided by the third sector)

Mental Health General Hospital Assessment Services
Criminal Justice Service (as relevant to assessed needs)
Veteran's Mental Health Service (as relevant to assessed needs)
Prescribed Medication Service
Memory Clinics

Children and Young People

Primary Mental Health Services (providing assessment, evidence based psychological therapies and counselling, information and advice to primary care staff service users and carers)

Mental health awareness training for professionals
Skills training with on-going support for professionals
Bibliotherapy
Information and resources to support self help

'Initial Discussion' to determine mental health service need

Advice and information
Signposting
Universal and targeted group work for young people
Targeted group work for parents
Professional consultation including joint work where appropriate

Mental health assessment in primary care and community settings

Outcome focused brief work with children, young people and parents

- Guided self help
- Cognitive behavioural therapy
- Solution focused therapy
- Interpersonal therapy
- Behavioural programmes
- Family work

Outcome focused evidence based group programmes for young people and parents

- 'Friends' (children and young people)
- Incredible Years (parents)

Additional programmes defined at local level through Children and Young People's Plans (CYPP) e.g. universal approaches to parenting, Seasons for Growth

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Appendix 2

Wyn Thomas
Assistant Director, Community Partnership
Development
Betsi Cadwaladr University Health Board
Matthew House
Llys Edmund Prys
St Asaph Business Park
Denbighshire
LL17 0JA

NA/ BD

7 June 2012

Neil Ayling

01352 702500

01352 702555

E Mail Address:

Neil.j.ayling@flintshire.gov.uk

Dear Wyn,

I agreed to write to you as Chair of NWSSIC to express the views of the Social Services Directors regarding the agreement of the scheme for the Mental Health Measure.

Clearly as a professional health and social care community, we have worked hard to come to a draft scheme which we can support from a professional point of view.

Therefore I can confirm that we as Directors of Social Services will work in partnership with the Local Health Board and regional partners to fulfil our obligations under the Mental Health Measure within the terms drafted. We do this from a professional officer perspective recognising that full agreement from corporate bodies will need to be through relevant political structures which will take place in June and July.

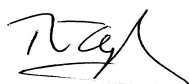
We also recognise that the agreed scheme is a live document and will need to be amended in the light of experience and further comment from other bodies notably Welsh Government.

Clearly NWSSIC welcomes the policy commitment to improve access to Mental Health assessments and services contained in the measure. At the same time we do remain convinced of the need to monitor resource implications from the measure closely, and as a professional organisation would reserve the right to make representation for resources to Welsh Government in partnership with the Local Health Board.

I also note the suggested common outline of the report to go to political committees and NWSSIC supports this framework which will form reports to authorities which will have specific issues for the counties.

Thank you for the support with this process.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Neil Ayling', with a stylized flourish at the end.

Neil Ayling
Chair of North Wales Social Services Improvement Collaborative

Report To: Cabinet

Date of Meeting: 17th July 2012

Lead Member / Officer: Councillor Huw Jones

Report Author: Jamie Groves – Head of Communication, Marketing & Leisure

Title: Ruthin Leisure Centre Development Proposal

1. What is the report about?

- 1.1 The report outlines the design and construction proposals for Ruthin Leisure Centre and demonstrates the affordability of the scheme.

2. What is the reason for making this report?

- 2.1 A decision is required by Cabinet to approve a £1.3 million development of sports and leisure facilities at Ruthin Leisure Centre. By virtue of the Council's Constitution, any capital expenditure exceeding £1 million must be approved by Cabinet.

3. What are the Recommendations?

- 3.1 That Cabinet approves the proposals for a £1.3 million development of PE and leisure facilities at Ruthin Leisure Centre / Ysgol Brynhyfryd.

4. Report details.

- 4.1 In January 2012, Leisure, Libraries & Community Development appointed Alliance Leisure Services Ltd as their development partner for the refurbishment and regeneration of a number of Leisure facilities within Denbighshire. Under the framework, the development partner can provide a comprehensive package for a range of capital projects up to the value of £15,000,000. The partner would provide financing options that could fully fund any proposal without the need of utilising the Authority's capital programme. This would be based on the payment of a monthly fixed fee over an agreed period of time made affordable from revenue created by the new facilities.
- 4.2 The development partner would manage the project from concept to completion providing feasibility studies identifying and addressing all the costs. The development partner would provide project management services and act as the principal contractor coordinating the design, construction, commissioning and handover of the completed project. Denbighshire's Leisure Services Department would continue to have operational control but would have continued operational support from the development partner.

- 4.3 Our first priority has been the development of Ruthin Leisure Centre. This centre is located on the grounds of Ysgol Brynhyfryd and the site shares its sports facilities with the school during term time. The school has approximately 1300 pupils. The site consists of a 25 metre swimming pool, a small all weather pitch, sports hall, gymnasium, small fitness room and a number of grass pitches. The centre is open from 7.30am – 10.00pm Monday to Friday and 10.00am – 4.30pm at weekends.
- 4.4 Over the years Leisure Services has developed and refurbished a number of fitness suites across the portfolio. This has allowed the service to attract significantly more members and generate increased income. We currently have over 1750 members on direct debit paying between £22.50 and £29.50 per month. In order to increase our membership levels we need to continue to invest in our facilities.
- 4.5 Ruthin Leisure Centre has comparatively poorer facilities than the majority of our other leisure centres. Our design brief to Alliance Leisure was to provide details and costs associated with the design and construction of a fitness facility and dedicated changing area. The brief also asked them to consider creating a new reception entrance and associated viewing area for the swimming pool and the development of a full size all weather pitch. (Appendix 1) The site currently has just 40 members paying by direct debit. Other sites that have undergone a similar level of investment such as Denbigh and Rhyl significantly out perform Ruthin. Rhyl currently has 694 members and Denbigh has 544.
- 4.6 Alliance Leisure as part of their feasibility exercise commissioned the services of FMG Consulting. They found the core catchment area based on 12 minute drive to be approximately 11,400 adults and 1,090 young people (10 – 17). They estimated the latent demand (desire currently not being satisfied) for improved fitness facilities at Ruthin Leisure Centre to be 679 adults – this is the total number of members they feel the centre could achieve. The site currently has 40 members which compared to the latent demand demonstrates that the site it is significantly under performing.
- 4.7 Although the feasibility exercise suggests that there is a latent demand of 679, we feel that it would be more prudent to base our business case on a membership of 475. This level of membership would not only cover the costs of the development but would also cover the costs of a new all weather pitch. The 435 extra memberships required to support this development will come from across the leisure centre portfolio and will not be just focused on Ruthin.

5. How does the decision contribute to the Corporate Priorities?

- 5.1 This project contributes directly towards supporting the Corporate Priority of Modernising Education through provision of and improvement to the quality of the learning environment at Ysgol Brynhyfryd. The facility would play a role in achieving the Health and Well Being, Community Safety, and Children's and Young People themes of the community strategy. DCC vision states that:-

- We will invest in our schools in order to sustain high standards of educational attainment to meet the needs of pupils and the wider community and the economy.
- People across the County will take responsibility for their own health and well being, they will be fully aware of the benefits of taking regular exercise and eating well. More adults and young people will participate in sport and physical activity.
- There will be a range of sports activities for all age groups to help us stay fitter and healthier and we will offer a high standard, year round set of attractions and activities.

5.2 Our Service plays a key role in delivering the outcomes of the BIG Plan specifically outcome 1 helping older people lead independent and fulfilled lives and outcome 6 of ensuring people in Denbighshire have healthy lifestyles. Our Leisure Strategy sets out our vision and commitment to improve access to high quality settings in which to enjoy leisure activities. One of our key actions within this strategy is to continue to invest in the health and fitness facilities at our leisure centres in order to improve the quality of provision for both our school PE and community.

6. What will it cost and how will it affect other services?

6.1 Indicative costs of £1,287,000 have now been provided by Alliance Leisure Services Ltd for this whole development. This project will be based on affordability and sustainability. Leisure, Libraries & Community Development will be required to acquire this money through both prudential borrowing and finance through our development partner. Our framework is based a maximum of 75% gap funding which means that we are contracted to borrow at least 25% of the overall costs through Alliance Leisure Services Ltd but can find the other 75% through capital contributions or prudential borrowing through the Authority. The benefits of having this opportunity to gap fund is that currently the Authority can borrow a rates between 1.6% and 3.4% depending on the term. This is far more competitive than the rates currently available through our development partner.

6.2 The site currently has 40 members. Our business case will be based on 475 therefore we will need to attract an additional 435 members across the service. This equates to an additional annual income of £106,140 NET based on the average NET individual membership cost of £244 per year.

6.3 The income for the existing all weather pitch at Ruthin Leisure Centre is approximately £16,000. Again, from experience of our other all weather pitches in our portfolio we have set an income target of £28,000 NET. This means that we would expect an additional income of £12,000 per year.

6.4 In our first year we have projected an extra 435 new members which would give us the 475 members outlined in the business case (Appendix 2). This would amount to an annual income of £106,140 on memberships and combined with the £12,000 additional income from the AWP a total of

£118,140. This increased income would be used to finance the borrowing levels required to deliver this project.

- 6.5 In summary, the income levels projected by this development are approximately £118,140 per year. The expenditure on borrowing is forecast at £115,583 resulting in a surplus of £2,287 per year. There will be no increased staff costs as a staff structure is already in place and the service will be moving resources from other areas of their business to meet this anticipated increase in demand. New technology in our fitness suites will also assist to drive down costs. Where once we had staff carrying out tasks our systems can now develop individual exercise programmes, monitor performance and offer advice and guidance. There may however be some costs associated with increased energy consumption / NNDR although this will potentially be offset by a number of energy efficiency measures currently being undertaken at the site.
- 6.9 The latent demand identified by Alliance Leisure Services through their consultants identifies the potential for the fitness suite as 679 members. We have based our forecasts on a maximum of 475. If we achieve this 679 membership level as suggested, the service would generate a further £49,776. This surplus would contribute to making further corporate efficiency savings if achieved. This approach of growing the business has allowed the service to generate £500,000 of savings in the last four years.

7. What consultations have been carried out?

- 7.1 The proposal has the full support of our Lead member, Councillor Huw Jones and Ruthin Member Area Group. The proposal and business case has been approved by Strategic Investment Group subject to Cabinet approval. Ysgol Brynhyfryd's Governing body and Modernising Education also support the development which will have positive outcomes for PE provision at the high school.

8. Chief Finance Officer Statement

There are always risks in investing in new ventures of this type.

The proposals for the redevelopment appear to be based on reasonable assumptions for the increase in membership. The service has demonstrated that similar investments at other sites have produced a significant increase in memberships and income. The development partner has a track record of delivering similar projects and their payments are dependent on achieving income targets.

Given the position with the Council's capital plan this represents the only real opportunity that the service has to invest in the site.

9. What risks are there and is there anything we can do to reduce them?

9.1 Our development partner, Alliance Leisure Services Ltd will provide a fully costed proposal that the Authority will assess on the suitability and merits of the scheme. If approved, they will provide a fixed cost for the scheme which under the call off contract will be the capital sum the Authority will need to finance. There will be a small contingency built into the programme but any deviations from the agreed capital sum will be borne by Alliance Leisure Services Ltd. Under the framework agreement Alliance Leisure are also committed to driving up our membership sales in line with agreed targets. They would provide sales and marketing teams at no cost to the service in order to meet these targets. Monthly finance payments would be withheld if these targets are not achieved. Alliance also allows the option of payment holidays whilst building the membership. In addition, Leisure also has income reserves set aside to support the business during the membership sales drive.

10. Power to make the Decision

Section 3 of the Local Government Act 1972: Duty to secure continuous improvements in the way in which functions are exercised.

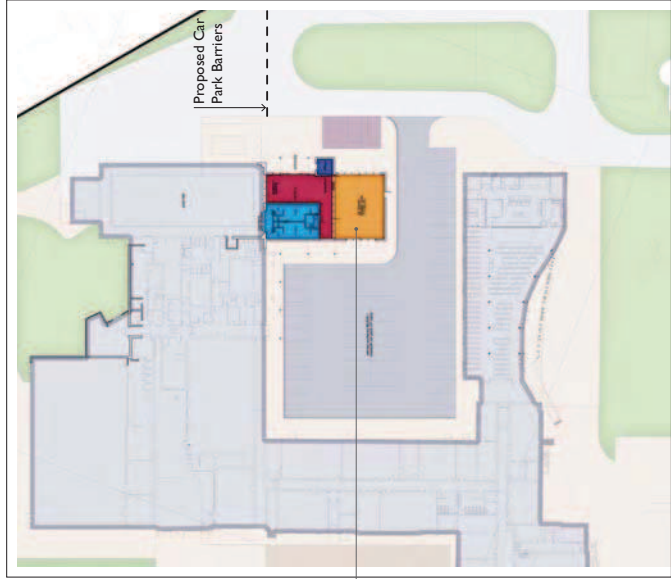
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Sketch Perspective



Proposed Fitness Suite Layout



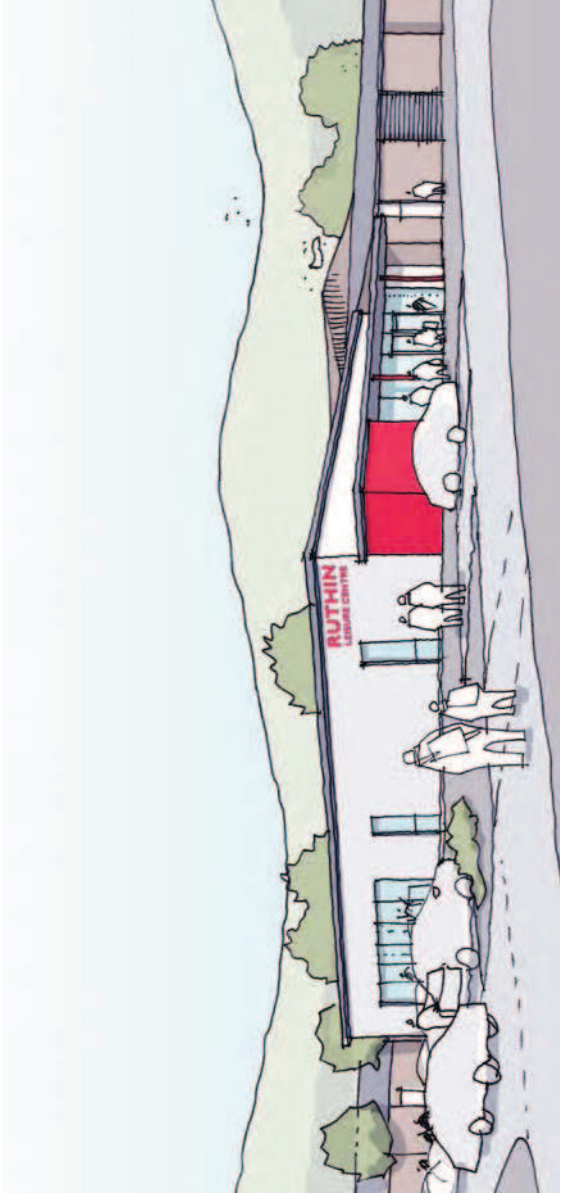
Ground Floor Plan



All Weather Pitch



Site Plan



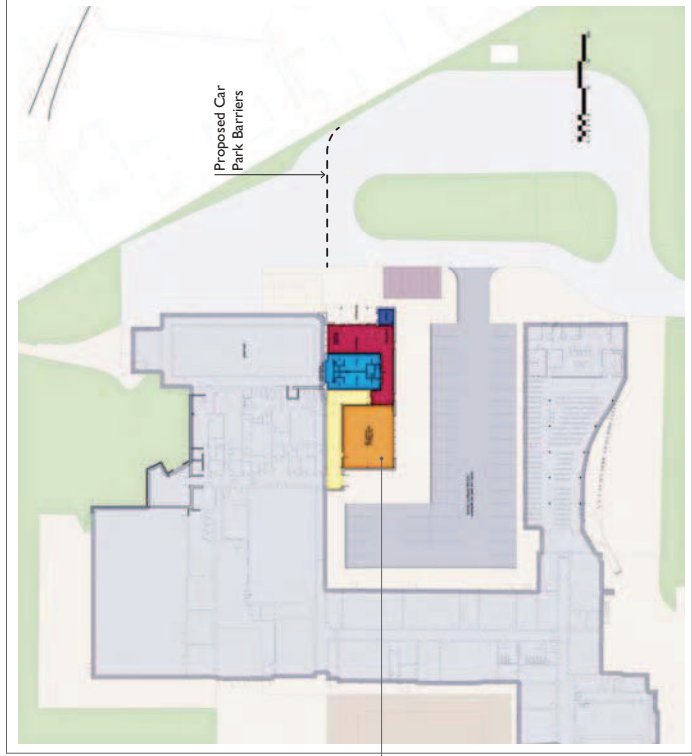
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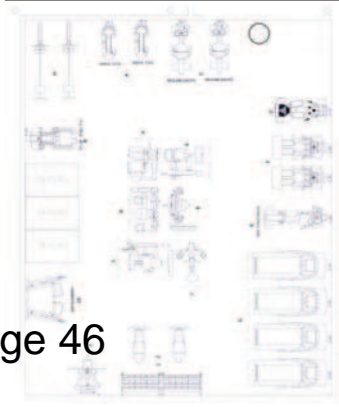
All Weather Pitch



Site Plan



Ground Floor Plan



Proposed Fitness Suite Layout

PROJECT BUSINESS CASE Appendix 2



IMPORTANT – READ THIS BEFORE COMPLETING THE FORM

THIS PROJECT BUSINESS CASE IS AN APPLICATION FOR FUNDING FOR:

- MEDIUM OR LARGE PROJECTS

FOR FEASIBILITY FUNDING, PROGRAMMES/BLOCK ALLOCATIONS AND SMALL PROJECTS YOU ARE REQUIRED TO COMPLETE A PROJECT PROPOSAL.

The Business Case provides justification for undertaking a project, in terms of evaluating the cost/benefit of alternative options and rationale for the preferred solution. Its purpose is to obtain management commitment and approval for investment in the project. Assessment is based on the information provided in this form. DO NOT assume that the assessors will have any background knowledge of the activity or project.

If you require assistance completing this form please contact the Corporate Project Management Team at projects@denbighshire.gov.uk or on extension 6076.

Project/Activity Name:	Ruthin Leisure Centre Facility Development
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Project Sponsor:	Jamie Groves Head of Leisure, Libraries & Community Development	Directorate:	Leisure, Libraries & Community Development
Project Manager:	Sion Goldsmith Leisure Officer – Assets & Development	Service Area:	Leisure Services
Form completed by:	Sion Goldsmith	Date of Proposal:	8 th June 2012

PROJECT TYPE

Within Denbighshire's Project Management Methodology projects are broadly categorised into three types. Please mark a cross in the box that best describes your project.

BUSINESS DEVELOPMENT PROJECT – which is concerned with bringing about some form of organisational change e.g. new method of delivering a service, new software system, etc.	
CONSTRUCTION PROJECT – which is concerned with the creation of a new building or structure, or the significant alteration, refurbishment, extension or maintenance of an existing building or structure.	X
PROGRAMME – which is a collection of projects and other items of work managed coherently together e.g. maintenance schemes, grant schemes, highway repair and construction scheme, etc	

PROJECT SCALE

Different sizes of projects require different amounts of management control. Denbighshire's Project Management Methodology provides a matrix to assess the scale of your project (please see page 4 of the Project Management Handbook – Lotus Notes/Denbighshire Information Centre/Project Management/Project Management Handbook). Please mark with a cross your assessment of this project's scale.

Small		Medium	X	Large	
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BACKGROUND INFORMATION

This section should provide a brief description of the project/activity you propose to undertake and the reason it is required. You should assume that the reader has no background knowledge.

In January 2012, Leisure, Libraries & Community Development appointed Alliance Leisure Services Ltd as their development partner for the refurbishment and regeneration of a number of Leisure facilities within Denbighshire.

Under the framework, the development partner can provide a comprehensive package for a range of capital projects up to the value of £15,000,000. The partner would provide financing options that would fully fund any proposal without the need of utilising the Authority's capital programme. This would be based on the payment of a monthly fixed fee over an agreed period of time made affordable from revenue created by the new facilities. Facilities would be delivered, fully equipped and ready to operate before any payment commences.

The development partner would manage the project from concept to completion providing feasibility studies and robust business plans identifying and addressing all the costs. The development partner would provide project management services and act as the principal contractor coordinating the design, construction, commissioning and handover of the completed project. They would provide the relevant professional services associated with a design and build project.

Denbighshire's Leisure Services Department would continue to have operational control over any new development or refurbishment but would have continued operational support from the development partner in areas such as sales and marketing, branding, staff training and professional development of the scheme. The development partner would assist in reviewing and prioritising any future proposals in order to increase profitability in the shortest possible time. Our goal is to work with our development partner in order to design, build and fund capital projects in Denbighshire and ensure that we deliver the right project, on time and within budget. Even during these challenging times we are committed to improving the facilities and services that we offer to our communities.

From the outset our first priority has been the development of Ruthin Leisure Centre. This centre is located on the grounds of Ysgol Brynhyfryd and the site shares its sports facilities with the school during term time. The school has approximately 1300 pupils. The site consists of a 25 metre swimming pool, a small all weather pitch, sports hall, gymnasium, small fitness room and a number of grass pitches.

Over the years Leisure Services has developed and refurbished a number of fitness suites across the portfolio. We now have state of the art, modern fitness facilities in Rhyl, Prestatyn, St. Asaph, Denbigh, Corwen and Llangollen. This has allowed the service to attract significantly more members and generate increased income. We currently have over 1750 members on direct debit paying between £22.50 and £29.50 per month. In order to increase our membership levels we need to continue to invest in our facilities. It means that customers under our membership can visit any of these sites and use the equipment without the Leisure Services incurring the costs of new inductions. It also standardises our services creating the same offer in all parts of the county.

Ruthin Leisure Centre has comparatively poorer facilities than the majority of our other leisure centres. Our design brief to Alliance Leisure was to provide details and costs associated with the design and construction of a fitness facility and dedicated changing area. The brief also asked them to consider creating a new reception entrance and associated viewing area for the swimming pool, development of a full size all weather pitch to replace the existing small pitch which in turn would be converted into a dedicated car park in order to serve the leisure centre.

A number of options have been discussed as part of our discussions and the views of both Ysgol Brynhyfryd and Modernising Education have been considered as part of the final design brief.

The site currently has just 40 members paying by direct debit. Other sites that have undergone a similar level of investment such as Denbigh and Rhyl significantly out perform Ruthin. Rhyl currently has 694 members and Denbigh has 544.

Alliance Leisure as part of their feasibility exercise commissioned the services of FMG Consulting in order to undertake a study into the opportunities arising from this investment. They evaluated the demographics of the area including the Ruthin population, the catchment population and the market segments. FMG used the Leisure Database Company (TLDC) and we opted for a 12 minute drive time (approximately 4 miles) as the core catchment area which resulted in a population of 11,400 adults and 1,090 young people aged between 10 and 17 years old. The TLDC has estimated the latent demand (desire currently not being satisfied) for improved fitness facilities at Ruthin Leisure Centre to be 679 adults – this is the total number of members they feel the centre could achieve. This does include an allowance of 102 for members who TLDC feel would travel from outside the 12 minute drive time. TLDC latent demands are reliable and accurate and used by all the leading private and public sector providers. The site currently has 40 members which compared to the latent demand demonstrates that the site it is significantly under performing. This will be as a direct result of poor equipment, limited opening times (5pm – 10pm Monday – Friday / 10am – 4.30pm Saturday / Sunday), quality of support accommodation such as changing and the difficulties of developing a marketing strategy for such a poor product.

Although the feasibility exercise suggests that there is a latent demand of 679 for the provision of improved fitness facilities we have discussed this further with our partners and having looked at the number of memberships across our portfolio we feel that it would be more prudent to base our business case on a membership of 475.

Again, Alliance Services engaged FMG Consulting to look at our design brief to replace the existing 600M2 all weather pitch which is over 10 years old with a new full sized 6,000m2 pitch. In order to establish demand they used the Sport England Sports Facility Calculator based on the catchment population of 12,500 people which calculated there should be a demand of 0.36 full size pitches or 2,160m2. Other management tools confirmed that the site would only require a maximum of a half sized pitch to meet demand.

There are three sites within a 20 minute drive of Ruthin's all weather pitch providing a total of approximately 20,000m2. These are all sand based surfaces which are multi functional. A 3G (third generation) playing surface would make the facility stand out from other sites and possibly generate better income levels but a 3G pitch limits the range of activities on offer as usually they are only fit for football, rugby and some level of hockey provision. This would limit the opportunities for the school who would also want to deliver netball and tennis from these facilities. The demand for a full size pitch rather than a half size pitch (as recommended by Alliance) is driven by the needs of Ysgol Brynhyfryd to improve PE provision on the site.

Indicative costs of £1,287,000 have now been provided by Alliance Leisure Services Ltd for this whole development.

This project will be based on affordability and sustainability. Leisure, Libraries & Community Development will be required to borrow this money through both prudential borrowing and finance through our development partner. Our framework is based a maximum of 75% gap funding which means that we are contracted to borrow at least 25% of the overall costs through Alliance Leisure Services Ltd but can find the other 75% through capital contributions or prudential borrowing through the Authority. The benefits of having this opportunity to gap fund is that currently the Authority can borrow a rates between 1.6% and 3.4% depending on the term. This is far more competitive than the rates currently available through our development partner.

The site currently has 40 members. Our business case will be based on 475 therefore we will need to attract an additional 435 members across the service. This equates to an additional annual income of £106,140 NET based on the average NET individual membership cost of £244 per year.

The income for the existing all weather pitch at Ruthin Leisure Centre is approximately £16,000. Again, from experience of our other all weather pitches in our portfolio we have set an income target of £28,000 NET which is based on the income derived at similar facilities such as Denbigh Leisure Centre. This means that we would expect an additional income of £12,000 per year.

In our first year we have projected an extra 435 new members which would give us the 475 members outlined in this business case. This would amount to an annual income of £106,140 on memberships and combined with the £12,000 additional income from the AWP a total of £118,140. This increased income would be used to finance the borrowing levels required to deliver this project.

All the fitness equipment (Technogym) will be financed over a five year period with an annualised payment of £18,905 and over the 5 years a total of £94,525. All of this equipment cost would be prudentially borrowed as Leisure Services has a framework agreement in place with Technogym to purchase equipment at significantly discounted levels.

The build costs for the fitness suite, changing area, reception and car park will need to be financed over 20 years and will be a combination of prudential borrowing and finance through Alliance. This will be split on a 75 / 25 split. This would result in a annualised payment of £53,082 based on a combination of Prudential borrowing (75% - £34,355) and Alliance Leisure finance (25% - £18,727)

The all weather pitch will be funded slightly differently to other elements of this project and have a combination of prudential borrowing and Alliance finance but over different terms. The reason for this is that usually an all weather pitch surface has a life span of approximately 10 years and after this the service would usually look at replacing the surface. The surface base, fencing, lighting etc has a much longer life. For these reasons we would borrow over two different terms and would be financed through prudential borrowing over 15 years at £29,516 and Alliance finance over 10 years at £14,350. The total annualised borrowing would be £43,866.

Under normal circumstances, any capital spend that has a positive impact on the school PE activities would be subject to an agreed contribution from the associated high school under the dual – use agreement. As a result of the development of a full sized all weather pitch, Ysgol Brynhyfryd would usually have contributed 34% of the prudential borrowing costs of this element of the project which in this instance would equate to £14,914.

In summary, the income levels projected by this development are approximately £118,140 per year. The expenditure on borrowing is forecast at £115,583 resulting in a surplus of £2,287 per year. This allows a small element of contingency and the opportunity to re-invest in replacement or upgrading of equipment.

There will be no increased staff costs associated with the development of this scheme. A staff structure is already in place and the service will be moving resources from other areas of their business to meet this anticipated increase in demand. There may however be some costs associated with increased energy consumption / NNDR although this will potentially be offset by a number of energy efficiency measures currently being undertaken at the site. There is also a budget already allocated for the maintenance of the existing all weather pitch and energy costs.

We have been prudent with our income forecasting basing the targets on comparable income generated at similar sites throughout Denbighshire. The latent demand identified by Alliance Leisure Services through their consultants identifies the potential for the fitness suite as 679 members. We have based our forecasts on a maximum of 475. Alliance Leisure as part of their service will work with the Authority to maximise membership as quickly as possible and if we achieve this 679 membership level as suggested, the Authority would generate a further £49,776 based on an individual annual membership of £244 NET income per membership.

This is a major development of Ruthin Leisure Centre with benefits to both the community and pupils of Ysgol Brynhyfryd. The project requires financial approval from Strategic Investment Group and Cabinet for total funding of £1,287,000 over terms varying from 5 to 20 years depending on the different elements of the project. This approval will allow the site to grow and offer the same services that other towns within Denbighshire currently benefit from. The service will be able to deliver GP referral sessions and Cardiac Rehabilitation programmes which the site has never been able to deliver before and is common practice throughout the rest of the Authority.

For summary of income and cost estimates please see appendix 2.

OUTPUT/PRODUCT

The output/product should always be something tangible and physical:

- For **Business Development projects where there is no capital investment**, the output/product will be the result of project e.g. a policy or strategy document, a re-structured organisation, an event.
- For **Business Development projects where there is a capital investment requirement** the output/product will be what is actually purchased with the funding e.g. a new software system.
- For **Construction projects**, the product/output will always be some type of building or structure, and it is helpful if this section of the Project Proposal form can include a brief description of the building giving an indication of the proposed size and use if known.

This development will create a new full size all weather pitch with associated flood lighting and security fencing. The Development will also create a new reception area with viewing into the swimming pool, a set of wet and day changing areas and a modern 25 station, Technogym fitness suite with dedicated car parking for leisure centre customers.

As part of this there will also be the Wellness application which allows customers to track their own fitness, prescribe exercise programmes and monitor performance. This is part of the overall fitness experience that we want to embed across all of our sites. It enhances the leisure experience and is a valuable tool for increasing and retaining membership.

The construction project will build further capacity to improve PE provision at Ysgol Brynhyfryd and provide facilities fit for the 21st century.

For proposed layout please see appendix 1.

BENEFITS

The benefits are the quantifiable and measurable improvement resulting from completion of the project/activity outputs detailed above. All projects/activity should deliver some benefits, and consideration should be given to economic, environmental, social and business benefits.

Environmental

The completed project would result in a significant improvement in the standard of accommodation for both the school and leisure centre. The facility is not conducive to sport and has a considerable impact on the image of Leisure Services and Denbighshire County Council.

Social

Higher standards across the whole school through PE, sport and other forms of structured activity as set out in school improvement / development plans.

Better opportunities to increase the levels of physical activity among the school age population and, more generally, local communities supporting the health recommendation for levels of physical activity for young people and adults.

Improved collaboration, co-operation and partnerships between schools and their communities – more emphasis on community focused schools

Economic & business benefits

In addition to the considerable educational benefits, a new fitness suite and full sized all weather pitch would give the leisure centre the opportunity to promote a facility that is fit for purpose and in turn encourage greater levels of physical activity and sports participation throughout the entire community.

As well as increasing attendance levels, the facility would also generate an increased income from hires or structured activities provided by the leisure centre. The purchase of this equipment and minor refurbishment of this area will increase the benefits to our customers so that there is a standard fitness offer across Denbighshire. By providing better facilities we are able to increase our overall membership and generate increased income levels. The equipment is of a higher standard than we currently have at any of these sites and will encourage more people to participate in health and well – being activities.

PERFORMANCE INDICATORS

Performance Indicators are measures of success which can be used to assess whether the benefits (NOT the output/product) detailed above have been delivered. Where appropriate, these indicators should relate to those detailed in the relevant Directorate and/or Service Business Plan.

Performance Measure/Indicator	Current Baseline	Target (2013)	Target (2014)	Target
Ruthin Leisure Centre Fitness memberships (cash payment & direct debit)	40	375	475	

KEY STRATEGIC DOCUMENT

In which one key strategic document is this project referenced? For example, all construction projects should be detailed in the relevant Service Asset Management Plan (SAMP). Business improvement investment should be detailed in the Service Business Plan or Denbighshire's Improvement Plan.

Leisure, Libraries & Community Development Asset Management Plan 2011/12
Business Plan
Leisure Strategy

OVERARCHING AIMS / CORPORATE PRIORITIES

This section should identify how the project/activity supports Denbighshire's overarching aims and/or corporate priorities

This project contributes directly towards supporting the Corporate Priority of Modernising Education through Provision of and improvement to the quality of the learning environment at Ysgol Brynhyfryd

The proposed work would meet a number of Denbighshire's aims and corporate priorities.

The **Modernising Education report by Cambridge Education in September 2007** report stated:-

29. 'there are many areas where there is a need to improve conditions for teaching and learning. A review of Estyn reports on Denbighshire's high schools shows a number of examples of poor accommodation being raised as important factors in constraining the quality of teaching and learning, with also several references to health and safety issues. Poor facilities for PE, for instance, are connected to low standards.'

The refurbishment of this facility is fully consistent with the Service Asset Management Plan and our Leisure Strategy outcomes of providing high quality settings in which to enjoy leisure activities and increasing the number of participants.

The facility plays a key role in achieving the Health and Well Being, Community Safety, and Children's and Young People themes of the community strategy.

DCC vision states that:-

- We will invest in our schools in order to sustain high standards of educational attainment to meet the needs of pupils and the wider community and the economy.
- People across the County will take responsibility for their own health and well being, they will be fully aware of the benefits of taking regular exercise and eating well. More adults and young people will participate in sport and physical activity.
- There will be a range of sports activities for all age groups to help us stay fitter and healthier.

We will offer a high standard, year round set of attractions and activities.

The proposed work would also meet the targets in our Service Business Plan of:-

- Increased participation within inactive and active children.
- Reduce the number of inactive adults
- Provide facilities that are fit for purpose and meet customer needs and aspirations.

Our Service plays a key role in delivering the outcomes of the BIG Plan specifically outcome 1 helping older people lead independent and fulfilled lives and outcome 6 of ensuring people in Denbighshire have healthy lifestyles. Improved facilities increase participation levels, offer more opportunities to engage older people through GP referral sessions, cardiac rehabilitation programmes or activities developed for the older market.

Our Leisure Strategy sets out our vision and commitment to improve access to high quality settings in which to enjoy leisure activities. One of our key actions within this strategy is to continue to invest in the health and fitness facilities at our leisure centres in order to improve the quality of provision for both our school PE and community. This strategy has been endorsed by the Authority and is seen by many of the newly elected Ruthin members as an important strategic project for Ruthin.

STATUTORY REQUIREMENTS / HEALTH & SAFETY

This section should identify how the activity will help Denbighshire meet any of its statutory requirements. Please include any Health & Safety issues that the activity will address in this section. Please leave blank if not applicable.

The existing fitness equipment at Ruthin Leisure Centre is over 8 years old and is more susceptible to defects. This means that there is more risk of injury to the users. The equipment is also used by pupils of Ysgol Brynhyfryd and does not have the same safety standards as more modern equipment that we have at other sites.

The equipment at Ruthin is in poor condition and will require remedial action if the proposal is not approved. A number of pieces of equipment have already been put out of action.

Although the surface on the existing all weather pitch is in reasonable condition there are areas that are showing signs of wear. The carpet has been down for over 10 years. Usually carpets are replaced between 10 – 12years depending on the amount of use. This surface will need to be replaced within the next two years.

If we fail to act and improve facilities in Ruthin our reputation and profile as a high performing council could be tarnished amongst the population of Ruthin and surrounding area. We need to ensure we provide the same standard of facilities in Ruthin as we do throughout the rest of the county.

TIMESCALES

This section should outline the desired timescales for the activity. It should include all gateways and other key milestones including when the project/activity is proposed to commence and when the project/activity will be complete (and the output detailed earlier achieved).

Date	Milestone
18/062012 – 02/10/2012	PROJECT START Design & Development SIG & CABINET APPROVAL Pre – construction. Receipt of tender returns, evaluation, interviews. Award Construction contract. Surveys & investigations. Design development to planning. Design freeze. Client sign off.
07/2012	Statutory approvals – planning consent / Building Regulation submission.
02/10/2012 – 26/03/2013	Construction Mobilise construction team, site set up. Phase 1 - new entrance, fitness suite, changing and car park. Phase 2 – new all weather pitch
06/03/2012 – 26/03/2012	Staff development, training & marketing support
26/03/2012	HANDOVER

PARTNERSHIP WORKING

Please provide details of any consideration you have made for working in partnership (with other local authority or public sector organisation, voluntary or private sector organisation) to deliver this activity:

The project will benefit the pupils and staff at Ysgol Brynhyfryd by improving PE provision on the site. The development will also create more opportunities to work with more voluntary sports clubs and associations. There are further opportunities to develop partnership working with NHS trusts to deliver GP referral sessions and a cardiac rehabilitation programme.

BIODIVERSITY IMPACT

Please consult with Denbighshire's Biodiversity Officer before completing this section:

kate.taylor@denbighshire.gov.uk

The Council has a statutory duty to ensure compliance and enforcement of the habitats regulations (as amended in 2007) and the NERC Biodiversity Duty (2006). At this pre-feasibility stage, what is the anticipated impact on biodiversity of the project. Please mark a cross in the appropriate box.

Will this project impact on a habitat that supports living organisms (plant or animal)?	Yes		No	X
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If you have answered yes to the above question, please complete all the following biodiversity sections. If answered no please leave blank

THREATENED/PROTECTED SPECIES Will this project impact on any protected or threatened species as defined in Denbighshire's Local Biodiversity Action Plan (LBAP)?	Yes		No	X
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ALL SPECIES (including threatened/protected) Forecasts:	Current number	Post-project number	Variance (+/-)
Number of plant species present:			
Number of animal species present:			
TOTAL NUMBER OF SPECIES PRESENT			

Please provide brief details of the action you will be taking in association with this project to protect or enhance biodiversity. Specific reference should be made to the mitigation strategy if the project impacts on any protected or threatened species as defined in Denbighshire's Local Biodiversity Action Plan (LBAP).

CAPITAL COSTS – BUSINESS DEVELOPMENT PROJECTS

COMPLETE ALL THREE TABLES BELOW FOR BUSINESS DEVELOPMENT PROJECTS
LEAVE BLANK/DELETE SECTION FOR CONSTRUCTION PROJECTS

The capital cost of a project is an important consideration in terms of whether or not it should proceed. Note that even some Business Development Projects may have a requirement for capital costs, for example to fund the acquisition of new ICT hardware or undertaking alterations to buildings.

- Any costs relating to ICT infrastructure and equipment should have been provided by ICT department.
- Any costs that relate to construction should have been provided by Design & Development or Building Services.

Please provide details of any capital funding that has already been spent on the project:	
Enter details of cost element below:	Total
Feasibility (surveys, market research, etc)	
Client side project management	
OTHER (please enter)	
OTHER (please enter)	
TOTAL	

Please provide details of the capital funding requirement (not including amount already spent):				
Enter details of cost element below:	2011/12	2012/13	Future Years	All Years Total
Feasibility (surveys, market research, etc)				
Client side project management				
ICT infrastructure and hardware				
Building alterations				
Design Team Fees (architects, QS, etc)				
Furniture				
Other professional support (legal, etc)				
Marketing/Consultation				
External Project Support (gateway review, etc)				
OTHER (please enter)				
OTHER (please enter)				
OTHER (please enter)				
OTHER (please enter)				
OTHER (please enter)				
OTHER (please enter)				
TOTAL				

Please provide details of proposed capital funding sources					
Enter details of funding source	Status:	2010/11	2011/12	Future Years	TOTAL
TOTAL					

NOTE: For funding status, please only use the following categories:

Approved –written approval for the funding exists

Applied – no written approval exists but an application has been made

Approached – initial approach to or by funding body has been made but no application submitted

None – no contact or approach has been made to or by the funding body

CAPITAL COSTS – CONSTRUCTION PROJECTS

COMPLETE ALL THREE TABLES BELOW FOR CONSTRUCTION PROJECTS
LEAVE BLANK/DELETE SECTION FOR BUSINESS DEVELOPMENT PROJECTS

The capital cost of a project is an important consideration in terms of whether or not it should proceed.

- Any costs relating to ICT infrastructure and equipment should have been provided by ICT department.
- Any costs that relate to construction should have been provided by Design & Development or Building Services.

Please provide details of any capital funding that has already been spent on the project:	
Enter details of cost element below:	Total
Feasibility (surveys, market research, etc)	
Client side project management	
OTHER (please enter)	
OTHER (please enter)	
TOTAL	

Please provide details of the capital funding requirement (not including amount already spent):				
Enter details of cost element below:	2011/12	2012/13	Future Years	All Years Total
Feasibility (surveys, market research, etc)				
Client side project management				
Land/property acquisition				
Land preparation/remediation				
Demolition and/or site security				
Construction, refurbishment or maintenance	£1,287,000			
BREEAM rating of "Excellent"				
Security measures (CCTV, door entry, etc)				
Fire prevention measures (sprinklers, etc)				
External landscaping and other works				
Land/property acquisition				
Highways work				
ICT infrastructure and hardware				
Fixtures & fittings				
Furniture				
Planning/Building Regulation Costs				
Design Team Fees (architects, QS, etc)				
Legal Costs and Fees				
Marketing/Consultation				
External Project Support (eg gateway review)				
OTHER (please enter)				
OTHER (please enter)				
OTHER (please enter)				
OTHER (please enter)				
TOTAL	£1,287,000			

Please provide details of proposed capital funding sources					
Enter details of funding source	Status:	2011/12	2012/13	Future Years	TOTAL
Prudential Borrowing	APPLIED	£988,000			
Development Partner Finance	APPLIED	£299,000			
TOTAL		£1,287,000			

REVENUE COST IMPACT

TO BE COMPLETED FOR ALL PROJECTS

In considering whether a project should be developed due regard should be made to the potential impact on revenue budgets.

If the activity will result in a requirement for additional revenue funding, please provide details below:			
What is the impact of this project in terms of the <u>annual</u> revenue requirement for:	Existing Revenue Budget	Post-project Revenue Budget	Increase/ Decrease
staff costs (salaries and associated)			
energy costs (heating, lighting, ICT, etc)			
property maintenance and servicing costs			
other property related costs (rental, insurance, etc)			
ongoing ICT costs (licences, etc)			
mileage of Denbighshire fleet vehicles			
mileage for business travel by Denbighshire employees using their personal vehicles			
OTHER (please enter)			
OTHER (please enter)			
OVERALL REVENUE REQUIREMENT			

Please provide brief details of the revenue impact of this project:

- *Where revenue savings are forecast, you should detail what is proposed for the saving (e.g. reduction of an existing revenue budget, re-allocation of revenue to alternative services area, etc)*
- *Where revenue increases are forecast, you should provide details of how the revenue shortfall will be addressed. In this instance you should also append a three year surplus/deficit forecast.*
- *Details of any one-off revenue cost requirements that may be required post-project implementation (e.g. recruitment, redundancies, etc). DO NOT include any costs detailed in the capital section of this Business Case*

There will be no increased staff costs associated with the development of this scheme. There is already a staff structure in place and as part of the development the service will reallocate resources from other areas of their business to meet this anticipated increase in demand. There may be some costs associated with increased energy consumption / NNDR although this will potentially be offset by a number of energy efficiency measures currently being undertaken at the site. There is also a budget already allocated for the maintenance of the existing all weather pitch and energy costs.

The total cost of this project is £1,287,000

This capital expenditure requires a prudential borrowing sum of £988,000 over varying terms. As part of the framework agreement the service is required to borrow the balance through Alliance Leisure Services Ltd. This would be for £299,000 over 10 years for the all weather pitch carpet & 20 years over fitness suite / car park.

The site currently has 40 members. We forecast that the facility will attract 475 members generating income from an additional 435 members generating an income of £106,140.

The existing all weather pitch currently generates £16,000. We forecast that this new facility will generate a further £12,000 per year based on similar sites within our portfolio. For a summary breakdown please see appendix 2.

CARBON MANAGEMENT IMPACT

Please consult with Denbighshire's Climate Change Officer before completing this section:

helen.burkhalter@denbighshire.gov.uk

Denbighshire has committed to reducing its carbon emissions by 33% by 2020. The Business Case requires you to make a forecast for the anticipated carbon emissions impact of the project. Please mark a cross in the appropriate box.

Forecasts:	Annual (current)	Carbon Equivalent	Annual (Post Project)	Carbon Equivalent	Carbon Variance
Energy consumption: (UNIT = kWh)					
Mileage of Denbighshire Fleet vehicles: (UNIT = miles travelled)					
Tonnes of waste produced going to landfill: (UNIT = tonnes)					
Tonnes of waste produced being recycled: (UNIT = tonnes)					
Mileage of Business Travel (personal vehicles): (UNIT = miles travelled)					
TOTAL CARBON EMISSIONS					

Please provide brief details of the carbon impact of this project, and detail specific actions that will be taken to reduce carbon emissions. If carbon emissions are expected to increase as a result of this project, please provide details of proposed actions to compensate for this increase in other area's of the Service's activity.

RISK ASSESSMENT

Assuming that the activity detailed in this Business Case is approved, please assess the level of risk associated with delivering the project in the key areas detailed below by ticking the appropriate box.

Risk description	Low	Med	High
Risk that costs will escalate and the project/activity will not be delivered within the funding detailed within this Business Case	X		
Risk that the project/activity will not be completed within the timescales detailed in this Business Case	X		
Risk that the project/activity will not deliver the same output/product specification detailed in this Business Case	X		
Risk that the benefits detailed in this Business Case will not be realised on completion of the project/activity	X		

Please provide brief details of any other specific risks associated with the development and delivery of this project.

Our development partner, Alliance Leisure Services Ltd will provide a fully costed proposal that the Authority will assess on the suitability and merits of the scheme. If approved, they will provide a fixed cost for the scheme which under the call off contract will be the capital sum the Authority will need to finance. There will be a small contingency built into the programme but any deviations from the agreed capital sum will be borne by Alliance Leisure Services Ltd.

Under the framework agreement Alliance Leisure are also committed to driving up our membership sales in line with agreed targets. They would provide sales and marketing teams at no cost to the service in order to meet these targets. Monthly finance payments would be withheld if these targets are not achieved.

OPTIONS APPRAISAL

This is a high level analysis of two possible alternatives that have been considered. The first option is to “do nothing” – i.e. what would be the consequence of not carrying out the activity? In the second option consideration should be given to an alternative way of delivering the previously detailed project/activity benefits.

Option title:	Do nothing – maintain the existing situation				
Please provide brief details:					
Continue to deliver our services from the existing facilities.					
Please mark with an X how this option compares with the preferred option in terms of Cost, Time, Quality and Benefits:					
Costs	Costs more		Time	Takes longer to deliver	
	Costs the same			Takes the same to deliver	
	Costs less	X		Is quicker to deliver	X
Quality	Improves the quality		Benefits	Improves benefits	
	Is the same quality			No impact on benefits	
	Is a lower quality	X		Worsens benefits	X
What is the main reason this option has not been selected?					
<p>This option does not improve our service delivery. The purpose of the development is to invest in our facilities in order to offer better services to our communities, standardise our leisure offer across the Authority and replace outdated poor quality equipment in order to promote more participation and improve health and wellbeing in Denbighshire.</p> <p>The existing equipment will continue to deteriorate. We will continue to get complaints from service users. Our costs for repair and maintenance on this old equipment will continue to rise. There will be no standardised offer across Denbighshire. We will be restricted in having opportunities to maximise our income levels. The current all weather pitch surface and fencing will need replacing within the next two years.</p> <p>There would be no opportunity for business growth and as the school is not part of the 21st Century School Improvement programme there would be no improvements to PE provision on the site.</p>					

Option title:	Develop a fitness facility and just re-surface existing all weather pitch				
Please provide a brief description of this option:					
Reduce the size of the scheme and develop a fitness suite with associated reception and changing area. Resurface the existing all weather pitch surface and replace fencing and rebound boards. Possibly replace lighting.					
Please mark with an X how this option compares with the preferred option in terms of Cost, Time, Quality and Benefits:					
Costs	Costs more		Time	Takes longer to deliver	
	Costs the same			Takes the same to deliver	
	Costs less	X		Is quicker to deliver	X
Quality	Improves the quality		Benefits	Improves benefits	
	Is the same quality			No impact on benefits	
	Is a lower quality	X		Worsens benefits	X
What is the main reason this option has not been selected?					
The existing all weather pitch is small and does not meet the needs of the community or the school for the delivery of the PE curriculum. Also, the area where the existing all weather pitch is located has been identified as the most suitable place for the new build facility and car parking area.					

PROCUREMENT STRATEGY

If the project involves any financial expenditure, please provide details of how you intend to procure the services/goods/works

In January 2012 Cabinet approved the appointment of Alliance leisure services as our development partner. Alliance will provide project management services and act as the principle contractor coordinating the design, construction, commissioning and handover of the completed project. They would provide the relevant professional services associated with a design and build project.

BUSINESS CONTINUITY

Please provide any details of how this project might/will impact on business continuity and/or disaster recovery plans

The construction will have some impact on the existing all weather pitch as this is the area that will be developed for the new entrance and fitness facility. The rest of the operation will continue during the development. There will be little impact on the school and leisure centre although the school will need to programme their activities in accordance with the building programme.

SUPPORTING INFORMATION

Please list any supporting documents that accompany this Business Case

Identified in Leisure Services Asset Management Plan (Available upon request)
Leisure Service Business Plan (Available upon request)

Please provide any further information that you feel helps support this Business Case:

Rather than find efficiencies from reducing opening times or reducing staff numbers our strategy is based on growth and this will be achieved by providing better facilities in order to attract increased memberships and increased income levels. We have done this successfully over the last three years and year on year reduced costs whilst maximising income. Income generated at leisure centres has increased by 5.4% compared with the previous year whereas costs have reduced by 6.1%. The leisure centre subsidy per user is £0.58, the lowest in Wales.

Leisure Services has invested in many other facilities over the last 10 years to improve the visitor experience and develop facilities and programmes that are fit for the 21st century. Ruthin Leisure Centre is the last of our properties to have investment focused on improving the fitness offer and this development will standardise our service across Denbighshire as well as offer more opportunities to the community.

The service continues to grow its business and invest in facilities that have a direct benefit on community and PE provision. The scheme has full local member support and is seen as a strategic development for the town.

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REPORT TO CABINET

DATE OF MEETING: 17th July, 2012

LEAD MEMBER: Councillor David Smith

REPORT AUTHOR: Head of Planning, Regeneration and Public Protection

TITLE: FORMER NORTH WALES HOSPITAL,
DENBIGH – PROGRESS REPORT

1. WHAT IS THE REPORT ABOUT

This report is to update Cabinet on progress with this site, to provide information on costs to date together with anticipated costs and to recommend authorisation for further action.

2. WHAT IS THE REASON FOR MAKING THE REPORT

On 26th October 2010, Cabinet authorised the service of an Urgent Works Notice. The service of a Repairs Notice and the creation of a single purpose vehicle which will take ownership of the site should Denbighshire County Council compulsory purchase it. In the light of progress to date and expenditure incurred and anticipated, this report recommends that Cabinet endorses further action.

3. REPORT DETAILS

On 6th June, 2011, the Urgent Works Notice was served on the owner of the site. This followed several months of preparation dealing with matters relating to Listed Building legislation, protected species legislation and health and safety matters in relation to the structural condition of the building and the presence of asbestos. In addition it was necessary to have an experienced contractor prepared to enter the site should the owner fail to respond.

The owner did not respond within the 2 week deadline and so our contractor entered the site on 21st July, 2012 in order carry out the Urgent Works in default. The contract was costed at approximately £800k. Unfortunately, the building was found to be far more fragile than anticipated and as a result the contract period has been extended and the cost of the work is now expected to be £930k.

- As part of the planning process a Section 106 Agreement had been entered into with the owner and a Bond Agreement entered into with Lloyds TSB. The outcome was that D.C.C. received a payment of £1.9m from the bank to be spent on the building and it is out of this sum that the Urgent Works is being financed. Appendix B profiles the spend to date against that £1.9m (i.e balance after Urgent Works paid for approximately £750k.
- By the date of this meeting it is anticipated that the contractor will have completed the work and will have left site.
- Demands for payment in regard to the Council's expenditure have been served on the owner (an off shore company) but no payment has been received. It is anticipated that a charge be placed on the property, subject to Court approval, in respect of the debt.

- In addition to the cost of carrying out the Urgent Works, D.C.C. has incurred additional costs associated with consultancy fees in order to progress, not only the Urgent Works contract, but also the broader project which ultimately will lead to a solution for this problem site. The costs incurred to date are set out in Appendix A. Also in Appendix A are indicative anticipated costs against the remaining balance of approximately £750k. These are difficult to estimate in some cases because we do not know how the owner will react. He has regularly threatened litigation for example but has not taken action to date. We have included a sum in Appendix A as a contingency.
- The Council has employed the services of the Prince's Regeneration Trust not only to advise us throughout this process but also to set up a Single Purpose Vehicle in the form of a Building Preservation Trust. The creation of the S.P.V. is essential prior to serving the Repairs Notice. The establishment of the S.P.V. is nearing completion and therefore serving the Repairs Notice in the near future would be timely and appropriate in order to maintain momentum. With the S.P.V. in place and a back to back agreement between the Council and S.P.V. to transfer ownership should the Council compulsory purchase the site, the risk to the Council is minimised.
- The schedule of repairs has been prepared in some detail. This will be attached to the Repairs Notice. If within 2 months the owner has made no progress with the repairs, then the Council can begin compulsory purchase proceedings but only if the S.P.V. is in place.
- Prince's Regeneration Trust has indicated that the setting up of the S.P.V. is now imminent. This will allow the service of the Repairs Notice (the volume of work on which has been completed) to be served in the near future. We will know soon therefore how much resistance and legal challenge the owner is prepared to put in. The CPO could take up to 18 months if fully challenged.

5. HOW DOES THE DECISION CONTRIBUTE TO THE CORPORATE PRIORITIES

The preservation and ultimate restoration of this historic listed building is a statutory function and will have significant potential regeneration benefits for Denbigh and the county as a whole.

6. WHAT WILL IT COST AND HOW WILL IT AFFECT OTHER SERVICES

There will be no affect on other services. The anticipated costs are set out in Appendix A.

7. WHAT CONSULTATIONS HAVE BEEN CARRIED OUT

There have been extensive discussions with Welsh Government (CADW, Bio Diversity Officer and Planning Division), local Members and the Prince's Regeneration Trust. Responses have informed our proposed course of action.

8. CHIEF FINANCE OFFICER STATEMENT

This is a very complex situation made more difficult by the relationship with the current owner of the site. There are risks around all the costs of delivering a successful solution to the project and the council must be very clear on its role, powers and duties going forward. There is still a significant sum left to fund the project but progress to date has shown how quickly money can be spent here. Care must be taken that the finances are very closely monitored and problems highlighted as early as possible.

9. WHAT RISKS ARE THERE AND IS THERE ANYTHING WE CAN DO TO REDUCE THEM

The Repairs Notice is a precursor to starting C.P.O. proceedings. The Council does not want to acquire the site and buildings for any period of time hence the need to set up the S.P.V. and a back to back agreement to transfer ownership immediately. We will also keep costs within the available budget including a substantial sum to cover costs associated with any potential litigation.

10. POWER TO MAKE THE DECISION

Section 2 Local Government Act 2000 – Power of well being. See previous report to Cabinet on 26th October, 2010.

11. RECOMMENDATION

That Cabinet confirms its approval to serve a Repairs Notice set up a S.P.V. and proceed to Compulsory Purchase action.

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By virtue of paragraph(s) 14 of Part 4 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

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FORMER NORTH WALES HOSPITAL, DENBIGH

SPEND TO DATE	£
£1.9m Bank Receipt	1,900,000
Less Urgent Works (Wye Valley Demolition – complete end July)	930,000
Less DCC Design Fees (CDM Co-ordinating etc)	34,539
General	22,000
2009/10	
PRT	12,937
Specialist Architect Advice	5,930
2010/11	
PRT	12,222
Specialist Architect Advice	9,389
Specialist Engineers	1,350
Valuation Office	1,870
Specialist Planning/Valuation/Visits	6,875
2011/12	
PRT	48,237
Specialist Architect Advice	20,829
Specialist Engineers	9,290
Signage	2,979
2012/13 (to date including known commitments)	
Specialist Architects	6,056
DVD	10,000
Specialist Bat Advice	2,000
Legal Advice	1,500
PRT	12,000
BALANCE	750,000

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Report To: CABINET

Date of Meeting: 17th July 2012

Lead Cabinet Member: Councillor Julian Thompson-Hill

Lead Officer: Paul McGrady, Head of Finance & Assets

Title: Finance Report

1 What is the report about?

The report gives details of the council's revenue budget and savings as agreed for 2012/13 as at the end of June 2012. The report also gives a summary update of the Capital Plan, the Housing Revenue Account and Housing Capital Plan.

In addition, the report brings forward a recommendation from the Strategic Investment Group for approval. It relates to a capital scheme to improve the provision of library services in Prestatyn.

2 What is the reason for making this report?

The report advises members of the format of the budgets and sets out the reporting structure for the coming year. At this stage there are no deviations from the agreed budget strategy for 2012/13 as defined in the Medium Term Financial Plan, the Capital Plan and the Housing Stock Business Plan.

To seek Cabinet approval for a significant capital scheme.

3 What are the Recommendations?

Members note the budgets and savings targets for the year and progress against the agreed budget strategy.

Members approve the capital project to improve library services in Prestatyn as shown in Appendix 5.

4 Report details

The latest revenue budget forecast is presented as **Appendix 1** and shows a balanced position across all services, including schools and corporate budgets.

The Housing Revenue Account summary is also included in Appendix 1 for information but this is a separate fund and not part of the council's revenue budget.

Appendix 2 to this report gives an update showing progress against the savings and pressures agreed as part of the 2012/13 budget setting process. In total, net savings of £3.443m were agreed and £1.312m (38%) has been achieved with £2.131m (62%) still classed as in progress. Although 62% of the items are still classed as 'in progress' none of the savings listed are thought to be unachievable and this % should drop significantly during the course of the next few months.

5 How does the decision contribute to the Corporate Priorities?

Effective management of the council's revenue and capital budgets and delivery of the agreed budget strategy underpins activity in all areas, including corporate priorities.

6 What will it cost and how will it affect other services?

This section of the report is used to highlight any key variances from budget or savings targets, risks or potential additional savings that may arise throughout the year and to give a more general update on the Capital Plan and the Housing Revenue Account. The position at this early stage of the financial year assumes very little variances from the agreed budgets but detailed below are those service areas that warrant further explanation. Undoubtedly, variances will emerge across services as the year progresses. In addition, ahead of the next Cabinet Report Departments will need to clearly set out how they intend to utilise any revenue underspends that are being rolled forward from the 11/12 financial year.

Revenue Budget – the main points at this early stage are:-

Communication, Marketing & Leisure – The budget for the Rhyl Integrated Children's Centre Oaktree Centre is under pressure due to the loss of £80K grant funding. While the service is taking action to reduce expenditure it is likely that this facility will overspend by £40K. Future years' pressures will be dealt with during the service challenge / budget setting process.

In the **Planning, Regeneration & Regulatory Services** Department there is potentially a £50K pressure on the Rhyl Regeneration revenue budget as a result of unfunded staffing posts within the team and also due to increased costs associated with the Rhyl in Bloom project. It is proposed that part of the £91K Regeneration underspend from 11/12 is rolled forward to finance these costs in 12/13.

Adult Services budgets are shown as balanced but at this stage assume that approximately £312K of the Supporting People Reserve will be used to fund the pressures within year. This was part of the strategy agreed at previous Service Challenge meetings and the specific reason for the original creation of the Reserve.

The **Environment Services Department** has a budget savings target of £771K for 12/13 and encouragingly is already well on course to achieve this high level of savings.

Schools - as at June the projected 2012-13 school balances are £1,757m. This is a negative movement of £44k from the balances of £1,801m brought forward in 2011-12. We are currently working with 2 schools that are in financial difficulty with their deficit balances totalling (£401k). These schools have recovery plans in place and are actively working to the targets set out in these plans.

Capital Plan – The final outturn for 2011/12 was £34.047m. Expenditure to the end of June 2012 is £2.39m against a plan of £36.6m for 2012/13. **Appendix 3** shows a summary of the 2011/12 expenditure and 2012/13 plan, together with details of how it is financed. An overview of major capital projects is shown as Appendix 4.

In June, the Strategic Investment Group was presented with two capital projects to consider. The first is the subject of a separate report in relation to the Ruthin Leisure complex. The second was in relation to a project to relocate and improve the library facilities in Prestatyn. A submission in relation to this project is included as Appendix 5. The Strategic Investment Group recommends that Cabinet approves both projects.

Housing Revenue Account (HRA) – The latest HRA forecast shows a planned in-year deficit of £202k. This includes funding capital expenditure of £602k from revenue as part of the agreed Housing Stock Business Plan for 2012/13. The Business Plan remains viable and based on the latest forecast, the HRA balance carried forward will be £662k.

The Housing Capital Plan is forecast to spend £7.5m in 2012/13 which is part-funded by prudential borrowing (£4.4m). The achievement of Welsh Housing Quality Standard by the end of 2012/13 remains on target and a detailed stock condition survey is being completed currently. This survey will help inform capital investment and business planning assumptions going forward.

A summary of the latest HRA position is shown in the table on the following page.

Housing Revenue Account & Capital Plan Summary:

<u>Housing Revenue Account Summary 2012/13</u>	
<u>June 2012</u>	
Expenditure	£'000
Housing Management & Maintenance	5,683
Capital Charges	2,661
Subsidy	3,148
Provision for Bad Debts	29
Revenue Contribution to Capital	602
Total Expenditure	12,123
Income	
Rents	11,753
Garages	159
Interest	9
Total Income	11,921
In Year Deficit	-202
HRA Balance Carried Forward	662

<u>Housing Capital Plan</u>	
<u>June 2012</u>	
	£,000
Planned Expenditure	7,452
Funded By:	
Major Repairs Allowance	2,400
Revenue Contribution	602
Capital Receipts	17
Prudential Borrowing	4,433
Total	7,452

7 What consultations have been carried out?

The revenue budget was recommended by cabinet and agreed formally by council after an extensive round of service challenges. The capital plan was approved by council following scrutiny by the Strategic Investment Group and recommendation by cabinet. The Housing Revenue Account has been approved following consultation with elected members and tenant federation representatives.

8 Chief Finance Officer Statement

This report highlights the revenue and capital budgets as agreed for 2012/13 and demonstrates how the council's finances will be reported to Cabinet throughout the year. Services are expected to deliver the savings agreed through the Service Challenges and budget setting processes and at this stage seem to be on target to achieve these. The next report will give an updated position and also show how Departments intend to utilise any revenue underspends rolled forward from 2011/12. It is important that

services continue to manage budgets prudently and that any in-year surpluses are considered in the context of the medium-term financial position.

Economic Commentary & Treasury Management Update

The financial markets remain extremely volatile and this continues to limit the number of institutions with which the council can invest and the length of investments the council can make. Both of these issues limit the returns the council can achieve. As the uncertainty in the markets continues, the council's policy limits most new investments to overnight deposits. There are only two counterparties with which the council is prepared to place funds for up to one week. This strategy of making very short-term investments is likely to continue for the medium term.

Total borrowing currently stands at £135m at an average rate of 5.74% and total investments are £34.5m at an average rate of 0.94%.

9 What risks are there and is there anything we can do to reduce them?

This is the most challenging financial period the council has faced and failure to deliver the agreed budget strategy will put further pressure on services in the current and future financial years. Effective budget monitoring and control and early reporting of variances will help ensure that the financial strategy is achieved.

Specific risks are apparent when dealing with capital projects and can include expenditure or time overruns, funding issues and other non-financial considerations. A robust approval mechanism and close financial monitoring and reporting, along with effective project management procedures, help to minimise these risks.

The HRA is undertaking a considerable capital investment to improve the housing stock and using borrowing and grants to fund the works. Any borrowing must be affordable and the regular monitoring and annual approval and viability assessment of the Housing Stock Business Plan ensures that this is so.

10 Power to make the Decision

Local authorities are required under Section 151 of the Local Government Act 1972 to make arrangements for the proper administration of their financial affairs.

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Appendix 1

DENBIGHSHIRE COUNTY COUNCIL REVENUE BUDGET MONITORING REPORT 2012/13

Forecast as at 30/06/2012	Budget			Projected Outturn			Variance				Variance Previous Report £'000
	Expenditure £'000	Income £'000	Net £'000	Expenditure £'000	Income £'000	Net £'000	Expenditure £'000	Income £'000	Net £'000	Net %	
Business Planning & Performance	1,197	-224	973	1,197	-224	973	0	0	0	0.00%	0
Legal & Democratic Services	2,065	-553	1,512	2,065	-553	1,512	0	0	0	0.00%	0
Finance & Assets	14,270	-7,265	7,005	14,270	-7,265	7,005	0	0	0	0.00%	0
Highways & Infrastructure	20,112	-9,667	10,445	20,112	-9,667	10,445	0	0	0	0.00%	0
Planning, Regeneration & Public Protection	5,714	-1,936	3,778	5,764	-1,936	3,828	50	0	50	1.32%	0
Adult & Business Services	44,809	-12,959	31,850	44,809	-12,959	31,850	0	0	0	0.00%	0
Children & Family Services	9,799	-1,029	8,770	9,799	-1,029	8,770	0	0	0	0.00%	0
Housing Services	1,842	-1,461	381	1,842	-1,461	381	0	0	0	0.00%	0
Communication, Marketing & Leisure	9,963	-4,661	5,302	10,003	-4,661	5,342	40	0	40	0.75%	0
Strategic HR	1,558	-470	1,088	1,558	-470	1,088	0	0	0	0.00%	0
Customer Services	4,092	-999	3,093	4,092	-999	3,093	0	0	0	0.00%	0
Environment	19,071	-8,304	10,767	19,071	-8,304	10,767	0	0	0	0.00%	0
Modernising Education	1,476	-321	1,155	1,476	-321	1,155	0	0	0	0.00%	0
School Improvement & Inclusion	10,811	-7,476	3,335	10,811	-7,476	3,335	0	0	0	0.00%	0
Total Services	146,779	-57,325	89,454	146,869	-57,325	89,544	90	0	90	0.10%	0
Corporate	44,674	-36,670	8,004	44,674	-36,670	8,004	0	0	0	0.00%	0
Precepts & Levies	4,569	0	4,569	4,569	0	4,569	0	0	0	0.00%	0
Capital Financing	12,656	0	12,656	12,656	0	12,656	0	0	0	0.00%	0
Total Corporate	61,899	-36,670	25,229	61,899	-36,670	25,229	0	0	0	0.00%	0
Council Services & Corporate Budget	208,678	-93,995	114,683	208,768	-93,995	114,773	90	0	90	0.08%	0
Schools	70,460	-7,756	62,704	70,504	-7,756	62,748	44	0	44	0.07%	0
Total Council Budget	279,138	-101,751	177,387	279,272	-101,751	177,521	134	0	134	0.08%	0
Housing Revenue Account	11,841	-11,912	-71	12,123	-11,921	202	282	-9	273	-384.51%	0

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Appendix 2 Medium Term Financial Plan Update 2012/13
Update to 30/06/2012

<u>Ref</u>	<u>Action</u>	<u>Status</u>	<u>Saving £'000</u>	<u>Total £'000</u>
General				
A3	Convert Essential Car Users to Casual	In proaress	200	
A7	Costs of Democracy	In progress	20	
				220
Support Services Review				
C1	HR Review - Ongoing Impact of Centralisation	In progress	45	
C3	Legal services - phase 1	Achieved	70	
C4	Democratic support	Achieved	28	
C5	ICT/IM Structure	In progress	60	
C6	ICT/IM Procurement	In progress	25	
C7	Finance & Assets	Achieved	300	
				528
Service Challenges				
Leisure, Libraries & Community Development				
Da1	Leisure Services-New Booking System	Achieved	30	
Da2	Back office co-located with Youth	Achieved	30	
Da3	Transfer Town Halls to Town Councils	Achieved	80	
Da5	Remove subsidy by increasing income	In progress	120	
				260
Environmental Services				
Db2	Renegotiate recylcate and disposal contracts	Achieved	510	
Db3	Service Redesign (Refuse)	Achieved	200	
Db4	Regional Waste Procurement budget	Achieved	134	
Db7	Other Reorg Savings	Achieved	20	
Db9	Fleet Efficiency	In progress	138	
Db12	Public Conveniences	Achieved	10	
Db14	WAG Waste Target Pressures	Achieved	-366	
Db15	Free School Meals Cost Pressures	Achieved	-20	
Db16	Countryside staff reduction	Achieved	50	
Db17	Tourism Service Redesign	In progress	49	
Db18	Regeneration Service Redesign	Achieved	46	
				771
Planning and Public Protection				
Dc1	Review of Regeneration	In progress	10	
EC21	Review Pest Control	Achieved	20	
EC23	Review Building Control	In progress	20	
EC24	Review of Planning Policy Service	In progress	20	
EC25	Review of CCTV service	In progress	30	
EC27	Review of Trading Standards	Achieved	50	
EC28	Licensing	Achieved	20	
				170
Highways & Infrastructure				
EC12	Passenger Transport	In Progress	35	
EC13	Parking	In Progress	70	
EC15	Development Control	In Progress	18	
	NWTRA Fees	Achieved	100	
EC16	Winter Maintenance	In Progress	65	
				288
Adult Social Services				
Df1	Cefndy Healthcare,	In Progress	43	
Df2	Closer working of Fin assessments & Benefits	In Progress	30	
Other Adult Services				
Df4	Service Restructure	In Progress	130	
Older People				
Df5	Externalise elements of Home Care	In Progress	15	
Df6	Day care - review and rationalise	In Progress	30	
Df7	Review Meals on Wheels	In Progress	64	
Df8	Impact of investment in reablement	In Progress	75	
Df9	Residential Care - Impact of Extra Care	In Progress	100	
Mental Health				
Df11	Management Changes	In Progress	19	
Df12	Partnership Efficiency Savings	In Progress	26	

		<u>Status</u>	<u>Saving £,000</u>	<u>Total £'000</u>
Adult Social Services (con'd)				
Physical Disability & Impairment				
Df13	ISIL Scheme	In Progress	18	
Df14	Reablement Intervention	In Progress	26	
Df15	Telecare	In Progress	20	
Other Adult Services				
Df16	Administration Rationalisation	In Progress	67	
Df17	Systems Thinking and Vacancy Control	In Progress	40	
Business Support & Development				
Df18	PMDF Grant - Loss of funded posts	In Progress	152	
Df19	Workforce Development Review	In Progress	20	
				875
School Improvement & Inclusion				
Dh1	Service Restructure	In Progress	100	100
Children & Family Services				
Staffing				
Dj3	Other Staff Savings	In Progress	21	
Refocus on Core Business				
Dj5	Re-shaping Supervised Contact Service	In Progress	43	
Dj8	Reduction in Independent (external) Placement Provision	In Progress	48	
Decommissioning Services				
Dj11	Voluntary Organisation Grants	In Progress	37	
	Child Trust Funds	In Progress	2	
Dj12	Parenting Programme	In Progress	82	
Dj14	Rhyl Adventure Playground	In Progress	61	
Pressures				
Dj18	In-house Fostering	In Progress	-224	
Dj20	Legislative	In Progress	-28	
				42
Housing				
	Various Small savings	In Progress	7	7
REGIONAL WORKING/COLLABORATION				
ENW1	Education Regional Board	In Progress	25	
ENW2	Social Care Regional Board	In Progress	25	
				50
OUTSOURCING				
G2	Bodelwyddan Castle	In Progress	18	
G4	ECTARC	In Progress	10	
				28
Other Cultural/Heritage activities				
H1	Pavilion Theatre	In Progress	50	
H2	Ruthin Craft Centre	In Progress	20	
H3	Llangollen Pavilion	In Progress	25	
H4	Heritage facilities	In Progress	9	
				104
Total Savings 2012/13				3,443
Summary:				
Savings Achieved/Replaced or Pressures Confirmed			1,312	38
Savings In Progress/Being Reviewed			2,131	62
Savings Not Achieved/Deferred			0	0
Total			3,443	

APPENDIX 3

Denbighshire County Council - Capital Plan 2011/12 - 2014/15
Position to June 2012

	2011/12	2012/13	2013/14	2014/15
	£000s	£000s	£000s	£000s
Capital Funding:				
1 General Funding:				
Unhypotheated Supported Borrowing	4,132	8,679	3,152	2,994
General Capital Grant	2,247	3,251	1,931	1,931
General Capital Receipts	2,586	768		
Earmarked Capital Receipts	535	258	0	0
	9,500	12,956	5,083	4,925
2 Prudential Borrowing	9,077	12,576	3	300
3 Reserves and Cera	905	1,736	0	0
4 Specific Grants and Contributions	14,565	11,089	4,163	961
Total Finance	34,047	38,357	9,249	6,186
Total Estimated Payments	-34,047	-36,644	-4,166	-1,261
Contingency	0	-1,713	-1,000	-1,000
Earmarked Contingency	0	0	0	0
Unallocated Reserve	0	0	0	0
Funding available	0	0	4,083	3,925

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Appendix 4 Major Capital Projects Update

Rhyl Coastal Defence

Budget	£8.246m Phases 1 & 2
Funding	WAG Grant
Expenditure to Date	£7.677m
Comments	<p>This coastal defence scheme will reduce the flood risk to over 2000 properties and 500 businesses in West Rhyl.</p> <p>Phases 1 & 2 are the works to the inner harbour and river training wall. These works are anticipated to be fully complete by early July. Feedback on the scheme has been very positive.</p> <p>Final costings suggest costs are £100k over the contract target. The contractor is liable for 50% of this cost. It is hoped that the Welsh Government (WG) will also fund £50k.</p> <p>Meetings have been held with WG in relation to phase 3 – works from Sydenham Avenue to the Drift Park. It is hoped that with the necessary funding, works can commence in 2013/14.</p> <p>In an effort to build the defences as originally planned, which provides both coastal defence and enhances the amenity of the promenade, a bid for additional funding has been submitted to WG. This could potentially add £1m to the indicative WG allocation of £2.25m</p>
Forecast Expenditure 12/13	£569k

Highways Programme Works

Budget	£3.650m
Funding	£3.650m Prudential Borrowing
Expenditure to Date	£0.280m
Comments	<p>An allocation of £3.650m was made to progress highways capital works as part of the 2012/13 Capital Bid process. An update on the use of this funding was recently provided to all Councillors.</p>
Forecast Expenditure 12/13	£3.650m

Property Acquisition & Demolitions, Rhyl Going Forward

Budget	£4.36m
Funding	£2.32m SRA Grant ; DCC Prudential Borrowing £1,025k , PEG £220k; THI £168k; WEFO £535k; DCC £95k
Expenditure to Date	£2.66m
Comments	<p>Council have previously approved the purchase of a number of properties in Rhyl with a view to demolition and the provision of public realm works. Latest updates are as follows:</p> <p>25 & 26 West Parade A compulsory Purchase order is currently being made.</p> <p>26 - 30 Abbey Street The Council is currently demolishing these properties.</p>
Forecast Expenditure 12/13	£0.120m

Appendix 5

Summary of Proposal

Relocation of Prestatyn Library

This proposal is for the relocation of Prestatyn library to 21 Kings Avenue.

Cabinet, at its meeting on 24 January 2012 approved the option to re-locate Prestatyn library to 21 Kings Avenue, and for the submission of a grant application to CYMAL.

In April 2012, CYMAL awarded Denbighshire County Council a grant for £300k towards the relocation of its library service in Prestatyn.

The proposed new facility will be modern, inviting and provide improved ICT provision including WiFi and self service terminals that are not currently available in Prestatyn.

The library will be designed as a modern media centre and will include a variety of specialist areas such as:

- Children's zone
- Refreshment area
- Business zone – hot desks
- Skype/Web conferencing facilities
- Comfort zone for reading
- Adult learning zone
- 3D media resources centre – cameras, docking stations and Kindles
- Flexible spaces to create an events area
- Pre school reading/play zone
- Archive material, exhibition displays & advice centre

The latest cost estimate for the scheme is £648k. It is proposed that the funding will be made up as follows:

	£k
• Cymal Grant Award	300
• DCC Library service Prudential Borrowing	148
• Capital Receipts/DCC funding	200

The relocation of the library to 21 Kings Avenue would allow the authority to be in a position to review the future of the existing facility and land. However, this is a strategic site, and the authority would look at the whole site options.

The Prudential Borrowing repayment would be £9.5k per annum over 20 years. This would be met through realigning resources across the library portfolio.

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Report To: Cabinet
Date of Meeting: 17th July 2012
Lead Member: Councillor Hugh Evans OBE
Report Author: Mark Dixon, Strategic Regeneration Manager
Title: Economic Ambition Strategy for North Wales

1. What is the report about?

The report is about the development of a strategy to address the relative performance of the economy of North Wales compared to that of the other parts of Wales and the UK, and the creation by the region's six unitary authorities of a Board which will oversee the delivery of the strategy.

2. What is the reason for making this report?

The purpose of the report is to seek approval for the principles of the proposed Economic Ambition Strategy for North Wales and for the establishment of a Board to coordinate and oversee the delivery of the strategy.

3. What are the Recommendations?

That Cabinet :

- a. approve the principles of the Economic Ambition – A Strategy for Change document as set out in Appendix 1;
- b. approve the formation of the Economic Ambition Board and the draft constitution as set out in Appendix 2.

4. Report details

Economic Ambition Strategy

4.1 Over recent months, officers (working with the Cabinet Lead Member) have been in discussion with colleagues from Flintshire, Wrexham, Conwy, Gwynedd and Anglesey to set out a new strategic direction for economic development across North Wales. This collaborative initiative has stemmed from concerns about the performance of the North Wales economy relative to other parts of Wales and the UK and the need to improve performance and strengthen economic growth. Economic indicators show that the North Wales economy has low productivity (71% of the UK average), low levels of new firm formation and high levels of youth unemployment. Of particular concern is the lack of inward investment which has been attracted to the region over recent years.

4.2 In response, a new strategy for change has been prepared set out in Appendix 1 which aims to improve productivity, competitiveness and growth of

the North Wales economy. The priorities identified in the strategy include the need for:

- a. clear leadership and coordination for collective economic development activities in the region,
- b. rebalancing the local economy by increasing growth and productivity,
- c. improving strategic infrastructure, and
- d. upgrading the skill base, reducing inactivity and tackling youth unemployment.

4.3 In order to achieve a significant improvement in the region's economic performance, the six local authorities need to better organise themselves and avoid duplication, working beyond traditional administrative boundaries and playing to each others strengths. The focus of joint working will be restricted to those activities which:

- a. demonstrates that there is a common and pressing need across North Wales;
- b. address major strategic development issues facing North Wales; and
- c. demonstrate that there is added value from joint working and collaboration.

4.4 The strategy does not seek to draw together all local authority economic development functions. Nothing in the strategy prevents the Council from identifying and pursuing its own priorities for economic development. However, where there is an advantage in working collaboratively, the Council will be able to do so.

Economic Ambition Board

4.5 It is proposed that the coordination and oversight of this work is undertaken by the creation of the Economic Ambition Board for North Wales. This would consist of representatives from each of the six North Wales local authorities (probably the Lead Member for Economic Development or Regeneration), chaired by the representative of one of the six local authorities, supported in each authority by the Head of Service and/or Corporate Director for Economic Development and Regeneration. No power would be delegated to it from the local authorities. Any decision to commit the Council to a course of action would be done through approved channels. A copy of the draft constitution for the Economic Ambition Board is at Appendix 2.

4.6 Engagement of the wider stakeholders will be essential and the Board would need to consider how the voice of others will be heard. The Welsh Government's involvement will be crucial in delivering the strategic priorities. To date, the Welsh Government and the Minister for Business, Enterprise, Technology & Science in particular has been supportive of the work undertaken. Collaboration with other stakeholders will also be important, in particular Higher and Further education institutions, Careers Wales, Job Centre Plus and the private sector. All will have a part to play in the delivery of the various work streams.

- 4.7** The outcome should be a more effective, coordinated and strategic approach to issues affecting the economic performance of North Wales, with the six local authorities working collectively, sharing expertise and resources to deliver the agreed priorities. The focus of activity being on those things where there is added value from working collectively and would include – business and enterprise support, inward investment, strategic infrastructure and tackling youth unemployment. Some of the initiatives proposed for the short term include:
- a. commissioning a detailed review into the engagement between the Economic Ambition Board and key stakeholders, in particular the private sector, HE and FE and the voluntary sector;
 - b. the development of a North Wales Business Charter;
 - c. a proactive approach to developing a small number of key economic sectors in North Wales that will contribute to improving the regions competitiveness;
 - d. a new and coordinated approach to inward investment (focussing on the key sectors); and
 - e. an agreement to arrange one Business Week for North Wales.
- 4.8** Three key themes have emerged from various workshops and discussions in order to provide a clear focus for our work. These include,
- a. the energy and environment sector
 - b. advanced manufacturing, and
 - c. “Destination North Wales”.

A co-ordinated and ambitious action plan will be put in place for these three key themes – all at a regional level, which will set the context for the education and skills agenda, business support programme, and infrastructure needs and requirements of North Wales. It is important to note that there are other key sectors that will need to be developed in order to achieve a step change in the performance of our local economies across North Wales – and arrangements will be put in place to have a sub-regional approach to some of these sectors. Examples include the construction sector and the creative industry sector. The “Destination North Wales” programme in particular will be an exciting and innovative development – this is an opportunity to ensure that North Wales has a clear programme in place to attract investment and visitors, targeting particular markets (in particularly within the energy and advanced manufacturing sector) and ensuring that the supply chain opportunities are exploited in order to retain investment and expenditure within the region. It will also focus on promoting marketing and trade opportunities for businesses located in North Wales. A clear marketing plan for the region will be one product of this work – conveying clear messages to the outside world that North Wales is an exciting and excellent place to do business and to visit.

- 4.8** Work is currently taking place to develop a business plan and structure for the Ambition Board, aligned to the 3 key priorities identified above. The private sector in particular will have a very important input into the design and

development of the Action Plans. A project plan, with clear milestones, is also in the process of being prepared.

- 4.9** The Economic Ambition Board would also provide North Wales with a stronger unified voice to help shape and influence planning and policy decisions at national level (e.g. European funding post 2013, the Wales Infrastructure Investment Plan and the amendments to the Planning Policy Wales). Nothing prevents the Council from forming its own opinion and responding independently, however, a unified voice on major issues affecting the region may be better received if all six North Wales local authorities are saying the same thing.

5. How does the decision contribute to the Corporate Priorities?

The decision will contribute to the proposed Corporate Priority for Economic and Community Ambition by providing a regional context for the development of the County's economic priorities.

6. What will it cost and how will it affect other services?

There is no additional cost to the Council for supporting the Strategy and the creation of the Board. If the arrangements were to lead to a proposal to change the configuration of economic development services which would involve staff working in different ways or locations then this would be the subject of a further report at the appropriate time.

7. What consultations have been carried out?

The proposals have been discussed and are supported in principle by the North Wales Economic Forum and the North Wales Leadership Board and have been considered by Partnerships Scrutiny Committee at its meeting on 12th July 2012.

8. Chief Finance Officer Statement

Not applicable

9. What risks are there and is there anything we can do to reduce them?

A risk assessment will be undertaken by the Economic Ambition board on its business plan once it is agreed.

10. Power to make the Decision

Section 2 of the Local Government Act 2000 gives the Council the power to do anything which it considers is likely to promote or improve the economic well-being of the area.

APPENDIX 1

NORTH WALES LOCAL AUTHORITIES

Economic ambition

A Strategy for Change



Contents

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Foreword

Together we are greater than the sum of our parts.

As we are all keenly aware, public services are facing unprecedented challenges in the wake of prolonged recession and deep cuts in government expenditure. However, this challenge also provides the region with a major opportunity – enhancing the drive, desire and willingness to increase the pace of improvement in the efficiency and effectiveness of our public services.

For these reasons a range of local authority services are being looked at anew, including economic development. This function is being prioritised because it is recognised that a pro-active and strategic approach is required.

In the absence of an agreed framework decisions will be made in isolation. This would result in a piecemeal approach which will not secure the desired economic objectives for North Wales.

Hence the Local Authorities, with the Welsh Government, felt that the most appropriate and positive way to respond, and protect services that deliver real benefit to local communities, was to initiate a fundamental review of their economic development activities.

This review has been driven not just by a desire to achieve cost savings. This statement of intent reflects a commitment and details an approach to reshaping local services collaboratively, with a view to realising economies of scale and maximising the impact of scarce resource.

This has entailed a clear statement of regional needs and a rethinking of existing patterns of service delivery from first principles. The strategy set out here looks to then rebuild these services in the most cost effective manner, bearing in mind social needs, economic returns and the many inter-relationships that exist between local economies that comprise the region.

I believe, this approach offers the greatest opportunity for successful regeneration. Resources and policy will be evidenced based and focused squarely on the key challenges facing North Wales. In turn, achieving these ambitions has also necessitated reconsideration of the most appropriate governance structures for the region in the 21st century.

This framework will help to ensure that North Wales does not lose any ground in its ambition and objective 'to develop a diverse and high value economy which can provide a range of quality employment opportunities for its people'.

Relevant Councillor details

Report purpose

The purpose of this document is to identify how the six local authorities in North Wales can collaborate and realise the full potential of the regional economy and so create more and better employment opportunities for its people. It is now widely acknowledged that we need to get ourselves organised as local authorities, and also with key partners and stakeholders to realise this aim.

Collectively, we can provide some critical mass to:

1. Create jobs and improve skills
2. Increase efficiency and maximise the impact of current resources
3. Increase investment and enterprise in Wales.

We are committed to providing leadership and work with our partners to inform, inspire, influence and innovate to deliver on our core purpose and deliver the change required for the economy of North Wales.

This report sets out a strategic direction and priorities that will provide a focus for local authorities and its partners. We recognise more consideration is required in terms of governance arrangements to deliver these priorities and several options are under active consideration, although further debate with our partners is required before coming to a view. More detailed operational plans will be developed and will set out the actions and transformational projects required to achieve each strategic priority.

Achieving sustainable economic growth will require a range of approaches and interventions by local authorities, partners, businesses and the community. We will build on success whilst addressing the on-going challenges, particularly productivity levels which lag those of the UK, youth unemployment and the fragile nature of the more remote parts of the region. In moving forward it is also recognised that North Wales is made up of many local economies and that growth has not been evenly spread across the region. However, collectively we can address these challenges and deliver our ambitions for North Wales.

Our vision

'A confident and outward looking region with a diverse and high value economy providing a range of quality employment opportunities for its people'

This is a bold and transformational framework that holistically seeks to link evidence based needs with policy, delivery and governance structures, informed by evidence of economic return and good practice. It is a statement of intent not a detailed strategy providing a compelling strategic rationale for reconfiguring economic development services across North Wales as well as outlining the broad 'route-map' forward.

The case for change

Why is change required?

There is a compelling case for change and in many ways it can be argued that the recession and government's fiscal austerity programme have prompted changes which are perhaps long overdue.

The case is based on:

- The continuing deterioration in relative economic performance
- Evidence in relation to economic returns or the 'bangs for bucks'
- Recession and fiscal austerity
- Services are fragmented, disjointed, with duplication resulting in the best use of resources not being realised.

Regional disparities are growing, not reducing

- In the period 2000-2008, the UK economy grew by 50% and Wales by 42%. North Wales grew by only 36% and now has three of the poorest counties - Anglesey, Conwy and Denbighshire - in the UK.
- Objective 1 funding from Europe did little to arrest the decline. Even Gwynedd, which received more European funding per head than most in Wales, has seen its relative prosperity decline during the last few years.
- Despite the advantage of large companies such as Airbus and Toyota, Wrexham and Flintshire have grown by only 27% since 2000, which is the worst performance of any part of Wales.
- Productivity continues to fall further behind UK levels.
- Levels of youth unemployment are high throughout the region.

'We have to change our culture and way of working and we have to ensure that the public sector is arranged in the right way to support the local economy at a North Wales and a local level'.

Workshop conclusion held in collaboration with the North Wales Economic Forum (17-06-11).

Current policy challenges

A review of the evidence base provides a number of challenges to current policy approaches, namely:

- There is a mismatch between patterns of spend and the major challenges and opportunities facing the economy at a regional level.
- There is some duplication across the six authorities where greater collaboration would reduce costs.
- Spending is strongly influenced by the major funding streams which can 'skew' local resources and priorities (as well as being bureaucratic and inflexible).
- Evidence on economic returns contrast with current priorities and patterns of spend.
- There are a number of policy areas where impact could be increased through greater collaboration between the six local authorities.



Challenges and opportunities

North Wales has a unique cultural and environmental heritage providing a strong sense of community and identity. In part this is also a reflection of the peripherality and poor connectivity of many parts of the region. This is associated with its own economic challenges including:

- An unbalanced economy with an over-dependence on the public sector
- Few larger firms or corporates and more limited employment opportunities
- Low productivity and earnings
- The out-migration of younger often more qualified younger people
- High levels of economic inactivity.



Many of the challenges and opportunities which policy must address have also changed in quite fundamental ways in the past few years. These reflect growing concern over the environment, developments in technology, as well as the global financial crisis, recession and the sovereign debt problems.

New challenges include:

- Low levels of growth and job creation
- The squeeze on disposable incomes and associated falls in retail and consumer services spend
- Weaknesses in construction, housing and property markets
- The consolidation in the service sector
- High levels of youth unemployment.

Welsh Government aims to maximise:

'funding available to deliver effective, high quality and value for money regeneration activity across Wales'.

'the regenerative potential of all capital and revenue spend.'

Source: Welsh Government. A Framework for Regeneration Areas, October 2010.

A further outcome of the recession has been the sovereign debt problems and associated fiscal austerity programmes. Cuts to public spending provide a further challenge to the status quo. In short, more needs to be achieved with less.

However, while these challenges are considerable, there are a range of opportunities to be exploited:

- Depreciation of sterling and improved competitiveness of manufacturing in export markets
- The strong presence of manufacturing in the region including the investment by Airbus at Broughton
- The major investment in a replacement nuclear reactor at Wylfa
- The development of low carbon technologies and 'Energy Island' plans
- Developing and enhancing connectivity through improved broadband access and key infrastructure projects
- Tourism and the growth in overseas and domestic visitors also linked to sterling depreciation.



The outcomes desired

Some of the key impacts we aim to achieve for the North Wales economy are:

1. Increase productivity & growth by:

a) Reducing the gap between the regional and national annual growth rate in regional GVA; and b) the gap between those areas which are lagging behind the regional average growth rate and those performing more strongly.

2. Increase the number of jobs in key sectors such as advanced manufacturing, knowledge based and local carbon sectors.

3. Increase inward investment from both domestic and international companies.

4. A stronger support sector to underpin the attractiveness of the region to new and expanding businesses.

5. Increase innovation and business start ups, provide effective support to growing companies and support improved productivity more generally.

6. Greater connectivity supporting business and employment growth and labour market efficiency.

7. Improve skills levels throughout the workforce particularly in those sectors where skill deficits are acute

8. Reduce the level of youth unemployment to below the UK average and increase economic activity of people currently outside the labour market.

9. Create a vibrant business base where companies can innovate and flourish and the region becomes a recognised place to do business.

Organisational changes required to deliver the desired outcomes

Although options for organisational change are discussed in more detail in the delivery section, it is important to highlight here that these changes are seen as key to delivering more effective policy and ultimately achieving better outcomes.

The proposed changes to governance arrangements and associated organisational changes will result in more strategic, integrated, aligned and responsive services and policies targeting increased investment & productivity.

The organisational changes are seen as integral to the overall strategy providing a basis for improving both efficiency and effectiveness through for example:

- Reducing the level of duplication and overlap
- Realising economies of scale
- Achieving greater critical mass and with it more potential to leverage wider resources and skills
- Enhanced strategic approach bringing greater potential for more focused and targeted approaches.

In short, within North Wales we are about to embark on a journey to meet head on the challenges that we face. This strategy sets out a route-map identifying the outcomes desired, the policies required to achieve these outcomes, as well as the mechanisms for delivering them.

However, the local authorities cannot do everything and it will also be important to engage other key public sector organisations as well as harnessing much more effectively the resources, skills and vision of the private sector.

Collectively, with an agreed vision and coupled with the opportunities offered by European Convergence funding, we can make a difference.

The strategy for change

What changes are required?

There are five major issues facing North Wales that will need to be addressed to deliver the outcomes outlined above.

Strategic Issue

Action Programmes

Economic leadership

- Intelligence
- Clear, strategic focus
- Capacity to deliver
- Exploring opportunities to resource regional development including European funding
- To develop and foster relationship with regional partners and deliver a 'Team North Wales' approach.

Rebalancing the economy to increase growth and productivity

- Supporting businesses and social enterprises to realise their growth aspirations
- Information & signposting
- Encouraging inward investment
- Supporting new start-ups
- Develop key sectors including advanced manufacturing, LCT, tourism, creative
- Supply chain support & development
- Promoting entrepreneurship, innovation and leadership.

Addressing peripherality & improve our infrastructure

- Improving broadband access to ensure North Wales is a digitally well connected region
- Infrastructural improvements to encourage business growth and expansion
- Exploiting opportunities to develop a low carbon economy
- Advise and support communities and businesses to maximise the benefit of high speed digital services.

Upgrading the skills base, reducing inactivity & tackling youth unemployment

- Skills workforce development
- Addressing co-ordination 'failures'
- Improved intelligence and labour market planning
- Tackling youth unemployment
- Effectively targeting & tackling deprivation
- Building strong links across to health and education

Strategic Issue 1: Leadership

The Issue:

The duplication in current service provision, lack of co-ordination and strong leadership. The local authorities have come together with a view to taking the strategic priorities identified forward.

- 1.1 The consensus amongst the local authorities provides the basis for clear, strong and focused leadership.
- 1.2 The joint capacity to deliver continues to develop pace. In July Gwynedd Council, on behalf of the six local authorities, appointed a Project Co-ordinator. Task and Finish Groups have also been set up to progress work on the programme areas.
- 1.3 We will continue to explore with partners, Welsh Government and the EU innovative financing mechanisms for investment in the region's economic priorities. Current delivery arrangements have evolved over a long period and allow for a high level of collaboration. They will be reviewed to assess whether further efficiency savings can be made.
- 1.4 The significance of private sector involvement is recognised and will be taken forward as an integral part of the proposed governance plans.
- 1.5 Additionally, developing a credible leadership position in relation to the regional economy will require access to high quality research & intelligence.

Strategic Issue 2: Rebalancing the economy

The Issue:

The public sector is in many parts of the region a larger employer compared to the UK. There is a need to rebalance the economy through support for the growth of the private sector with a view to improving the range and quality of employment opportunities. This has wider ramifications in terms of increasing new firm formation rates and levels of entrepreneurialism, support for (high growth, low carbon technology and advanced manufacturing) businesses as well as addressing wider supply side constraints (finance, infrastructure, skills).

- 2.1 Task and Finish Groups have been set up to cover : information & signposting; inward investment; start-ups ; sector support; supply chain development; and general business support.
- 2.2 There are also two major opportunities:
 - The Airbus investment at Broughton, which makes Flintshire the LAD with the largest proportion of manufacturing employment of any in the UK; and
 - The commissioning of a replacement reactor for Wylfa and wider potential to develop low carbon technologies.
- 2.3 Models for collaboration in this sphere already exist. The local authorities already jointly deliver contracts notably FS4B. This provides a strong basis for taking forward work in this area as joint protocols and governance structures already exist.
- 2.4 A separate Task and Finish Group has been established for Inward Investment, a priority given Enterprise Zone designation in Anglesey and Deeside. Work to establish a virtual North Wales Investment Office has started with the website domain already registered.

Strategic Issue 3: Addressing peripherality through improved connectivity

The Issue:

This is an factor affecting much of rural North Wales, the north west of the region but especially Anglesey. The latter continues to exhibit many of the classic characteristics of a peripheral region, including a very narrow industrial base, low levels of entrepreneurship and low job density. Addressing the very poor performance of Anglesey is also important to the wider region.

3.1 Improved high bandwidth broadband infrastructure together with a demand stimulation programme for business can play a major role in overcoming some of the disadvantages arising from geographical peripherality; a major constraint on the region's development.

3.2 Previous mention has been made of the economic issues facing Anglesey where peripherality is a particular challenge. Here, there is the potential to address these the opportunities presented as a result of investment in a replacement nuclear reactor as well as development of the wider low carbon technology sectors.

3.3 Infrastructure requires on-going investment and renewal particular focused on our strategic bottlenecks, especially where these constrain private sector employment growth. This includes the existing Britannia bridge which is the only single carriageway section of the Trans European Road Network route E22 and acts as a significant bottleneck to commuter and holiday traffic.

3.4 We also propose working with local businesses and communities to increase their understanding and use of digital technologies.

3.5 There is also a particular need to improve connectivity to major employers - such as Airbus - and other areas of high employment density. This will help to ensure that the benefits to the regional economy are maximised and leakage reduced.

3.6 Tourism will help to address Strategic Issues 2 and 3. It remains a very significant area of core spending for local authorities and of course is vital to the economy of our remoter rural communities. In total local authority expenditure exceeds £3.7 million and employs 65 staff directly. There are however significant opportunities for streamlining activity. For example, there may be merit in reducing the number of marketing areas and tourism information centres. There are also efficiencies to be gained by realising the potential of new media for marketing purposes.

3.7 Integrally linked to rural development and tourism initiatives are the RDP funds. Hence, this might also be an opportune moment to relook at way in which these funds are delivered, together with our RDP partners. In addition to examining the potential for efficiency savings, we would also want to discuss the merits of targeting the funds on a needs basis (including notably the former mining communities of North East and North West Wales), as well as ensuring the funds are sufficiently flexible to support entrepreneurs and innovative ideas.



Strategic Issue 4: Upgrading the skills base, reducing economic inactivity rates and tackling youth unemployment

The Issue:

The issue of quality of employment as well as the more limited presence of higher level skills are noted together. This is because measures to tackle this (and hence of course the relatively low level of Gross Value Added per head), need to address both supply and demand components in order to ensure regional benefits are maximised.

Effective measures need to address the supply, demand and effective use of higher level of skills. This is likely to imply a strong role for both further and higher education colleges in the region as well as analysis of future supply of - and demand for - skills bearing in mind both demographic change and current curriculum provision.

It also emphasises the need to grow high value added industries including notably advanced manufacturing and low carbon technology sectors.

Finally, a further area where the region appears to face some common issues concerns that of high incapacity benefit levels generally and high levels of youth unemployment. This further suggests some engagement with the health and education sectors in tackling these issues.

4.1 The role of higher and further education in promoting business transformation and high level and value skills is of critical importance. We will continue to support Bangor and Glyndŵr Universities with the development of a strong business facing culture - including technology transfer, student placements, and ensuring the graduate needs of the major employers are met. We want to reinforce a culture of enterprise and creativity at all levels of skills and learning,

and to continue the growth in expansion of higher level skills attainment.

4.2 Our discussions with major employers underline the significance of skills and the shortages that are emerging in many parts of industry. Our ambition to rebalance the economy will be jeopardised unless we can ensure relevant skills are available.

4.3 However, in common with many other parts of the UK there appears to be little co-ordination between overall labour demand and employer requirements and labour supply. We will establish an on-going mechanism for the long term co-ordination of education and training, in relation to likely labour demand, including engagement with key regional businesses. This is particularly pertinent to North Wales in light of the major demand arising from the commissioning of a replacement nuclear, as well as the large number of apprentices employed by Airbus.

4.4 Youth unemployment has significantly increased across the nation and North Wales is no exception. The issues facing the UK and the Eurozone suggest to us that the pace of recovery will continue to be slow and protracted.

4.5 Youth unemployment is a major issue for North Wales. We therefore propose to establish a high level cross-organisational working group to consider: the current initiatives in place; the appropriateness of these initiatives in relation to the scale of the challenge; co-ordination failures and how these might be overcome in order to ensure a 'joined-up response'. In due course, the remit will extend to consider measures to tackle the high level of inactivity across the region.

Delivering the strategy

How will the changes be delivered?

Whilst the local authorities in North Wales working together more collaboratively lie at the heart of efforts to lead the delivery of the economic ambitions outlined here, success will depend on working effectively with our partners. This includes the North Wales Economic Forum, the private sector, higher and further education institutions, Welsh Government and the third sector will be vital if we are to deliver the ambition and vision outlined in this document. We must also make the most of the opportunities offered by Convergence, public and private sector funding.

In the short term a Management Board has been established to improve co-ordination and deliver change. However, it will also need to consider the most appropriate governance arrangements going forward. Presently three options are under consideration:

Option 1: Retain the Status Quo

Retaining the status quo has the advantage of working with established processes and structures – there would be no disruption under the 'business as usual' scenario. It would further retain a much higher level of local political control and responsiveness to local needs.

There is widespread agreement that to continue on a 'business as usual' basis is likely to result in an irrational allocation of resources in light of spending cuts both to local authority and wider public sector budgets. This risks : gaps in services, lack of focus on priority issues, reductions in spend on high return activities, fragmented activity and spend lacking 'critical mass'. All this would limit the impact leaving North Wales to continue to fall further behind.

Option 2: Management Board

A second option is to constitute a Management Board and Executive. This is relatively straightforward and it should be noted does not necessarily preclude formation of a Development company at some later date. It would also be a significant step forward in joint working compared to current arrangements.

The drawback of this option is that the Board to be representative may be large and unwieldy and too open to local political priorities at the expense of true strategic direction. It might also leave relatively cumbersome delivery arrangements in place.

Option 3: Development Company

The third option to form a Development Company provides an independent and legally constituted body that would also be able to lever in further resources and bid for contracts. It might be easier to ensure that the private sector is engaged at Board level. There would be a high level of transparency and accountability in relation to objectives.

The drawbacks of this approach are that it would represent a significant and decisive shift in arrangements. In the short term this could cause some difficulties in continuing to meet current service delivery targets. It may be more complex to broker such an arrangement between six authorities, especially as it would result in some reduced level of political influence.

The key point to make is that whichever option is selected, the strategy is already in place and will shape the work of all partners in North Wales to the same vision and outcomes that in time will transform the North Wales economy.

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**DRAFT CONSTITUTION OF THE NORTH WALES
ECONOMIC AMBITION BOARD**

1. Name of Board

- 1.1 The name of the Board shall be the **NORTH WALES ECONOMIC AMBITION BOARD** ("the Board").

2. Purpose of the Project

- 2.1 The vision of the Board is to establish North Wales as a confident and outward looking region with a diverse and high value economy, providing a range of quality, sustainable employment opportunities for its people.
- 2.2 The six local authorities in North Wales will collaborate and work collectively to increase economic productivity, competitiveness and growth ("the Project").

3. Aims and Objectives

The Aims and Objectives of the Board is to:

- 3.1 Identify areas where there is added value from joint working and enhances collaboration.
- 3.2 To maximise the impact of available resources in Economic Development by working collectively at a strategic level.
- 3.3 Promote a change in Culture and Attitude with a greater emphasis on shared values and mutual trust in relation to collaborative Economic Development.
- 3.4 To work collectively as Six Local Authorities to provide North Wales with a strong and influential voice in terms of Economic Development.

4. Roles, Responsibilities and Functions of the Board

- 4.1 Identify and agree and review a strategic framework for collaborative Economic Development policies for North Wales (Economic Ambition Strategy).
- 4.2 To establish and maintain collaboration between other public and private sector stakeholders.
- 4.3 Plan, agree, monitor and review an annual operational Business Plan, premised on collaborative activities which add value.
- 4.4 To identify, agree and direct on the most appropriate governance model to deliver the Project.
- 4.5 To effectively co-ordinate and communicate with the North Wales Regional Partnership Board.
- 4.6 To provide strategic and political direction to the Management Group and to oversee and review its work.
- 4.7 To monitor progress of the overall Project.
- 4.8 To co-ordinate engagement communication and information sharing with other Public and Private sector stakeholders.
- 4.9 Establish and maintain arrangements for securing co-operation between key partners and stakeholders in North Wales and outside the region to promote Economic Development.
- 4.10 Assess the Project by considering best practice from other regions in the United Kingdom and further afield.

5. The Board – Core Principles

- 5.1 Members of the Board shall be expected to work on the basis of mutual support, shared values and a culture of joint working and collaboration. This behaviour and maturity of approach is at the heart of delivering the project.

Members of the Board will adhere to the following principles:

- Objectivity whilst making decisions – Members should act for the widest benefit of others. Even though Members can be influenced by the opinion of others, it is the responsibility of every Member to decide which opinion to adopt on the basis of merit.
- Accountability – Every Member sits on the Board on behalf of their

authority, and it is expected that every Member ensures that reasonable arrangements are in place to report back on their work.

- Openness – Members should be as open as possible about all their actions as Members of the Board. It should be ensured that reasons are given for decisions taken by the Board.
- Confidentiality – Every Member should respect confidentiality, where that is relevant, and ensure that confidential material is protected and that it is not used for private purposes.
- Declarations – Every Member should declare any private interest that could influence discussions or decisions taken by the Board, and they will be recorded by the secretariat.
- Promoting Equality and Respect for Others – Every Member should undertake their responsibilities with due regard to the need to promote equal opportunity for all and demonstrate respect and consideration towards others.

5.2 Responsibilities of Board Members are outlined in the Appendix to this Constitution.

6. Membership and Structure of the Board

6.1 The Members of the Board shall consist of the relevant Cabinet Member for Economic Development or their nominee from each of the following:-

6.1.1 Conwy County Borough Council

6.1.2 Denbighshire County Council

6.1.3 Isle of Anglesey County Council

6.1.4 Gwynedd Council

6.1.5 Flintshire County Council

6.1.6 Wrexham County Borough Council

6.2 Each Member shall have the right to nominate a substitute which may undertake their functions at any one or more Board meeting.

6.3 The Board shall appoint a Chair and Vice-Chair at its first meeting. The Chair shall be selected from one of the six of the North Wales Local Authorities Leaders. The Vice-Chair shall be nominated from one of the other six members.

7. Management Group

- 7.1 A Management Group of key officers from each Authority and relevant partners will support and advise the Economic Ambition Board.
- 7.2 The Management Group shall:
 - 7.2.1 bring forward proposals for collaborative activities
 - 7.2.2 implement the annual operational Business Plan
 - 7.2.3 be responsible for liaising between each Member
 - 7.2.4 report to and support the Board.

8. Operational Procedures of the Board

- 8.1 The Board shall nominate a Host Authority to fulfil the administrative and financial functions of the Board.
- 8.2 The Host Authority shall be responsible for providing secretariat functions to the Board and any groups established by the Board.
- 8.3 Meetings of the Board shall be held as necessary; however it shall be a requirement for the Board to meet at least once every quarter. The Board shall endeavour to meet in different geographical areas within North Wales when possible to do so.
- 8.4 The Chair shall be responsible for calling meetings of the Board with the support of the secretariat.
- 8.5 The secretariat shall provide written notice of the time, date and location of the Board meeting to all members at least 15 working days before the date fixed for the meeting.

- 8.6 If a member of the Board wishes to include an item on the agenda of the Board meeting, they should notify the secretariat at least 10 working days prior to the date of the meeting. The Chair and secretariat shall agree the final content of the agenda for the Board meeting.
- 8.7 If a member of the Board wishes to present a written report to the Board, they should ensure that the secretariat receives an electronic version of the report at least 7 working days before the date of the meeting.
- 8.8 The secretariat shall distribute the final agenda and reports for the Board meeting both electronically and in paper form at least 5 working days before the date of the meeting.
- 8.9 For Board meetings, 4 Members (including the Chair or the Vice-Chair in their absence) shall comprise a quorum.
- 8.10 The Board shall conduct its business in an open and transparent way and in a spirit of consensus and mutual respect. Therefore, the Board shall endeavour to arrive at a decision on matters by consensus. If consensus cannot be reached, the Chair shall ask for a vote and a simple majority shall carry the vote. If necessary, the Chair shall ask for a second vote or shall use their casting vote.
- 8.11 It shall be expected that decisions of the Board will be implemented. However, where executive authority is required, decisions shall be referred to the governing bodies of individual authorities for consideration and the outcomes of these considerations shall be reported back to the Board.
- 8.12 The secretariat shall be responsible for keeping minutes of the Board and distributing them to members of the Board within 15 working days of the date on which the meeting was held.
- 8.13 Copies of these minutes shall be made available by the secretariat on request.
- 8.14 The Welsh and English languages shall assume equal status in all of the Board's deliberations. Therefore, the secretariat shall be responsible for ensuring that

translation facilities are made available in all meetings.

8.15 Individuals that are not Members or that are not part of the secretariat shall have the right to attend meetings with the permission of the Chair (with the exception of substitutes attending on behalf of members in accordance with clause 6.2).

8.16 All of the Board's Sub-Groups and the Management Group shall be required to operate as much as possible in accordance with the above procedures.

9. Accountability

9.1 Members of the Board shall be accountable:

9.1.1 to their individual authorities

9.1.2 to the Board as part of their duty to co-operate.

10. Amending the Constitution

10.1 The Board shall undertake an annual self-assessment to assess the effectiveness of the Board.

10.2 The Board shall review the constitution on an annual basis and amend it as necessary.

10.3 In the meantime, Members of the Board shall have the right to propose improvements to the Constitution on the condition that they are submitted to the secretariat in accordance with Section 8 of this Constitution.

11. General

11.1 The Board shall not be a partnership or agency under the Partnership Act 1890 nor shall it be a company or corporation or have any other legal status or presence in law.

- 11.2 This Constitution does not give authority to any party to act as an agent of another party to this Constitution.
- 11.3 This Constitution does not give authority or right to assume, create and/or undertake any duty, obligation, liability or responsibility or to incur any expenditure or liability on behalf of the Board or a Member.
- 11.4 The Board has no power to enter into legal relations or contracts with any other person (whether or not a Member of the Constitution).
- 11.5 The Contracts (Rights of Third Parties) Act 1999 does not apply to this Board or this Constitution.
- 11.6 No Member of the Board shall be bound to follow, or refrain from, a particular course of action by being a Member of the Board and nothing carried out or not carried out, decided upon or not decided upon shall act as a fetter on the discretion, statutory or otherwise, of any party.
- 11.7 Participation in the Board shall be without prejudice to the wider statutory regulatory and other obligations of Members.

12. Counterparts

- 12.1 The Management Board may be dissolved by a majority decision at a meeting called for that purpose. All assets (if any) provided by individual Members will be offered back to that Member.

13. Dissolution

- 13.1 This agreement may be executed in any number of counterparts, each of which when executed and delivered shall constitute an original of this agreement but all the counterparts shall together constitute the same agreement.

14. Commitment to the Board

- 14.1 Each Member shall sign a copy of the Board's constitution as a sign of their support to the aim and objectives of the Board and their commitment to ensuring that the priorities of the Board are considered and mainstreamed into their work in order to improve Economic Development in North Wales.

Signed:

On behalf
of:

Date:

APPENDUM: Responsibilities of Members of the NORTH WALES ECONOMIC AMBITION BOARD.

1. Responsibilities of Members

- 1.1 To co-operate strategically for the benefit of Economic Development in North Wales.
- 1.2 To attend regular meetings of the Board.
- 1.3 To prepare thoroughly for all meetings by reading the minutes and accompanying papers as well as to contact and discuss any matter that is relevant to the work of the Board with others within their body as required.
- 1.4 To be prepared to contribute to meaningful discussions at Board meetings and to listen, give due consideration to and respect the opinions and views of others.
- 1.5 To communicate information about any work or development within their authority that is relevant to the Board.
- 1.6 To convey and promote the decisions of the Board within their authorities and report, on a regular basis, the work of the Board.
- 1.7 To work with other Members to achieve the aims of the Board and to implement the priorities set out in the Business Plan.
- 1.8 To recognise and respect the worth and contribution of each Member.

- 1.9 To represent the Board effectively on other groups, forums and partnerships as required and to ensure that the views of the Board are conveyed clearly and firmly on all occasions.
- 1.10 To participate in meetings, events and other activities organised by the Board from time to time.

2. Adhering to the Principles and Responsibilities

- 2.1 Members of the Board shall be required to adhere to the principles and responsibilities set out above whilst being a member of the Board.
- 2.2 Members shall have the right to refer any concerns they may have about the Chair to the attention of the Vice-Chair. The Vice-Chair shall take the necessary action to discuss these concerns with the Chair with a view to improving the situation. In extreme circumstances, the Vice-Chair shall have the right to refer the matter to the attention of the Board for a decision.

3. Revising the Principles and Responsibilities

- 3.1 The Board shall reserve the right to revise and amend the principles and responsibilities on a regular basis to ensure that they are fit for the purposes of promoting and maintaining the work of the Board.

Agenda Item 10

CABINET: FORWARD WORK PROGRAMME

4 SEPTEMBER 2012	
Financial Update Report	Cllr J Thompson-Hill / Paul McGrady
Regional CCTV	Cllr D Smith / Graham Boase
Child Protection Family Support Project – Contract Exemption Report	Cllr Bobby Feeley / Katie Newe
West Rhyl Housing Improvement Project – Compulsory Purchase Order	Cllr Hugh Evans / Gerald Thomas
West Rhyl Housing Improvement Project – Confirmation of the Project Brief	Cllr Hugh Evans Peter McDermott / Gerald Thomas
Items from Scrutiny Committees	Scrutiny Coordinator
25 SEPTEMBER 2012	
Regional Collaborative Committees	Lead Member / Sally Ellis / Jenny Elliot
Review of Faith Based Education Provision	Jackie Walley Cllr Eryl Williams
Ruthin Schools Review	Jackie Walley
Treasury Management Review	Paul McGrady
Vulnerable Families Generic Floating Support Project - Contract Award Report	Cllr Bobby Feeley / Katie Newe
Mental Health Homeless Supported Housing Project - Contract Award Report	Cllr Bobby Feeley / Katie Newe
Items from Scrutiny Committees	Scrutiny Coordinator
23 OCTOBER 2012	
Financial Update Report	Cllr J Thompson-Hill / Paul McGrady
Highways and Infrastructure Collaboration	Lead Member / Stuart Davies
Items from Scrutiny Committees	Scrutiny Coordinator
20 NOVEMBER 2012	
Financial Update Report	Cllr J Thompson-Hill / Paul McGrady
Items from Scrutiny Committees	Scrutiny Coordinator
18 DECEMBER 2012	
Welsh Housing Quality Standards	Lead Member / Peter McHugh
Financial Update Report	Cllr J Thompson-Hill / Paul McGrady

Items from Scrutiny Committees	Scrutiny Coordinator
15 JANUARY 2013	
Financial Update Report	Cllr J Thompson-Hill / Paul McGrady
Items from Scrutiny Committees	Scrutiny Coordinator
19 FEBRUARY 2013	
Financial Update Report	Cllr J Thompson-Hill / Paul McGrady
Items from Scrutiny Committees	Scrutiny Coordinator
19 MARCH 2013	
Financial Update Report	Cllr J Thompson-Hill / Paul McGrady
Items from Scrutiny Committees	Scrutiny Coordinator
16 APRIL 2013	
Financial Update Report	Cllr J Thompson-Hill / Paul McGrady
Items from Scrutiny Committees	Scrutiny Coordinator
14 MAY 2013	
Financial Update Report	Cllr J Thompson-Hill / Paul McGrady
Items from Scrutiny Committees	Scrutiny Coordinator

Updated 3/07/2012 KEJ

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