

CABINET

Minutes of a meeting of the Cabinet held in Conference Room 1a, County Hall, Ruthin on Tuesday, 25 September 2012 at 10.00 am.

PRESENT

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

Observers: Councillors Ray Bartley, William Cowie, Gwyneth Kensler, Dewi Owens and Huw Williams

ALSO PRESENT

Chief Executive (MM); Corporate Directors: Economic and Community Ambition (RM), Customers (HW), Modernising and Wellbeing (SE); Head of Legal and Democratic Services (RGW); Head of Finance and Assets (PM); Head of Children and Family Services (LR); Section Manager: Passenger Transport (PD), and Committee Administrator (KEJ)

WELCOME

The Leader, Councillor Hugh Evans welcomed everyone to the meeting and extended a particularly warm welcome to the newly appointed Corporate Director Rebecca Maxwell who was attending her first Cabinet meeting.

1 APOLOGIES

There were no apologies.

2 DECLARATION OF INTERESTS

No declaration of personal or prejudicial interest had been raised.

3 URGENT MATTERS

No urgent matters had been raised.

4 MINUTES

The minutes of the Cabinet meeting held on 4 September 2012 were submitted.

Matters Arising –

Page 6 – Item No. 3: Urgent Matters – In response to a question from Councillor Eryl Williams, the Head of Legal and Democratic Services indicated that he would write to members of the previous Council acknowledging the work they had undertaken and their contribution to the authority's continued improvement and achievement as a high performing council.

Page 7/8 – Item No. 5: Financial Update Report – Councillor Julian Thompson-Hill updated members on the latest position concerning demolition of the Honey Club, Rhyl. He advised that a letter from the Welsh Government (in response to a reminder from the Chief Executive) had been circulated to councillors indicating that a decision on the application for demolition was expected within two weeks. The Leader added that he had raised the issue at a recent meeting with the Minister for Housing, Regeneration and Heritage and Cabinet agreed with the Leader's suggestion to e-mail the Minister with further details.

Page 12 – Item No. 9: Changes to Supporting People Programme – Councillor Bobby Feeley reported upon the first meeting of the Regional Collaborative Committee which would continue to meet monthly over the next six months. The Corporate Director Modernising and Wellbeing confirmed that Communities Scrutiny Committee would be scrutinising the impact of the new supporting people arrangements on the delivery and funding of those services in Denbighshire.

RESOLVED that the minutes of the meeting held on 4 September 2012 be approved as a correct record and signed by the Leader.

5 BUS SERVICES AND REDUCTIONS

Councillor David Smith presented the report informing Cabinet of the implications of Welsh Government (WG) funding reductions, the subsequent consultation on bus service reductions and proposed cuts in bus services in 2012/13 and 2013/14.

Members were advised of the background to the current proposals arising from cuts in grant funding paid towards local bus services together with the potential impact of a ministerial review on how future grants would be managed. Communities Scrutiny Committee initiated a consultation process with passengers and communities on a series of possible cuts which were subsequently reviewed by the Bus Service Reductions Working Group (Appendix 1 to the report). The Working Group's proposals for 2012/13 had been detailed within the report together with proposals for 2013/14 (Appendix 2 to the report). An equalities impact assessment regarding the potential reductions had also been included (Appendix 3 to the report). Councillor Smith was keen to highlight the hard work and effort undertaken in order to reach the recommendations contained within the report.

Councillor Huw Jones referred to a number of routes and sought clarification on potential future proposals for those areas given that there was a need to ensure that the timetabling of services did not finish too early and that as many people as possible were accommodated if changes were to be made. The Section Manager: Passenger Transport (SM:PT) assured Cabinet that a number of timetabling changes had been considered in order to achieve the best possible solution taking

into account the need for savings. In terms of the specific services referred to by Councillor Jones, the SM:PT advised that –

- X5 Service (Corwen – Ruthin/Denbigh) – a number of consultation responses were being considered. The service did not perform well and both 1640 and 1740 were being examined. The 1640 was busier but 1740 was the last bus so a possible outcome could be to change the time of the service to 1710 to accommodate as many passengers as possible
- proposed adjustments to services 70/77 (Betws/Clawdd/Cyffylliog/Llanelidan to Ruthin) had been detailed at Appendix 4 to the report. Proposed adjustments had also been made to services 91/95 (Betws/Carrog to Llangollen or Wrexham) which would result in some modest savings but consultation on the proposals with local members was required before wider circulation.

Members sought clarification on the proposed recommendation relating to patient transport to Abergele Hospital. The SM:PM explained that discussions were ongoing with Betsi Cadwaladr University Health Board (BCUHB) to fund a pilot to accommodate passenger requests to the transferred eye clinic (from St. Asaph to Abergele). However, if the pilot proved unsuccessful it was proposed that the Council introduce some basic transport provision for patients. Councillor Bobby Feeley felt that BCUHB should bear responsibility for patient transport arising from changes to patient services which they had introduced. Councillor Eryl Williams agreed adding that the Council had its own responsibilities to meet in terms of transport provision and that if the Council were to take on the extra responsibility it would be at the expense of other important services. Cabinet discussed this issue at length stressing that transport was a significant issue for BCUHB to consider in terms of changes to the location of patient services which was inevitable under the proposals arising from the NHS Service Reviews and assurances needed to be sought that the Health Board would be taking on that responsibility. Councillor Smith reminded members that he had highlighted the need for BCUHB to draw up a Transport Strategy to address the new pattern of services proposed at the last County Council meeting. The Corporate Director Modernising and Wellbeing confirmed that the transport issue would be included within the Council's formal response to BCUHB Service Reviews. Councillor Barbara Smith queried the number of patients who were affected by the transfer of the eye clinic to Abergele Hospital and the SM:PT explained that there was no specific data on usage for passenger transport but the failure rate of appointments not being met was known and he was aware it was an issue for a number of patients. Whilst some patients could utilise transport from the Welsh Ambulance Service Trust and Dial a Ride, those services were not generally available to the public.

The Leader was pleased to note the significant public consultation on the proposals and the input of the Rural Transport Group within the process and applauded the hard work of all those involved. However he raised concerns regarding the findings of the ministerial review and impact for local authorities and TAITH (regional transport consortia). Councillor Smith advised that he had asked TAITH's Executive Officer, Mr. Iwan Prys Jones to deliver a presentation to County Council once the outcome of the ministerial review was known.

RESOLVED that –

- (a) *the reductions for 2012/13 as proposed in paragraph 4.6 to the report be made as soon as possible;*
- (b) *subject to ministerial review and any new arrangements in administering grants for bus services in 2013/14, the reductions identified in paragraph 4.7 to the report and Appendix 2 to the report be made on and from Monday 1 April 2013;*
- (c) *if the Abergele Hospital pilot funding was unsuccessful, that representations be made to Betsi Cadwaladr University Health Board to fund a community car service in order to transport patients to the eye clinic at Abergele, and*
- (d) *should there be a marginal balancing reduction that this be delegated to the Joint Head of Highways and Infrastructure in consultation with the Lead Member for Public Realm.*

6 BRYN Y WAL CHILDREN'S HOME CONTRACT

Councillor Bobby Feeley presented the report seeking Cabinet's agreement to proposals in respect of contractual arrangements relating to a four/five bedded Residential Children's Home in Rhuddlan post April 2013 and the alternative use of resources.

The report focused on a contractual arrangement with Action for Children who owned and ran Bryn y Wal Children's Home. Due to limited demand the Council had not used the facility to its full capacity. Accordingly discussions had been ongoing to ascertain whether there could be a shared use of resources and costs with two or three other local authorities. If that was not possible the contract would be allowed to lapse at the end of March 2013. Both options would achieve a budget saving and would enable a reinvestment in priority areas and detailed costs of the proposals had been contained within the report. The proposals focused on the following –

- that a proportion of the existing Bryn y Wal budget (£215k) be retained to purchase a share in the revised residential resource if that was agreed, or alternative placement arrangements if not; it would also fund the additional costs involved in providing emergency foster care arrangements, and
- the balance would then be utilised to facilitate two developments (1) Supported Foster Care, and (2) strengthening Family Support Services, both of which would be targeted at reducing the number needing to be accommodated or reducing the need to use residential care.

During consideration of the proposed options for future arrangements Councillor Feeley added that no response had been received from neighbouring authorities as yet in terms of sharing facilities. The Head of Children and Family Services (H:C&FS) elaborated upon the investment in fostering based provision to deal with

a range of different needs. Whilst Bryn y Wal provided a particular type of provision it would not be viable to maintain the contract under current arrangements. Cabinet discussed the reinvestment in priority areas with the officers and noted that only a small number of children accessed residential care in Denbighshire with a greater need for specialised provision which Bryn y Wal did not cater for. Spot purchasing arrangements for specific children at specific times would continue and some children were placed out of county in order to meet their particular needs. Reference was also made to the risks associated with the arrangements and measures to reduce them. The Corporate Director Modernising and Wellbeing reported upon some regional work being undertaken to assess the range of residential provision and facilities in North Wales in order to meet the needs of children.

Councillor Dewi Owens felt the resource should only be retained as a shared facility if it was fully utilised and queried the usage of neighbouring authorities. The H:C&FS reported Wrexham County Borough Council had consistently used a bed for two children as a spot purchase without involvement in the contract.

Cabinet agreed that it would not be appropriate to continue wholly funding a resource that was not fully utilised. However, members were in favour of a collaborative approach with neighbouring authorities in order to retain the facility within the county and hoped that efforts in that regard proved successful.

RESOLVED that Cabinet agree –

- (a) *the proposed contractual arrangements post April 2013 as detailed within the report;*
- (b) *the development of a seven day waking hours family support service as detailed within the report, and*
- (c) *the development of support foster care as detailed within the report.*

7 ANNUAL TREASURY MANAGEMENT REPORT 2011/12

Councillor Julian Thompson-Hill presented the report which provided details of the Council's treasury management activities and an overview of the economic background for the year. It also reported upon the risk implications of treasury decisions and transactions and confirmed compliance with treasury limits and Prudential Indicators.

In summarising the report Councillor Thompson-Hill explained that it was a historic document and he highlighted the main points for members in terms of borrowing and investment activity over 2011/12 and also elaborated upon a number of key prudential indicators. The Head of Finance and Assets (H:F&A) added that Corporate Governance Committee had discussed the report at length; a recent Internal Audit review had provided a high assurance rating on treasury management activities, and the Wales Audit Office were also content with the service. Accordingly Cabinet could take further reassurance from those assessments.

Members took the opportunity to ask questions and discuss a number of issues with the Lead Member and H:F&A arising from the report who responded as follows –

- the Council's borrowing limits were set annually by Full Council
- elaborated upon the use of Internal Borrowing where the Council's own reserves and balances were used to fund capital expenditure as a more cost effective means of borrowing in light of low investment income
- provided an example of typical borrowing rates and amounts payable over a ten year term together with historic data to reflect how interest rates had fallen to the current lows from up to 10% in the 1980s/1990s
- reported upon the Council's inherited debt from previous authorities together with the debt maturity profile particularly debt maturing during the lifetime of the current Council releasing savings of approximately £700k
- confirmed Full Council had agreed an exception for operational reasons to allow continued use of the Council's own bank, Natwest despite it being one of the banks affected by the downgrade of credit rating in autumn 2011.

Councillor Eryl Williams felt that where other committees had considered business items prior to Cabinet it would be useful for Cabinet to be provided with some feedback thereon. Councillor Gwyneth Kensler, Vice Chair of the Corporate Governance Committee confirmed they had only recently considered treasury management issues and the minutes were not yet available. However Cabinet members were welcome to attend meetings when such matters were being discussed. Cabinet noted that Corporate Governance Committee had been happy with the contents of the report and treasury management performance.

In view of the current economic climate Councillor Bobby Feeley felt that the Council could take advantage of the low interest rates payable for borrowing to invest in capital projects which would also benefit the local economy and communities. Due to the low investment income Councillor David Smith felt there might be merit in utilising surplus funding to improve building capacity rather than for investment purposes. The H:F&A explained that similar views had been expressed by councillors during discussions at the recent session on financing the Corporate Plan when a significant investment programme had been agreed. The limiting factor was the cost of repaying the debt from the revenue budget. Work was also ongoing to examine whether balances could be used more effectively and risk assessments would be carried out with a report back to Council on the findings. Accordingly it was –

RESOLVED that the Annual Treasury Management Report for 2011/12 be noted.

8 CABINET FORWARD WORK PROGRAMME

Councillor Hugh Evans presented the Cabinet Forward Work Programme for consideration. The Head of Legal and Democratic Services reported upon a number of amendments as follows –

- reports on the review of Faith Based Education Provision and Ruthin Schools would be delayed from October to November

- a report on Dog Fouling would be submitted to the November meeting
- the possibility of the report on Marine Lake, Rhyl being deferred from October to November.

Councillor Julian Thompson-Hill advised that a report on the budget recommendations should be scheduled for January. The Corporate Director Customers also raised the possibility of a report on Community Funding being submitted to the next Cabinet meeting in October.

RESOLVED that, subject to the above amendments and comments, Cabinet's Forward Work Programme be noted.

The meeting concluded at 11.05 a.m.