

CABINET

Minutes of a meeting of the Cabinet held in Conference Room 1a, County Hall, Ruthin on Tuesday, 23 October 2012 at 10.00 am.

PRESENT

Councillors Hugh Evans (Chair), Julian Thompson-Hill, Eryl Williams, Bobby Feeley, Hugh Irving, Huw Jones, Barbara Smith and David Smith.

Observers: Councillors Raymond Bartley, Joan Butterfield, Meirick Lloyd Davies and David Simmons.

ALSO PRESENT

Chief Executive (MM), Head of Legal and Democratic Services (GW), Corporate Director: Economic and Community Ambition (RM), Corporate Director: Customers (HW), Joint Head of Highways and Infrastructure (SD), Corporate Director: Modernising and Wellbeing (SE), Chief Accountant (RW), Project Manager, Conwy County Borough Council (DE), Community Housing Manager (SK), Democratic Services Manager (SP), Democratic Services Officer (RAH), and Committee Administrator (SLW)

ONE MINUTE SILENCE

The Leader spoke of the four people who had recently lost their lives in a house fire in Prestatyn. Lee-Anne Shiers, her son Charlie, nephew Bailey Allen and niece Skye Allen. The Leader wished to send condolences to all the family. One minutes silence was held in respect of the lives lost.

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

Matters Arising – Page 7. Councillor David Smith stated a meeting date with TAIH was to be arranged and upon confirmation of date, Councillor Smith would update Cabinet.

RESOLVED that the minutes of the meeting held on 25th September, 2012 be approved as a correct record and signed by the Leader.

5 CONWY AND DENBIGHSHIRE HIGHWAYS AND INFRASTRUCTURE COLLABORATION

Councillor David Smith presented the report for consideration of the recommendations of the Conwy and Denbighshire Highways and Infrastructure Collaboration Programme Board following the consideration of the “Conwy CBC and Denbighshire CC Joint Highways and Infrastructure Fully Integrated Service: Report on the Draft Service Design (September 2012)’ on the 12th September, 2012.

Councillor David Smith formally extended his gratitude to Danielle Edwards, Regional Project Manager, Conwy County Borough Council, for her hard work in the preparation of the Report. Councillor Smith confirmed both he and Conwy Councillor Mike Priestley had been consulted and kept fully informed throughout the project.

The Chief Executives of both Conwy and Denbighshire had commissioned a working group to consider the available options. The group consisted of two Corporate Directors – Sasha Davies (Conwy County Borough Council) and Hywyn Williams (Denbighshire County Council) supported by Danielle Edwards (Project Manager), S151 Officers and the HR Heads of Service. The options to be considered were as follows:-

- Deliver financial savings for both councils without loss of important services to residents
- Strengthen the collaborations that the two Local Authorities have committed themselves to at a sub-service level, ie: school transport and street lighting
- Consider inter-authority as well as intra-authority options for models of service delivery
- Ensure that options for consideration are consistent with regional developments.

The Corporate Directors report would be presented to Cabinet on 18 December 2012.

Danielle Edwards, Project Manager (PM) acknowledged the work of her colleagues in the collation of the report. For the previous two years a project team consisting of staff from both Conwy County Borough Council and Denbighshire County Council had been involved in working on the project. The report was tasked to look into one area of collaboration, that being Highways and Infrastructure. In terms of the actual report, it was recognised there was no clear vision or set of benefits. Therefore, in early April, Managers of Highways and Infrastructure engaged in work which produced a shared vision. Services were the first issue to be looked into. A design workshop had been developed which consisted of Heads of Service and colleagues of the Senior Management Team of both Conwy and Denbighshire. The models were then taken to the Managers of Highways and Infrastructure in Conwy and Denbighshire for their opinion on which section of the model worked and which did not. Once agreement of how the service would look was agreed, then the

staffing structure was considered and finally the issue of where the service would be located. Three options were to be considered:-

- Option 1 – Re-location of Heath based office staff to the Caledfryn site
- Option 2 – Retain both Caledfryn and the Heath sites, reorganising the staff according to service / sub-service areas where appropriate
- Option 3 – Staff from the Heath and Caledfryn to be located in a building formerly used as office space (St. Asaph Business Park).

Moving staff to the Heath building was discounted as the building was unsuitable. A new building was also discounted as this would be cost prohibitive.

The relocation of staff would have ICT implications. Section 10 of the report referred to the financial model, which showed prospective costs for the 3 options.

Accommodation costs for each of the three options would be as follows:-

- Option 1 – There would be minor accommodation costs moving to Caledfryn
- Option 2 – there were no expected additional costs
- Option 3 – there would be costs for the lease of a building.

Redundancy costs were shown for year 1. There were to be 9 new posts created. These new posts had been matched to current positions so reducing redundancies to 8.59 FTE (full time employment).

The Leader also thanked the PM for the report and raised the point that the report did not highlight the discussion which had taken place at the Partnerships Scrutiny Committee meeting on 11th October, 2012.

Councillor David Smith confirmed that the Partnerships Scrutiny Committee had agreed to the recommendations within the report.

CD:C reiterated that full integration was not financially viable for Highways and Infrastructure but collaboration for the future was a possibility. Collaboration between Conwy and Denbighshire was still being assessed. CD:C also confirmed that an in-depth discussion had taken place at the Partnerships Scrutiny Committee meeting whereby they agreed to the recommendations set in the report.

CD:C confirmed that when the updated report was presented at the Partnerships Scrutiny Committee meeting on 5 December then they would be scrutinising recommendation 3.2 within the report especially as to what the staffing implications would be. There was a need to make savings and this was irrespective of collaboration or not. This would be made clearer in December.

Councillor Meirick Lloyd Davies enquired as to why there had been no written report from Partnerships Scrutiny Committee or even sight of the minutes which would have been informative to the Cabinet members.

The Leader confirmed he also would have liked sight of a written report following the Partnerships Scrutiny Committee meeting, but he understood it had been an issue of the timing of the meeting whereby a written report was not available, and

the minutes would not be confirmed until the following Partnerships Scrutiny Committee meeting on 8 November 2012.

It was agreed that the lack of a written report or even a copy of the minutes following the Partnerships Scrutiny Committee meeting showed a failing within the system. A request was put forward that if an item had been discussed at a specific Scrutiny meeting and was then to be presented at, for example, Cabinet, that there should be some written report of the discussion which had taken place, or even the unconfirmed minutes, to enable Members to be kept fully informed.

Councillor Julian Thompson-Hill congratulated PM on the detailed report presented. With regard to collaboration, Councillor Thompson-Hill confirmed that the idea of collaboration was still the way forward even though full integration on this occasion was not a viable business case.

Councillors expressed their disappointment that the Highways and Infrastructure collaboration between Conwy and Denbighshire would not be going ahead.

Councillor Eryl Williams requested a copy of the letter which had been sent to the Minister, Carl Sargeant, together with a copy of the response received. The Leader confirmed a response had not yet been received but both letters would be made available to Cabinet members.

The Chief Executive stated that regarding full integration, this had been a key lesson learnt and the fundamental error was that it had been assumed there had been a business case. The merging of services was an expensive project. There were upfront costs, particularly to fund redundancies. Pressure from the Minister would continue to intensify. Drawing up a business plan ensured an improved service and one which should be more economical to run.

RESOLVED that Cabinet agree:-

- (i) *because the Business Case does not make a clear case for a fully integrated Highways and Infrastructure Service, Conwy and Denbighshire do not proceed with this option.*
- (ii) *Conwy and Denbighshire continue to look for further opportunities to rationalise management, reduce costs and improve services to our residents by:*
 - *Strengthening those areas of sub-service that are under single management*
 - *Exploring the Highways and Infrastructure sub-service areas where collaboration might bring benefits to our residents*
 - *Exploring local (Authority specific) opportunities for collaboration and joint management arrangements between existing services*
 - *Maintaining and developing our commitment to the regional developments on transport which, if delivered well, may secure additional benefits. Decisions will need to be based on a sound business case for change for in respect of such elements and*
- (iii) *the Corporate Directors report back to Cabinet in December 2012 on the work inherent in Recommendation (ii)*

6 FINANCIAL UPDATE REPORT

Councillor Julian Thompson-Hill presented the Finance Report giving details of the Council's revenue budget and savings agreed for 2012/13 as at the end of September 2012. The report also gave a summary update of the Capital Plan, the Housing Revenue Account and Housing Capital Plan.

All items that were classed as "in progress" were reviewed during the service challenge process and it was confirmed these would be delivered throughout the financial year.

Schools had shown a small projected under-spend. There was a significant amount of work to be done involving those schools in financial difficulty. Those schools had recovery plans in place and were actively working to the targets set out within those plans.

During preparation work of the 2012/2013 budget, a number of assumptions had to be made regarding pressures that the Council would face and appropriate budgets were put in place. Two major pressures were the likelihood of a pay rise for staff and significantly increasing energy costs. As such, the Council budgeted around £1.5million to cover those costs. The budgeted pay rise for staff did not happen. The pay freeze was confirmed after the budget had been set and, therefore the Council had a budget for a pay rise that would not take place.

The rise in energy prices was originally budgeted at 20% but they were more in the region of 10% and therefore, the additional budget was not required.

£1.7million cash was available to Denbighshire County Council and in light of discussions which had taken place regarding the new Corporate Plan and to cater for developing priorities, it had been agreed a large investment took place over the next 5/6 years. The £1.7million would be transferred to reserves.

Wales Audit Office approved the Council's annual accounts. Councillor Julian Thompson-Hill formally thanked Paul McGrady, Richard Weigh and all the staff who had been involved in the preparation of the accounts.

Capital contingency had been added to the Rhyl Harbour Cycle and Pedestrian Bridge project, together with a further contribution from Sustrans of £250,000.

There was an update regarding Rhyl Going Forward. Conservation Area Consent had been granted from the Welsh Government to demolish The Honey Club in Rhyl. However, the Council were required to allow for an appeal period of six weeks.

The summary of finances carried forward indicated £200,000 which was yet to be allocated. It was for colleagues to decide whether to place this in the reserves.

Information regarding the expenditure on highways for this year was requested by Councillor Eryl Williams. The Joint Head of Highways and Infrastructure agreed to provide this information.

The Rhyl Sky Tower had been brought back under the control of Denbighshire County Council. The Rhyl Going Forward Manager and team were working on the property portfolio and revenue costs.

The Corporate Director, Modernising and Wellbeing, gave a brief update regarding Adult Services. There was a piece of work taking place across Local Authorities looking into a 3 year spend plan. Greater clarity on the project was not available at this time.

The Corporate Director: Economic and Community Ambition, confirmed extensive discussions were taking place regarding Phase 3 of the Coastal Defence Work. There had been issues regarding flooding and further discussions were ongoing with the Scarborough Group.

Councillor Bobby Feeley informed the Members that according to the news report predictions, flooding was to increase in the future. Local Authorities needed to be aware of this and take on board the fact that extra funding would be required to deal with the issue. Councillor David Smith confirmed there was a flood plan available which indicated the likely flood areas within Denbighshire. Councillor Smith agreed to submit the plan to a future meeting.

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

7 REEMA PROPERTIES, MELIDEN - BUILDING OPTION AND FUNDING MODEL

Councillor Hugh Irving presented the report informing Cabinet of the REEMA properties on Ffordd Ty Newydd and Rhodfa Hendre in Meliden which currently fail to meet Welsh Housing Quality Standard (WHQS).

REEMA properties were made of a non-traditional prefabricated construction. The problem with possible refurbishment was that it would not address the design issues of the properties. They were built the wrong way round and at the bottom of a slope with no car parking spaces.

The report had been brought to Cabinet as the tenants required an update on the possibility of demolition/refurbishment of their homes.

Three meetings had taken place with the tenants regarding the decant policy. Tenants were to be automatically placed at the top of the housing list for a decant property. Unfortunately there had only been 12 suitable properties which had become vacant within the last 12 months. Therefore, there was a possibility it could take up to 2 years to find suitable housing options for the decant of the tenants.

The proposal had been to wait until all the properties on the site were vacated and then demolition would take place.

Councillor Meirick Lloyd Davies requested a plan of the estate for ease of reference.

RESOLVED that Cabinet agree to:-

- (i) *The Council demolishing the REEMA properties and securing the site pending redevelopment.*
- (ii) *The Council continuing with its discussions with Welsh Government to explore the potential for housing subsidy to develop new build Council Housing on the site.*
- (iii) *The Council working with residents who may wish to return to a redeveloped site to ensure their needs are catered for as part of any new development.*
- (iv) *The Council note the provisions of the REEMA tenants Decant Policy.*

At this juncture (11.30 a.m.) there was a break.

Meeting reconvened at 11.45 a.m.

8 APPOINTMENTS OF COUNCILLORS TO OUTSIDE BODIES

Councillor Hugh Evans (the Leader) presented a report proposing nominations of Members to represent Denbighshire Council Council on a number of outside bodies. A decision was required from Cabinet on which outside bodies Denbighshire County Council would nominate Members to serve as representatives of the Council.

The Leader stated that a review had taken place in May 2012 and a list of all external organisations which had representatives from Denbighshire County Council was compiled.

The Leader, Senior Leadership Team and Political Groups had been consulted regarding the external organisations and proposed nominations.

The Head of Legal and Democratic Services gave an explanation of the 3 separate lists which had been provided to Cabinet, as follows:-

- List 1 – Organisations which were considered corporately advantageous for Denbighshire County Council to have a nominated representative on board. Feedback had been received from Group Leaders who were of the opinion these organisations were still relevant and the nomination of representatives put forward were as on the list.
- List 2 – contained organisations for which the Cabinet decision was required as to whether the organisations remain on the list. It was agreed organisations were to remain on the list with the exception of Nuclear Free Local Authorities which required further discussion.

- List 3 – Organisations named on List 3 did not require members to be nominated, but if a member had a personal interest in the organisation, they could attend in a personal capacity. A number of the organisations within the list were no longer in operation.
- It was proposed by the Head of Legal and Democratic Services that a report on Outside Bodies be presented to Corporate Governance Committee.

RESOLVED that following Cabinet considering List 1 (outside bodies where Denbighshire representation is considered essential or corporately advantageous) and List 2 (other organisations that Council representatives could be appointed to) it was agreed to :-

- (a) Approve the recommended appointments shown in List 1
- (b) Approve organisations in List 2 as having Council representation with the exception of Nuclear Free Local Authorities which was to be the subject of further consideration.
- (c) Appoint the relevant Councillors to the organisations approved by Cabinet from List 2.

9 CABINET FORWARD WORK PROGRAMME

Councillor Hugh Evans presented the Cabinet Forward Work Programme for consideration.

RESOLVED that Cabinet Forward Work Programme be noted.

10 CONTRACT 8 - HOUSING IMPROVEMENT PROGRAMME

Councillor Hugh Irving presented the confidential report to seek Cabinet approval to formally award Contract 8 of the Housing Improvement Programme.

RESOLVED that Cabinet agree to the recommendation to award the contract following satisfactory validation checks of the contractor's tender submission. The spread of tender prices demonstrate that a competitive tender has been sought which is bona fide and suitable for a contract of this nature. This contract is the final contract within the framework agreement and will ensure all properties are fully compliant with the Welsh Housing Quality Standard.

The meeting concluded at 12.20 p.m.