

At: Aelodau'r Cyngor Sir

Dyddiad: Dydd Llun, 29 Medi 2014

Rhif Union: 01824712589

ebost: dcc_admin@denbighshire.gov.uk

Annwyl Gyngorydd

Fe'ch gwahoddir i fynychu cyfarfod y **CYNGOR SIR, DYDD MAWRTH, 7 HYDREF 2014** am **10.00 am** yn **SIAMBR Y CYNGOR, NEUADD Y SIR, RHUTHUN LL15 1YN.**

Yn gywir iawn

G Williams
Pennaeth Gwasanaethau Cyfreithiol a Democrataidd

AGENDA

RHAN 1 – ESTYNNIR GWAHODDIAD I'R WASG A'R CYHOEDD DDOD I'R RHAN HON O'R CYFARFOD

1 YMDDIHEURIADAU

2 DATGAN CYSYLLTIAD (Tudalennau 5 - 6)

Dylai'r Aelodau ddatgan unrhyw gysylltiadau personol neu gysylltiad sy'n rhagfarnu mewn unrhyw fater a nodwyd i'w ystyried yn y cyfarfod hwn.

3 MATERION BRYD FEL Y'U CYTUNWYD GAN Y CADEIRYDD

Rhybudd o eitemau y dylid, ym marn y Cadeirydd, eu hystyried yn y cyfarfod fel materion brys yn unol ag Adran 100B (4) Deddf Llywodraeth Leol, 1972.

4 DYDDIADUR Y CADEIRYDD (Tudalennau 7 - 8)

Nodi ymrwymadau dinesig a ymgwymerwyd gan Gadeirydd y Cyngor (copi ynghlwm).

5 COFNODION (Tudalennau 9 - 22)

Cael cofnodion cyfarfod y Cyngor Sir a gynhaliwyd 9 Medi 2014 (copi ynghlwm).

6 AILDDATBLYGU CANOLFAN NOVA (Tudalennau 23 - 112)

Ystyried adroddiad gan y Pennaeth Cyfathrebu, Marchnata a Hamdden (copi ynghlwm) sy'n ystyried y cynigion ar gyfer ailddatblygu Canolfan Nova Prestatyn.

7 ADOLYGIAD PERFFORMIAD BLYNYDDOL 2013/14 (Tudalennau 113 - 172)

Ystyried adroddiad gan y Rheolwr Rhaglenni Corfforaethol (copi ynghlwm) ynglŷn ag Adolygiad Perfformiad Blynyddol drafft 2013/14.

8 RHAGLEN GWAITH I'R DYFODOL Y CYNGOR SIR (Tudalennau 173 - 176)

Ystyried Rhaglen Gwaith i'r Dyfodol y Cyngor (copi ynghlwm).

AELODAETH

Y Cynghorwyr

Y Cynghorydd Brian Blakeley
(Cadeirydd)

Y Cynghorydd Gwyneth Kensler (Is-
Gadeirydd)

Ian Armstrong
Raymond Bartley
Joan Butterfield
Jeanette Chamberlain-Jones
William Cowie
Ann Davies
James Davies
Meirick Davies
Richard Davies
Stuart Davies
Peter Duffy
Peter Arnold Evans
Hugh Evans
Bobby Feeley
Carys Guy
Huw Hilditch-Roberts
Martyn Holland
Colin Hughes
Rhys Hughes
Hugh Irving
Alice Jones
Huw Jones
Pat Jones

Geraint Lloyd-Williams
Margaret McCarroll
Jason McLellan
Barry Mellor
Win Mullen-James
Bob Murray
Peter Owen
Dewi Owens
Merfyn Parry
Paul Penlington
Arwel Roberts
Gareth Sandilands
David Simmons
Barbara Smith
David Smith
Bill Tasker
Julian Thompson-Hill
Joe Welch
Cefyn Williams
Cheryl Williams
Eryl Williams
Huw Williams

COPIAU I'R:

Y Wasg a'r Llyfrgelloedd
Cynghorau Tref a Chymuned

Mae tudalen hwn yn fwriadol wag

Cod Ymddygiad Aelodau

DATGELU A CHOFRESTRU BUDDIANNAU

Rwyf i,
(enw)

*Aelod /Aelod cyfetholedig o
(*dileuer un)

Cyngor Sir Ddinbych

YN CADARNHAU fy mod wedi datgan buddiant ***personol / personol a sy'n rhagfarnu** nas datgelwyd eisoes yn ôl darpariaeth Rhan III cod ymddygiad y Cyngor Sir i Aelodau am y canlynol:-
(*dileuer un)

Dyddiad Datgelu:

Pwyllgor (nodwch):

Agenda eitem

Pwnc:

Natur y Buddiant:

Llofnod

Dyddiad

Code of Conduct for Members

DISCLOSURE AND REGISTRATION OF INTERESTS

I, *(name)*

a *member/co-opted member of

*(*please delete as appropriate)*

Denbighshire County Council

CONFIRM that I have declared a ***personal / personal and prejudicial** interest not previously declared in accordance with the provisions of Part III of the Council's Code of Conduct for Members, in respect of the following:-

*(*please delete as appropriate)*

Date of Disclosure:

Committee *(please specify)*:

Agenda Item No.

Subject Matter:

Nature of Interest:

Signed

Date

Eitem Agenda 4

Digwyddiadau wedi eu mynychu gan y Cadeirydd / Events attended by Chairman

07.09.14 – 28.09.14

Dyddiad / Date	Digwyddiad / Event	Lleoliad / Location
07.09.14	Maer Gwasanaeth Dinesig Rhuddlan Mayor of Rhuddlan's Civic Service	Rhuddlan
08.09.14	Taith o Cam Digwyddiad 2 Lletygarwch Prydain Tour of Britain Stage 2 Hospitality Event	Llandudno
10.09.14	Gwobrau Ansawdd Cenedlaethol ar gyfer Dathlu Ysgolion Iach, Ysgol Glan Clwyd National Quality Award for Healthy Schools Celebration, Ysgol Glan Clwyd	Llanelwy St Asaph
11.09.14	Seremoni Dinasyddiaeth Citizenship Ceremony	Rhuthun Ruthin
14.09.14	Cadeirydd Gwasanaeth Dinesig yn Llanelwy, mynychodd Is-gadeirydd Chair of St. Asaph's Civic Service, Vice Chair attended	Llanelwy St. Asaph
14.09.14	Cadeirydd y Gwasanaeth Dinesig Conwy Chair of Conwy's Civic Service	Conwy
18.09.14	Ymweliad gan Gyngor 3 Ysgol Gynradd Visit from 3 Primary School Councils	Rhuthun Ruthin
23.09.14	CCB Siop Cyngor ar Fudd-daliadau Benefits Advice Shop Annual General Meeting	Rhyl
24.09.14	Ymweliad â Gwaith Haearn yng Nghroesoswallt Visit to Ironworks in Oswestry	Groesoswallt Oswestry
24.09.14	Cyngerdd Ysgolion Gŵyl Gerdd Ryngwladol Gogledd Cymru - Is Gadeirydd wedi mynychu North Wales International Music Festival Schools Concert – Vice Chair attended	Llanelwy St. Asaph
24.09.14	ODEL Digwyddiad Dathlu Llwyddiant ODEL Celebrating Achievement Event	Rhyl
25.09.14	Gŵyl Gerdd Ryngwladol Gogledd Cymru - Yn y Dechrau - Prosiect Ysgolion Cynradd North Wales International Music Festival – In the Beginning – Primary Schools Project	Llanelwy St. Asaph
26.09.14	Triathlon Rhyl - Gwobr Digwyddiad Cyflwyniad Rhyl Triathlon - Prize Presentation Event	Rhyl
28.09.14	Cadeirydd y Gwasanaeth Dinesig Ynys Môn Is Gadeirydd wedi mynychu Chair of Anglesey's Civic Service Vice Chair attended	Ynys Môn Anglesey

Mae tudalen hwn yn fwriadol wag

CYNGOR SIR

Cofnodion cyfarfod o'r Cyngor Sir a gynhaliwyd yn SIAMBR Y CYNGOR, NEUADD Y SIR, RHUTHUN LL15 1YN, Dydd Mawrth, 9 Medi 2014 am 10.00 am.

YN BRESENNOL

Y Cyngorwyr Raymond Bartley, Brian Blakeley (Cadeirydd), Joan Butterfield, Jeanette Chamberlain-Jones, William Cowie, Ann Davies, James Davies, Meirick Davies, Richard Davies, Stuart Davies, Peter Duffy, Peter Arnold Evans, Hugh Evans, Bobby Feeley, Carys Guy, Huw Hilditch-Roberts, Martyn Holland, Colin Hughes, Rhys Hughes, Alice Jones, Pat Jones, Gwyneth Kensler (Is-Gadeirydd), Geraint Lloyd-Williams, Margaret McCarroll, Jason McLellan, Barry Mellor, Peter Owen, Merfyn Parry, Paul Penlington, Arwel Roberts, Gareth Sandilands, David Simmons, Barbara Smith, David Smith, Julian Thompson-Hill, Joe Welch, Cefyn Williams, Cheryl Williams a/ac Eryl Williams.

HEFYD YN BRESENNOL

Y Prif Weithredwr (MM), Pennaeth y Gwasanaethau Cyfreithiol, AD a Gwasanaethau Democrataidd (GW), Pennaeth Cyllid ac Asedau (PMc), Pennaeth Cwsmeriaid a Chymorth Addysg (JW), Pennaeth Addysg (KE), Rheolwr y Gwasanaethau Democrataidd (SP) , a Gweinyddwr y Pwyllgor (SLW)

Yn bresennol hefyd:

Prif Swyddog Tân, Simon Smith a
Dirprwy Brif Swyddog Tân, Dawn Docx.

1 YMDDIHEURIADAU

Derbyniwyd ymddiheuriadau am absenoldeb oddi wrth y Cyngorwr(wyr) Ian Armstrong, Hugh Irving, Huw Jones, Win Mullen-James, Bob Murray, Dewi Owens, Bill Tasker a/ac Huw Williams

Cyn dechrau cyfarfod y Cyngor Llawn, cynigiodd y Cadeirydd longyfarchiadau i'r Cynghorydd Arwel Roberts a oedd wedi cael ei dderbyn i Orsedd y Beirdd.

Yna cynhaliwyd munud o dawelwch fel arwydd o barch tuag at y Cynghorydd Eryl Williams a oedd wedi colli ei fam a'r Cynghorydd Rhys Hughes a oedd wedi colli ei frawd.

2 DATGAN CYSYLLTIAD

Datganodd y Cynghorydd Meirick Lloyd Davies, Davies, Richard Davies a Peter Owen gysylltiad personol yn eitem 6 - Gwasanaeth Tân ac Achub Gogledd Cymru.

Datganodd y Cynghorydd Huw Hilditch-Roberts gysylltiad personol yn Eitem Rhif 9 – Diwygio Llywodraeth Leol.

Datganodd y Cyngorwyr, Martyn Holland, Huw Hilditch-Roberts, Geraint Lloyd Williams, Ann Davies, Joe Welch, Carys Guy, Jason McLellan, Barry Mellor, Paul Penlington, Julian Thompson-Hill, Arwel Roberts, James Davies, Margaret McCarroll, Jeanette Chamberlain-Jones, Gareth Sandilands, Cefyn Williams, Meirick Lloyd Davies a Richard Davies i gyd gysylltiad personol yn eitem 10 - Polisi Cludiant o'r Cartref i'r Ysgol.

Datganodd y Cyngorydd Jason McLellan gysylltiad personol yn eitem 11 - Cynllun Cyfalaf 2013/14 - 2017/18

3 MATERION BRYN FEL Y'U CYTUNWYD GAN Y CADEIRYDD

Yn sgil digwyddiadau diweddar yn Rotheram gofynnodd y Cyngorydd Jason McLellan i'r Polisi Diogelu Lleol gael ei anfon at bob Aelod.

Cadarnhaodd y Cyngorydd Bobby Feeley, yn dilyn trafodaethau gyda'r Cyfarwyddwr Corfforaethol: Uchelgais Economaidd a Chymunedol a Phennaeth y Gwasanaethau Plant a Theuluoedd y byddai copi o'r Polisi Diogelu Lleol yn cael ei anfon at yr holl aelodau yn fuan.

4 DYDDIADUR Y CADEIRYDD

Dosbarthwyd rhestr o ddigwyddiadau dinesig a gynhaliwyd gan y Cadeirydd a'r Is-Gadeirydd dros y cyfnod rhwng 27 Mehefin 2014 a 7 Medi 2014 cyn y cyfarfod.

Mynegodd y Cadeirydd ei ddiolch i'r Is-gadeirydd am fynd i nifer o ddigwyddiadau ar ei ran.

Hysbysodd y Cadeirydd yr aelodau am lwyddiant Gŵyl y Traeth, Y Proms ar y Prom, a Sioe Awyr y Rhyl a gafodd eu cynnal yn y Rhyl.

Roedd y digwyddiadau'n hynod lwyddiannus, gan ddenu nifer fawr o bobl i'r Rhyl.

Estynnodd y Cadeirydd ei ddiolch i Siân Davies a'i thîm am eu holl waith caled yn trefnu'r digwyddiadau. Argymhellwyd hefyd y dylid gwahodd Siân a'i thîm i un o gyfarfodydd y Cyngor yn y dyfodol er mwyn galluogi aelodau i ddangos eu gwerthfawrogiad.

PENDERFYNWYD – *y dylid derbyn y rhestr o ddigwyddiadau dinesig y bu Cadeirydd ac Is-gadeirydd y Cyngor iddynt ac y dylid nodi sylwadau'r Cadeirydd.*

5 COFNODION

Cyflwynwyd cofnodion cyfarfod y Cyngor a gynhaliwyd ar 10 Mehefin 2014.

Dywedodd y Cynghorydd Meirick Lloyd Davies ei fod wedi datgan cysylltiad yn Eitem 8 - Cynllun Pensiwn Llywodraeth Leol, ond nid yw ei enw wedi ei gynnwys yn y cofnodion.

PENDERFYNWYD, yn amodol ar yr uchod, y dylid derbyn cofnodion cyfarfod y Cyngor a gynhaliwyd ar 10 Mehefin 2014 fel cofnod cywir.

6 AWDURDOD TÂN AC ACHUB GOGLEDD CYMRU

Roedd y Prif Swyddog Tân (PST), Simon Smith a'r Dirprwy Brif Swyddog Tân (DBST), Dawn Docx yn bresennol i ymgynghori ag aelodau ar gynigion Awdurdod Tân ac Achub Gogledd Cymru ar gyfer cyflwyno gwasanaethau tân ac achub yn y dyfodol ar draws y rhanbarth.

Esboniodd y PST i'r aelodau (ynghyd â chyflwyniad) bod y gyllideb ar gyfer y 4 blynedd flaenorol wedi'i rhewi ac nad oedd yr ardoll i Awdurdodau Lleol wedi cael ei chodi yn ystod y cyfnod hwn. Rhoddodd y PST enghreifftiau o doriadau i wasanaethau a wnaed yn ystod y cyfnod hwn ac aelodau bod arbedion o £3 miliwn yn cael eu gwneud dros y 5 mlynedd nesaf.

Eglurodd y DBST y byddai galwadau pellach ar y gwasanaethau'n parhau, ond byddai angen gwneud newidiadau i'r gwasanaeth oherwydd y cyfyngiadau ariannol.

Cadarnhaodd y PST y byddai angen gwneud llawer o waith cyn y gellid cyflwyno'r cynigion ar gyfer Sir Ddinbych. Gallai peidio â chynyddu'r gyllideb referniw o'r £3 miliwn ofynnol, dros y 5 mlynedd nesaf, arwain at ostyngiadau sylweddol fel:

- Cau 9 neu 10 o'r 36 gorsaf dân ran amser bresennol
- Cael gwared ar 17 o'r 54 injan dân bresennol
- Colli tua 228 o'r 799 swydd diffoddwr tân gweithredol cyfredol yn sgil hynny.

Y cyfraniad presennol i Awdurdod Tân ac Achub Gogledd Cymru oedd £4,342,155. Felly'r cynnydd mwyaf yn y dyfodol fyddai:

- 2015/16 - £77,666
- 2016/17 - £91,100
- 2017/18 - £102,478
- 2018/19 - £102,631
- 2019/20 - £68,062

Cyfanswm yr arian ychwanegol dros 5 mlynedd fyddai £441,937

Gofynnodd y Cynghorydd Julian Thompson-Hill am sicrwydd bod y Gwasanaeth Tân ac Achub wedi craffu ar bob llinell yn y gyllideb cyn dod at yr Awdurdodau Lleol i ofyn am ragor o gyfraniadau.

Cynigiodd y PST y sicrwydd y gofynnodd y Cynghorydd Julian Thompson-Hill amdano.

Yn dilyn trafodaeth fanwl, cadarnhaodd y PST y byddai'n adrodd sylwadau'r aelodau yn ôl fel rhan o'r sylwadau ar yr ymgynghoriad.

7 RHYBUDD O GYNNIG

Cyflwynodd y Cynghorydd James Davies y Rhybudd o Gynnig canlynol i'w ystyried gan y Cyngor Llawn.

“Mae'r Cyngor yn cefnogi mentrau i hyfforddi 'Cyfeillion Dementia' a chreu 'Cymunedau sy'n Garedig i Dementia'. Mae'n ceisio arwain yn lleol yn y maes hwn drwy ddod yn 'Gyngor sy'n Garedig i Dementia' a bydd yn ystyried, trwy'r Pwyllgor Archwilio a sianelau priodol eraill, amrywiaeth o fesurau y gellir eu cymryd i wella ei wasanaethau i gleifion dementia a'u gofalwyr”.

Eglurodd y Cynghorydd Davies bwysigrwydd yr angen i godi ymwybyddiaeth am Dementia yn gyffredinol, gan gynnwys gwasanaethau cwsmeriaid, staff rheng flaen, a chynghorwyr i sicrhau bod pobl yn cael y cymorth sydd ei angen arnynt.

Cadarnhaodd y Cynghorydd Bobby Feeley fod gwaith wedi bod ar y gweill ynghylch 'Cymunedau sy'n Garedig i Dementia'. Unwaith y bydd y gwaith yn gyflawn, bydd yn cael ei anfon at yr aelodau. Roedd disgwyl i nifer y bobl â dementia gynyddu dros yr 20 mlynedd nesaf. Roedd rhaglen bresennol Cyngor Sir Ddinbych yn rhaglen ragorol.

Yn ystod y drafodaeth, mynegodd nifer o aelodau eu cefnogaeth i'r Rhybudd o Gynnig. Eglurwyd unwaith eto hefyd fod y Cyngor yn gwneud llawer iawn o waith yn ymwneud â Dementia.

Argymhellodd y Cynghorydd Barbara Smith y dylid newid geiriad y Rhybudd o Gynnig, er mwyn iddo gymeradwyo'r gwaith roedd y cyngor yn ei wneud ar hyn o bryd. Eiliwyd hyn gan y Cynghorydd Joan Butterfield

Y geiriad i'w ychwanegu at y Rhybudd o Gynnig fyddai “bod aelodau'r cyngor yn cydnabod y gwaith rhagorol sy'n digwydd ar hyn o bryd yn Sir Ddinbych ond eu bod hefyd yn barod i ystyried gwneud rhagor o waith”.

Cynigiodd y Cynghorydd Huw Hilditch-Roberts y dylid cyfeirio'r mater i'r Pwyllgor Archwilio. Eiliwyd hyn gan y Cynghorydd Peter Evans.

PENDERFYNWYD cyfeirio'r mater at y Pwyllgor Archwilio.

8 RHYBUDD O GYNNIG

Cyflwynodd y Cynghorydd Joe Welch y Rhybudd o Gynnig canlynol, ar ran y Cynghorwyr Colin Hughes, Geraint Lloyd-Williams, Meirick Lloyd Davies ac Eryl Williams, i'w ystyried gan y Cyngor Llawn.

“Byddem yn hoffi cael cefnogaeth y cyngor i gael safiad cadarn i fynnu bod cysylltiad Ffermydd Gwynt Gogledd Cymru yn cael ei gosod o dan y ddaear ar ei hyd”.

PENDERFYNWYD cefnogi'r Rhybudd o Gynnig a gyflwynwyd gan y Cyngorydd Joe Welch i ofyn am gefnogaeth y cyngor i gael safiad cadarn i fynnu bod cysylltiad Ffermydd Gwynt Gogledd Cymru yn cael ei osod o dan y ddaear ar ei hyd.

Ar y pwynt hwn (11.50am) cafwyd toriad am 15 munud

Ailddechreuodd y cyfarfod am 12:05pm.

9 DIWYGIO LLYWODRAETH LEOL

Cyflwynodd y Prif Weithredwr yr Adroddiad Diwygio Llywodraeth Leol (a ddosbarthwyd yn flaenorol).

Cyhoeddwyd y Papur Gwyn – Diwygio Llywodraeth Leol - ar gyfer ymgynghoriad ar 8 Gorffennaf 2014. Byddai'r cyfnod ymgynghori'n dod i ben ar 1 Hydref, 2014 am 23:59. Pwrpas yr adroddiad oedd nodi prif gynigion y Papur Gwyn, darparu asesiad strategol o'r opsiynau y mae'n eu cyflwyno i'r cyngor a gofyn am benderfyniad ynghylch a ddylid cyflwyno datganiad o ddiddordeb mewn uno'n wirfoddol gyda Chyngor Bwrdeistref Sirol Conwy. Rhaid cyflwyno'r datganiad o ddiddordeb erbyn mis Tachwedd 2014, a byddai angen cytundeb Cyngor Bwrdeistref Sirol Conwy.

Roedd y Papur Gwyn yn amlinellu'r camau oedd angen tuag at uno awdurdodau lleol i greu sefydliadau mwy o faint a 'mwy cynaliadwy'. Cynigiwyd y dylai aelodau ystyried goblygiadau'r rhan hon o'r papur yn ofalus a datblygu ymateb erbyn dyddiad cau'r ymgynghoriad, 1 Hydref, 2014.

Nododd y Papur Gwyn, fel ei hoff ddewis, raglen o uno awdurdodau lleol a fyddai'n gostwng y 22 awdurdod lleol presennol i 12, gyda thri yng Ngogledd Cymru a Sir Ddinbych yn uno â Chonwy.

Roedd Llywodraeth Cymru yn annhebygol o gefnogi unrhyw gynnig a fyddai'n torri ar draws ffiniau presennol gwasanaethau lechyd a'r Heddlu ac na fyddai'n cefnogi cynigion i newid ffiniau awdurdodau lleol presennol.

Roedd y Papur Gwyn yn nodi'n glir nad oedd digon o amser i ddatblygu, cynllunio a deddfu ar gyfer rhaglen lawn o uno cyn etholiadau nesaf y Cynulliad Cenedlaethol ym mis Mai 2016. Ni fyddai Bil i uno awdurdodau yn cael ei gyflwyno, felly, i'r Cynulliad Cenedlaethol yn ystod tymor y cynulliad, a fyddai'n dod i ben ym mis Ebrill 2016.

Byddai Bil drafft yn cael ei gyhoeddi yn ystod hydref 2015 ar gyfer ymgynghori fel bod Llywodraeth Cymru a fyddai'n cael eu hethol ym mis Mai 2016, mewn sefyllfa i wneud penderfyniadau cynnar ynghylch symud ymlaen a sut i fynd ati.

Byddai'r ddeddfwriaeth a fyddai'n cael ei chyflwyno ddechrau 2015 yn cynnwys darpariaeth ar gyfer uno cynnar. Byddai 'Prosbectws' yn cael ei gyhoeddi erbyn haf 2014 yn nodi cymhellion Llywodraeth Cymru ar gyfer uno gwirfoddol. Nid oedd y 'Prosbectws' wedi cael ei gyhoeddi erbyn dyddiad y cyfarfod.

Amlinellodd y Prif Weithredwr i'r aelodau, yr amserlen ar gyfer uno a amlinellwyd yn yr adroddiad.

Roedd dau opsiwn i'w hystyried:

- Opsiwn 1 - Aros tan etholiad Llywodraeth Cymru ym mis Mai 2016; neu
- Opsiwn 2 – Uno'n wirfoddol gyda Chonwy.

Roedd yn ymddangos yn glir bod aros i weld beth fyddai'n digwydd ym mis Mai 2016, mewn gwirionedd, yn gyfystyr â derbyn toriadau difrifol i gyllidebau a gwasanaethau a fyddai'n digwydd am o leiaf y chwe blynedd nesaf, ac wedi hynny, y dyfodol fyddai uno gorfodol. Nid oedd gwneud toriadau llym, am nifer o flynyddoedd, ac yna cael uno gorfodol, yn ymddangos yn ganlyniad arbennig o dda ar gyfer y trigolion na'r cyngor.

Ni fyddai'r penderfyniad yn un syml ac roedd risgiau a chostau ymhlyg â'r naill opsiwn a'r llall. At ei gilydd, roedd yr opsiwn o uno gwirfoddol yn un gwell yn strategol gan ei fod yn opsiwn ymarferol i'r ddau gyngor, a gallai gynnig y posibilrwydd o osgoi'r toriadau gwaethaf trwy gyfuniad o sicrhau cytundeb ariannol gyda Llywodraeth Cymru a sicrhau arbedion o'r uno ei hun. Fodd bynnag, byddai ond yn bosibl ystyried yr opsiwn hwn pe bai dau amod yn cael eu bodloni:

- Bod y pecyn ariannol a'r gefnogaeth gan Lywodraeth Cymru yn sylweddol ac yn rhwymol; a
- Unwaith y bydd y ddau awdurdod a Llywodraeth Cymru yn cytuno ar y Datganiad Bwriad ym mis Tachwedd 2015, bod y cytundeb yn rhwymol ar bob un o'r tri pharti.

Pe bai modd sicrhau'r amodau, byddai hynny'n caniatáu'r ddau gyngor i leihau lefel y toriadau i wasanaethau ac osgoi'r posibilrwydd y byddai'r prosiect yn methu, naill ai oherwydd anghytundebau lleol neu newid yn safbwynt Llywodraeth Cymru. Pe na bai modd eu sicrhau, byddai'r risg o uno gwirfoddol yn rhy uchel.

Cafwyd trafodaeth fanwl iawn, a chodwyd y pwyntiau canlynol:

- Roedd cyfanswm o 106 o aelodau rhwng Sir Ddinbych a Chonwy. Yn ôl deddfwriaeth gyfredol ni allai fod mwy na 75 o aelodau i bob awdurdod lleol. Roedd y ffigurau'n cyfateb i 1 aelod fesul pob 1,750 etholwr. Pe bai'r hafaliad hwn yn cael ei weithredu mewn perthynas â'r darpar awdurdod lleol unedig, byddai hynny'n 96 o aelodau, 21 yn fwy na'r ffigur uchaf. Pe bai'r uno'n mynd rhagddo awgrymwyd y byddai'n holl bwysig fod y comisiwn ffiniau etholiadol yn asesu'r ardal cyn gynted ag sy'n ymarferol bosibl
- Pwysleisiwyd bod yn rhaid i'r aelodau roi blaenoriaeth i drigolion Sir Ddinbych

- Byddai BIPBC yn dechrau ar newid i'w strwythur. Roeddent yn mynd i ail-gydbwysu gofal o ofal eilaidd i gynradd. Byddai tri strwythur ynghyd ag Awdurdodau Lleol:
 - Wrecsam a Sir y Fflint
 - Sir Ddinbych a Chonwy, a
 - Gwynedd ac Ynys Môn

PENDERFYNWYD:

- *Bod y Cyngor yn cytuno, yn amodol ar ddod i gytundeb gyda Chyngor Sir Conwy, bod y ddau gyngor yn symud ymlaen i ddatblygu datganiad o ddiddordeb ar y cyd i uno'n wirfoddol erbyn mis Ebrill 2018 a chyflwyno'r datganiad o ddiddordeb hwn i Lywodraeth Cymru erbyn mis Tachwedd 2014, ar yr amod y gall y ddau gyngor:*
 - *Sicrhau pecyn arian a chefnogaeth sylweddol gan Lywodraeth Cymru sy'n rhwymol; a*
 - *Unwaith y bydd y ddau awdurdod a Llywodraeth Cymru yn cytuno ar y Datganiad Bwriad ym mis Tachwedd 2015, bod y cytundeb yn rhwymol ar bob un o'r tri pharti.*
- Bydd y 'pecyn o arian a chefnogaeth sylweddol' y cyfeirir ato yn cael ei drafod gyda Llywodraeth Cymru a'i roi gerbron aelodau Sir Ddinbych a Chonwy i'w ystyried cyn cytuno i symud ymlaen.

Ar y pwynt hwn (1.25pm) cafwyd toriad.

Ailddechreuodd y cyfarfod am 2.15pm.

YN BRESENNOL

Y Cynghorwyr Brian Blakeley (Cadeirydd), Joan Butterfield, Jeanette Chamberlain-Jones, Bill Cowie, Ann Davies, Meirick Davies, Richard Davies, Stuart Davies, Peter Duffy, Hugh Evans, Peter Evans, Huw Hilditch-Roberts, Martyn Holland, Colin Hughes, Rhys Hughes, Alice Jones, Pat Jones, Gwyneth Kensler (Is-gadeirydd), Geraint Lloyd-Williams, Margaret McCarroll, Jason McLellan, Barry Mellor, Merfyn Parry, Paul Penlington, Arwel Roberts, Gareth Sandilands, David Simmons, Barbara Smith, David Smith, Julian Thompson-Hill, Joe Welch, Cefyn Williams, ac Eryl Williams

10 ADOLYGIAD O'R POLISI CLUDIANT O'R CARTREF I'R YSGOL

Cyflwynodd y Pennaeth Cwsmeriaid a Chymorth Addysg y Polisi Cludiant o'r Cartref i'r Ysgol (a ddosbarthwyd yn flaenorol) er mwyn i'r aelodau ystyried cynnwys y polisi diwygiedig.

Yn y Gweithdy Rhyddid a Hyblygrwydd ar 17 Mehefin 2014, rhoddodd aelodau etholedig gymeradwyaeth i gynnal adolygiad o'r ddarpariaeth cludiant presennol ac i gynnal ymgynghoriad ar bolisi diwygiedig.

Cyhoeddodd y Cyngor ymgynghoriad ar y polisi newydd arfaethedig ar 11 Awst 2014. Roedd yn rhaid mabwysiadu'r polisi newydd erbyn 1 Hydref 2014 i sicrhau bod y rheoliadau yn cael eu bodloni. Roedd hyn yn cyd-fynd â Rheoliadau Gwybodaeth am Deithio gan Ddysgwyr 1.105 lle mae'n datgan:

Os yw Awdurdod Lleol yn penderfynu newid neu ddileu'r ddarpariaeth cludiant dewisol y mae'n ei ddarparu, rhaid iddo gyhoeddi'r wybodaeth cyn 1 Hydref yn y flwyddyn cyn y flwyddyn academaidd y bydd y newidiadau yn dod i rym.

Byddai angen i'r Aelodau ystyried:

- Canlyniad gorfodi'r polisi newydd i gael gwared â'r holl anghysonderau hanesyddol yn y broses gymhwyso
- Cyflwyno manau codi canolog fel y nodir ym mharagraff 4.2 y polisi – byddai'r newid hwn yn effeithio'n uniongyrchol ar tua 232 o ddisgyblion uwchradd a 352 o ddisgyblion cynradd.

Byddai'r cynnig yn cael effaith uniongyrchol ar y Gwasanaeth Cludo Teithwyr. Amcangyfrifwyd y byddai'n arbed tua £303,000. Gallai'r arbedion newid yn dibynnu ar ganlyniad yr adolygiad o lwybrau peryglus ac o unrhyw daliadau a wneir i rieni ar gyfer teithiau fel dewis arall yn lle darparu cludiant am ddim.

Yr arbediad a ragwelir ar gludiant ysgolion cynradd fyddai oddeutu £30,000. Gan fod hwn yn swm cymharol fach o arbedion, nid oedd penderfyniad eto a ddylid gwneud unrhyw newidiadau i gludiant Cynradd.

Roedd nifer o faterion dadleuol a chafwyd trafodaeth fanwl.

Byddai cludiant gostyngol yn cael ei ddarparu os nad oedd dysgwr yn gymwys i gael cludiant am ddim yn ôl unrhyw un o'r meini prawf a nodir yn y polisi hwn ond y gellir ei roi ar lwybr cludiant contract presennol sydd â seddi gwag. Byddai ffi resymol yn cael ei chyflwyno bob tymor. Roedd Sir Ddinbych yn codi £50 y tymor ar hyn o bryd.

Oherwydd y duedd barhaus o orwario ar gludiant ysgol, roedd meysydd eraill wedi bod yn rhoi cymhorthdal tuag at y gyllideb. Byddai'r arbedion a grëwyd yn galluogi'r gyllideb cludiant ysgol i dalu ei gostau.

Roedd y drafodaeth hefyd yn cynnwys categorïddio ysgolion.

Byddai'r Awdurdod yn darparu cludiant dewisol i'r ysgol agosaf sy'n darparu addysg cyfrwng Cymraeg, hyd yn oed os nad dyma eu hysgol agosaf gymwys. I'r diben hwn, byddai'n ysgol categori 1 neu 2 o fewn canllawiau Llywodraeth Cymru ar Ddarpariaeth Cyfrwng Cymraeg. Ni fyddwn yn darparu cludiant os dewisir addysg ddwyieithog. Bydd dewisiadau ond yn cael eu hystyried yn ôl Cyfrwng Cymraeg neu Gyfrwng Saesneg.

Eglurodd y Pennaeth Addysg y drefn gategoreiddio i'r aelodau. Roedd tair agwedd i gategoreiddio, sef:

- (i) Cwricwlwm
- (ii) Iaith, a
- (iii) Canlyniadau

Byddai cludiant yn cael ei ddarparu ar gyfer yr holl drosglwyddiadau a reolwyd am oes y trosglwyddiad, boed yn hirdymor neu'n fyrdymor.

Roedd y Pennaeth Addysg yn cadw'r hawl i weithredu pwerau dewisol mewn achosion penodol er mwyn sicrhau cyn lleied o drafferthion â phosibl i'r disgybl.

Byddai asesiad risg yn cael ei gynnal ar y manau codi ganolog a awgrymwyd cyn eu cadarnhau.

PENDERFYNWYD bod yr aelodau'n derbyn ac ystyried y Polisi Cludiant o'r Cartref i'r Ysgol Diwygiedig, a fyddai hefyd yn cael ei gyflwyno yn y pwyllgor Archwilio a'r Cabinet.

11 CYNLLUN CYFALAF

Cyflwynodd Aelod Arweiniol Cyllid ac Asedau adroddiad ar Gynllun Cyfalaf 2013/14 - 2017/18 (a ddosbarthwyd yn flaenorol) i ddarparu'r wybodaeth ddiweddaraf i'r Cyngor ynghylch y Cynllun Cyfalaf, gan gynnwys prosiectau mawr a'r Cynllun Corfforaethol.

Cafwyd trafodaeth gyffredinol ynghylch prosiectau yn yr adroddiad.

PENDERFYNWYD:

- *Bod Aelodau'n nodi safbwynt canlyniad 2013/14 y Cynllun Cyfalaf, y safbwynt diweddaraf ar gynllun cyfalaf 2014/15 a'r diweddariad ar brosiectau mawr.*
- *Bod Aelodau'n cymeradwyo bwrw ymlaen â cham adeiladu cynllun estyniad ac adnewyddu Ysgol Gymunedol Bodnant.*

12 CYLLIDEB 205/16 - 2016/17

Cyflwynodd yr Aelod Arweiniol Cyllid ac Asedau adroddiad Cyllideb 2015/16 – 2016/17 (a ddosbarthwyd yn flaenorol) i ddarparu diweddariad i'r Cyngor ar y sefyllfa ddiweddaraf o ran y gyllideb a chymeradwyo'r cynigion ar gyfer arbedion a restrir yn Atodiad 1 yr adroddiad.

Roedd yr adroddiad yn amlinellu'r sefyllfa ddiweddaraf o ran y gyllideb ac yn cyflwyno Cam 1 rhaglen o arbedion cyllidebol i'w gymeradwyo er mwyn cyflawni'r gyllideb referniw ar gyfer 2015/16 a dechrau ar y broses ar gyfer 2016/17.

Daw mwyafrif (tua 78%) o gyllid y Cyngor gan Lywodraeth Cymru drwy'r Grant Cynnal Refeniw ac ailddosbarthu Trethi Annomestig Cenedlaethol.

Roedd y setliad ar gyfer 2014/15 wedi cael ei ostwng o 4.6% ar y flwyddyn flaenorol, sef y gostyngiad mwyaf yn hanes y cyngor a'r gostyngiad uchaf yng Nghymru. Roedd y gostyngiad wedi bod yn uwch na'r cyfartaledd oherwydd addasiadau sy'n codi o ganlyniadau cyfrifiad 2011. Roedd y twf a amcangyfrifwyd yn y boblogaeth leol wedi'i oramcangyfrif dros nifer o flynyddoedd. Byddai'r effaith yn golygu y byddai effaith andwyol ar gyllid Sir Ddinbych am nifer o flynyddoedd.

Cyhoeddwyd toriadau pellach. Felly, byddai angen gwneud arbedion o £18 miliwn hyd at ac yn cynnwys 2016/17.

Mae proses newydd wedi'i chyflwyno ar gyfer gosod cyllideb, o'r enw Rhyddid a Hyblygrwydd, ac roedd yn newid sylweddol i ymagwedd y cyngor at osod cyllideb. Roedd y broses yn dadansoddi pob gwasanaeth yn ôl eitemau unigol ar y gyllideb i asesu pa swyddogaethau roedd pob gwasanaeth yn eu cyflawni, beth yw eu cost ac a oeddent yn ofynion statudol neu gyfreithiol ac/neu yn flaenoriaethau corfforaethol.

Trefnwyd Gweithdai Cyllideb gyda phedwar gweithdy diwrnod llawn yn cael eu cynnal. Mae chwe gweithdy pellach wedi eu trefnu. Roedd nifer dda o aelodau yn bresennol ym mhob gweithdy.

Yn y gweithdai, gofynnwyd i'r aelodau ystyried cynigion dan y categorïau canlynol:

- Mabwysiadu
- Datblygu, a
- Gohirio.

Roedd Atodiad 1 yr adroddiad yn tynnu sylw at yr arbedion a gynigiwyd yn y pedwar gweithdy cyntaf lle cafwyd cefnogaeth i "fabwysiadu". Byddai cynigion eraill yn cael eu hystyried mewn gweithdai pellach.

Bu ymgynghori sylweddol ynghylch proses y gyllideb ac roedd wedi cael ei ystyried yn y CET, yr UDA, a chyfarfodydd Briffio'r Cabinet a'r Cyngor. Erbyn diwedd y broses byddai o leiaf deg gweithdy cyllideb wedi'u cynnal gydag aelodau etholedig.

Roedd gan y Pwyllgor Llywodraethu Corfforaethol swyddogaeth oruchwylio ac wedi derbyn adroddiadau i bob un o'i gyfarfodydd ers mis Ebrill 2014.

Yn ogystal, byddem yn ymgynghori â'r undebau llafur ar gynigion unigol dros y misoedd nesaf. Wrth i'r broses ddatblygu, efallai y bydd angen ymgynghori'n gyhoeddus ar rai cynigion.

Dywedodd y Cyngorydd Joan Butterfield na fyddai'r Grŵp Llafur yn barod i bleidleisio o blaid unrhyw newidiadau, yn enwedig rhai sy'n effeithio ar staff a phobl yn y gymuned. Er eu bod yn derbyn fod Gweithdai'r Gyllideb wedi bod yn agored, y rheswm dros y penderfyniad oedd na chafwyd unrhyw wybodaeth derfynol ar

unrhyw un o'r canlyniadau. Gofynnodd y Cynghorydd Butterfield hefyd i gael golwg ar yr Asesiadau Effaith Cydraddoldeb o ran y toriadau.

Ymatebodd yr Aelod Arweiniol dros Gyllid ac Asedau, y Cynghorydd Julian Thompson-Hill i'r Cynghorydd Butterfield yn cadarnhau bod yr holl wybodaeth wedi ei darparu yn barod. Roedd yr Asesiadau Effaith Cydraddoldeb wedi cael eu hanfon drwy e-bost at bob aelod er bod rhai'n hwyr.

Cadarnhaodd yr Arweinydd, y Cynghorydd Hugh Evans, fod y Cynghorydd Thompson-Hill wedi gofyn i bawb oedd yn bresennol ar ddiwedd pob un o'r Gweithdai Cyllideb os oedd unrhyw faterion neu broblemau ac ni chafwyd ymateb gan unrhyw un a oedd yn bresennol. Roedd y manylion wedi bod yn destun proses drylwyr ac wedi'u trafod yn fanwl. Felly, roedd yr Arweinydd yn hyderus y gellid rhoi'r adroddiad gerbron yr aelodau i'w gymeradwyo.

Eglurodd y Prif Weithredwr bod proses asesu gadarn wedi cael ei rhoi ar waith i alluogi aelodau i benderfynu beth oedd angen ei ddiogelu a'r meysydd hynny lle gellid gwneud toriadau. Y cam cyntaf oedd hwn. Roedd yr aelodau wedi cael yr holl wybodaeth ac roedd y Gweithdai Cyllideb wedi galluogi craffu dwys ar wasanaethau ac roedd cytundeb wedi bod ar y penderfyniadau ar bapurau'r Adroddiad Cyllideb.

Ar y pwynt hwn (4.30pm) cytunwyd i gael 5 munud o saib yn y cyfarfod er mwyn caniatáu i'r Grŵp Llafur gael trafodaeth fer ynglŷn â'r ffordd ymlaen.

Ailddechreuodd y cyfarfod am 4.35pm.

Diolchodd y Cynghorydd Joan Butterfield i'r Cadeirydd am ganiatáu'r saib. Cadarnhaodd y Grŵp Llafur eu safiad o beidio â chytuno i'r toriadau heb ragor o wybodaeth. Roeddent wedi cytuno i beidio cefnogi'r toriadau i'r Gyllideb.

Gofynnodd y Cynghorydd Gwyneth Kensler i wneud gwelliant. Gan nad oedd hi wedi cymryd rhan yng Ngweithdy'r Gyllideb a gynhaliwyd ar 26 Awst, gofynnodd i ohirio'r arbediad ar hawliau tramwy er mwyn iddi wneud y penderfyniad cywir ar sail gwybodaeth.

Eiliodd y Cynghorydd Arwel Roberts y gwelliant. Cynhaliwyd pleidlais a chollwyd y cynnig.

PENDERFYNWYD bod yr aelodau yn derbyn yr adroddiad ac yn cymeradwyo'r arbedion a restrwyd.

13 ADRODDIAD ARIANNOL - Y SEFYLLFA GANLYNIAD TERFYNOL A DATGANIAD CYFRIFON 2013/14

Cyflwynodd yr Aelod Arweiniol dros Gyllid ac Asedau'r Adroddiad Cyllid - Sefyllfa Refeniw Derfynol 2013/14 (a ddosbarthwyd yn flaenorol) i ddarparu'r sefyllfa

refeniw derfynol a'r effaith ar gronfeydd wrth gefn a balansau i'r aelodau, er gwybodaeth.

Roedd y Cabinet wedi bod yn derbyn adroddiadau monitro rheolaidd trwy gydol y flwyddyn ariannol ynglŷn â pherfformiad gwariant yn ôl y gyllideb a'r arbedion y cytunwyd arnynt fel rhan o'r Cynllun Ariannol Tymor Canolig. Derbyniwyd yr adroddiad canlyniad terfynol gan y Cabinet ar 25 Mehefin 2013. Cyflwynwyd drafft cyntaf y Datganiad Cyfrifon Blynyddol ar gyfer 2013/14 i'r archwilwyr allanol ar 30 Mehefin. Roedd y cyfrifon yn cael eu harchwilio ar hyn o bryd a'r bwriad oedd cyflwyno'r cyfrifon terfynol i'r Pwyllgor Llywodraethu Corfforaethol ar 29 Medi i'w cymeradwyo'n ffurfiol.

Y sefyllfa gyffredinol o ran canlyniad ariannol ar gyfer 2013/14 oedd tanwariant o'i gymharu â'r gyllideb a gymeradwywyd, a oedd, ynghyd â chynnydd yn enillion Treth y Cyngor, yn cryfhau sefyllfa ariannol y Cyngor. O ganlyniad, trosglwyddwyd cyllid i gronfeydd wrth gefn penodol i gynorthwyo'r Cyngor i fynd i'r afael â phwysau ariannol difrifol dros y blynyddoedd nesaf a diwallu'r ymrwymadau ariannol oedd angen i gyflawni'r Cynllun Corfforaethol.

Cafwyd trafodaethau, gyda'r Pennaeth Cyllid yn ymateb i ymholiadau a godwyd gan yr Aelodau.

Diolchodd yr aelodau i'r Pennaeth Cyllid ac Asedau, y Prif Gyfrifydd a'u tîm am y gwaith aruthrol oedd wedi cael ei wneud.

PENDERFYNWYD - *fod yr aelodau'n nodi'r sefyllfa canlyniad refeniw terfynol ar gyfer 2013/14 a nodi'r modd yr ymdriniwyd â chronfeydd wrth gefn a balansau a nodir yn yr adroddiad.*

14 HYFFORDDIANT AELODAU

Cyflwynodd yr Aelod Arweiniol dros Foderneiddio a Pherfformiad, y Cynghorydd Barbara Smith, yr Adroddiad Hyfforddi Aelodau (a ddisbarthwyd yn flaenorol) i nodi'r sefyllfa ddiweddaraf am faterion yn ymwneud â hyfforddi aelodau, gan gynnwys Sesiynau Gorfodol a Chynlluniau Datblygu ac Adolygiadau Personol.

Roedd angen i'r aelodau benderfynu ynghylch pa sesiynau yr ystyriwyd yn orfodol i bob aelod a pha sesiynau fyddai'n cael eu hystyried yn orfodol ar gyfer swyddi penodol.

Roedd Adran 7 Mesur Llywodraeth Leol (Cymru) 2011 yn ei gwneud yn ofynnol i bob Awdurdod Lleol sicrhau y darperir cyfleoedd hyfforddi a datblygu rhesymol i'w aelodau.

Cafwyd trafodaeth gyffredinol, a chynigiodd y Cynghorydd Stuart Davies y dylid hepgor y gair "cosb" o'r argymhelliad. Eiliwyd hyn gan y Cynghorydd Dave Smith.

PENDERFYNWYD :

- *y dylai'r holl aelodau dderbyn yr hyfforddiant 'Generig' gorfodol a ganlyn:*
 - *Cod Ymddygiad*
 - *Diogelu / Rhianta Corfforaethol / Amddiffyn Plant*
 - *Cyllid*
 - *Cydraddoldeb*
 - *Cyflwyniad (strwythur y Cyngor, Cyfansoddiad a Diogelu Data).*
- *rhaid i wahanol aelodau pwyllgorau dderbyn yr hyfforddiant gofodol canlynol ar gyfer swyddi penodol, yn ychwanegol at yr hyfforddiant gorfodol, ac mae croeso i bob aelod dderbyn yr hyfforddiant hwn os yw o ddiddordeb iddynt.*
 - *Sgiliau cadeirio (ar gyfer Cadeiryddion ac Is-Gadeiryddion pob Pwyllgor)*
 - *Archwilio (Cadeirio)*
 - *Arweinwyr Grwpiau*
 - *Cabinet (gan gynnwys siarad cyhoeddus a siarad â'r cyfryngau)*
 - *Pwyllgor Cynllunio*
 - *Pwyllgor Trwyddedu*
- *(Cynhelir yr hyfforddiant i gadeiryddion ym mis Chwefror bob blwyddyn, fel bod darpar Gadeiryddion newydd yn gymwys i enwebu ar gyfer swyddi Cadeiryddion yn y dyfodol. Byddai hyfforddiant pellach i Gadeiryddion Archwilio hefyd yn cael ei gynnal ym mis Mai).*

15 RHAGLEN GWAITH I'R DYFODOL Y CYNGOR SIR

Cyflwynodd Pennaeth y Gwasanaethau Cyfreithiol, AD a Democraataidd Raglen Gwaith i'r Dyfodol y Cyngor (dosbarthwyd eisoes).

PENDERFYNWYD y dylid cymeradwyo a nodi Rhaglen Gwaith i'r Dyfodol y Cyngor.

DAETH Y CYFARFOD I BEN AM 5.10 P.M.

Derbyniwyd ymddiheuriadau am absenoldeb oddi wrth y Cynghorwr(wyr) Ian Armstrong, Hugh Irving, Huw Jones, Win Mullen-James, Bob Murray, Dewi Owens, Bill Tasker a/ac Huw Williams

Mae tudalen hwn yn fwriadol wag

Adroddiad i'r:	Cyngor
Dyddiad y Cyfarfod:	7 Hydref 2014
Aelod Arweiniol / Swyddog:	Y Cyngorydd Huw Jones / Aelod Arweiniol Hamdden, Twristiaeth Ieuencid a Datblygu Gwledig
Awdur yr Adroddiad:	Jamie Groves - Pennaeth Cyfathrebu, Marchnata a Hamdden
Teitl:	Cynnig Datblygu Canolfan Nova Prestatyn

1. Am beth mae'r adroddiad yn sôn?

- 1.1 Mae'r adroddiad yn ystyried y cynnig ar gyfer cynnig £4.217 miliwn i ailddatblygu Canolfan Nova Prestatyn.

2. Beth yw'r rheswm dros lunio'r adroddiad hwn?

- 2.1 Gofynnir i'r Cyngor benderfynu a ddylid cymeradwyo argymhelliad y Grŵp Buddsoddi Strategol i fwrw ymlaen i ailddatblygu Canolfan Nova.

3. Beth yw'r Argymhellion?

- 3.1 Bod y Cyngor yn cymeradwyo'r cynnig £4.217 miliwn i adnewyddu Canolfan Nova Prestatyn.

4. Manylion am yr adroddiad.

- 4.1 Ym mis Ionawr 2014, ystyriodd y Cabinet ganfyddiadau adolygiad diwydrwydd dyladwy i Hamdden Clwyd Cyf a daeth i'r casgliad ei fod yn ormod o risg i'r Cyngor gymryd y cwmni drosodd. Penderfynodd y Cabinet i roi'r gorau i gyllido Hamdden Clwyd Cyf o 1 Ebrill 2014 ymlaen oherwydd pryderon ynghylch ansawdd a lefel y ddarpariaeth gwasanaeth. Yn dilyn hyn rhoddodd Hamdden Clwyd Cyf y gorau i fasnachu a chau eu cyfleusterau yn y Rhyl a Phrestatyn ar unwaith.
- 4.2 Ym mis Mawrth 2014 cyflwynwyd adroddiad i'r Cabinet gan Gyfathrebu, Marchnata a Hamdden yn amlinellu'r argymhellion a oedd yn codi o arfarniad manwl o gyflwr yr adeiladau a'r dadansoddiad manteision cost mewn perthynas â'r gwahanol opsiynau rheoli dros dro ar gyfer y cyfleusterau; tra bod yr achos busnes ar gyfer cynnig hamdden llawer gwell ar yr arfordir yn cael ei ddatblygu ymhellach. Cytunodd y Cabinet â'r argymhelliad i gadw Canolfan Nova ar gau hyd nes y cytunir ar gynigion ailddatblygu Gwasanaethau Hamdden Alliance ym mis Mai 2014.
- 4.3 Comisiynwyd ymarfer dichonolrwydd ac achos busnes amlinellol ar gyfer ailddatblygu'r ganolfan, i gael ei ystyried ymhellach gan Grŵp Buddsoddi Strategol y Cyngor. Roedd y broses yn cynnwys dadansoddiad ariannol a mewnbwn gan un o Uwch Swyddogion Cyllid a Sicrwydd Sir Ddinbych a'r Rheolwr Cyllid; ynghyd â Swyddog Arweiniol Cyfathrebu, Marchnata a Hamdden ar gyfer Hamdden Masnachol. Cyflwynwyd yr astudiaeth dichonolrwydd a'r achos busnes amlinellol i'r Grŵp Buddsoddi Strategol a'r Cabinet ym mis Mehefin 2014 er mwyn sicrhau cyllid i symud y prosiect yn ei flaen at y cam dylunio manwl. Cymeradwyodd y Grŵp a'r

Cabinet y cynnig i symud ymlaen i'r cam nesaf, gan ddyfarnu £108 mil ar gyfer y cam dylunio manwl i gael sicrwydd cost ar gyfer y prosiect.

4.4 Mae gwaith wedi mynd rhagddo'n dda iawn ac mae Gwasanaethau Hamdden Alliance, mewn partneriaeth â Chyngor Sir Ddinbych, bellach wedi cwblhau pob arolwg manwl ac wedi darparu costau manwl i'r Grŵp Buddsoddi Strategol (rhagolwg incwm a gwariant a gofynion cyfalaf) yn seiliedig ar y cymysgedd canlynol o gyfleusterau, fel y cytunwyd yn y briff dichonolrwydd gwreiddiol yn Atodiad 1:

- Lleihau ôl-troed cyffredinol yr eiddo.
- Cadw'r pwll nofio 25m metr 4 lôn a'r pwll sblasio bychan.
- Codi cyfleusterau newid ar gyfer y pwll nofio.
- Creu cyfleodd ffitrwydd gwell i'r un safon a ddarperir yng Nghanolfan Hamdden Rhuthun, gydag ystafelloedd newid ar wahân.
- Creu lle amldeffnydd i gynnal digwyddiadau cymunedol ac amrywiaeth o ddsbarthiadau ymarfer corff / clybiau chwaraeon.
- Creu cyfleuster chwarae meddal mawr unigryw i'r farchnad.
- Creu mynedfa newydd, derbynfa a chaffi yn edrych dros y môr.
- Creu tair uned fanwerthu ar ochr y promenâd i gefnogi busnesau newydd ar hyd yr arfordir.
- Cyflwyno gwasanaethau mecanyddol / trydanol / dyfeisiadau ynni effeithlon er mwyn lleihau ôl-troed carbon.
- Adnewyddu / atgyweirio pob to ac ail-orchuddio'r eiddo, gan greu cyfleuster arfordirol mwy deniadol.
- Atgyweirio a gosod systemau mecanyddol a thrydanol newydd gan gynnwys boeleri, system trin aer ac offer y pwll.
- Mynd i'r afael â'r materion a amlygwyd yn yr arolygon cyflwr - a gomisiynwyd gan eiddo fel rhan o'r gwerthusiad opsiynau rheoli gwreiddiol ar gyfer dyfodol y cyfleuster.

4.5 Mae'r arolygon manwl a gynhaliwyd yn ystod y camau dylunio manwl wedi nodi nifer o faterion y mae angen eu datrys er mwyn sicrhau cynaliadwyedd hirdymor yr adeilad ar gyfer cyfnod yr achos busnes ac ymrwymiad ariannol y Cyngor. Mae'r offer mecanyddol a thrydanol mewn cyflwr gwael iawn ac fel rhan o'r gwaith atgyweirio bydd yn rhaid eu newid. Mae'r arolwg toi a gynhaliwyd gan gwmni a benodir yn annibynnol wedi canfod lluo o faterion gyda'r to fflat a'r to llenfetel. Bydd yn rhaid glanhau ac atgyweirio pob rhan o'r to. Mae'r cynnydd yn y costau o'r cam amlinellol i'r cam dylunio manwl, o ganlyniad i'r arolygon manylach, yn cynrychioli cynnydd o 15% mewn costau datblygu cyffredinol. Mae modd cynnal y cynnydd o fewn yr amlen fforddiadwyedd gyffredinol dros gyfnod yr achos busnes a nodir yn yr adroddiad hwn.

5. Sut mae'r penderfyniad yn cyfrannu at y Blaenoriaethau Corfforaethol?

5.1 Mae'r datblygiad yn elfen bwysig o weledigaeth y Cyngor ar gyfer gwell hamdden a chynnig twristiaeth ar hyd yr arfordir, fel y nodir yn y Strategaeth Uchelgais Economaidd.

5.2 Mae Cynllun MAWR 2011 - 2014 yn ceisio cyrraedd nifer o ganlyniadau ac mae'r cynnig hwn yn arbennig o berthnasol i ddymuniad y Cyngor i annog pobl Sir Ddinbych i fyw bywydau iach. Y nod yw annog mwy o oedolion a phobl ifanc i gymryd rhan mewn chwaraeon a gweithgarwch corfforol er mwyn cadw'n heini ac yn iach drwy gynnig atyniadau a gweithgareddau safon uchel pob dydd, pob tymor.

5.3 Gweledigaeth Strategaeth Hamdden Sir Ddinbych yw cynyddu nifer y bobl sy'n cymryd rhan mewn amrywiaeth o gyfleoedd hamdden a gweithio gyda phartneriaid i wneud y defnydd gorau o adnoddau i gynllunio, cyflwyno a hyrwyddo hamdden ar draws Sir Ddinbych. Mae ein Strategaeth Hamdden yn nodi ein gweledigaeth a'n hymrwymiad i wella mynediad ymwelwyr a phobl leol i leoliadau o ansawdd uchel lle gallant fwynhau gweithgareddau hamdden.

6. Faint fydd hyn yn ei gostio a sut y bydd yn effeithio ar wasanaethau eraill?

6.1 Y costau cyn y cam dylunio manwl oedd oddeutu £3.6 miliwn. Mae'r costau o ganlyniad i'r gwaith toi a gofynion mecanyddol a thrydanol wedi cynyddu i £4,217,001.

6.2 Mae swyddogion Cyllid, Eiddo, a thîm prosiect Hamdden Alliance a benodwyd, wedi bod trwy 'broses gwerth peirianeg' fanwl i adolygu'r costau a'r fanyleb i leihau'r costau cymaint â phosibl heb beryglu'r datblygiad cyfan. Yn yr achos busnes gwreiddiol nodwyd bod angen cyfanswm o £256,311 i wasanaethu'r benthyca cyffredinol sy'n ofynnol ar gyfer y datblygiad. O ganlyniad i'r cynnydd yn y cyfalaf sydd ei angen ar gyfer y datblygiad, mae'r costau benthyca darbodus wedi cynyddu i daliad blynyddol o £284,680, sy'n cynrychioli cynnydd o £28,369 y flwyddyn. Mae hyn wedi ei gyfyngu o fewn fforddiadwyedd y prosiect ac wedi ei ystyried a'i graffu arno'n llawn gan y Grŵp Buddsoddi Strategol a'r bwrdd Cyfleusterau Arfordirol a benodwyd, sy'n goruchwyllo'r cynnydd a datblygiad ein portffolio Cyfleusterau Arfordirol.

6.3 Mae rhagolwg cyllideb wedi ei nodi yn Atodiad 2, gyda sylwebaeth ariannol yn Atodiad 3 a datganiad ariannol llawn gan ein Rheolwr Cyllid a Sicrwydd ynghlwm wrth Atodiad 4. Mae'r rhagolwg cyllideb yn dangos colled weithredol ym mlwyddyn 1 o £68,223, colled o £6,447 yn yr ail flwyddyn a gwarged o £11,785 yn y drydedd flwyddyn. Pe baem yn cymryd y rhagolwg 5 mlynedd lawn, dros y cyfnod byddai'r Ganolfan wedi gwneud colled weithredol o £23,440, yn ychwanegol at yr adnoddau sydd gennym ni gael i redeg y cyfleuster, ond mae hyn yn cymryd yn ganiataol ein bod ni'n gwireddu 70% o'r galw diddigwydd cyffredinol. Fodd bynnag, os na fydd y datblygiad hwn yn mynd yn ei flaen, bydd yr adeilad yn debygol o aros yn ei gyflwr presennol hyd nes bydd opsiynau pellach yn cael eu harchwilio, a allai gymryd cryn dipyn o amser. Yn y cyfamser, mae'r ganolfan yn parhau i gostio oddeutu £71,000 y flwyddyn i'r Cyngor. Mae hyn yn cynnwys Trethi Annomestig Cenedlaethol, costau diogelwch, gwaith trwsio a chostau cynnal a chadw, fel y nodir yn yr opsiynau yn Atodiad 5 (tudalen 6 o'r achos busnes). O ganlyniad, os bydd yr eiddo yn cael ei adael yn ei gyflwr presennol byddai'n costio oddeutu £355,000 dros y pum mlynedd nesaf.

6.4 Mae dymchwel yr adeilad wedi ei ystyried fel un o'r opsiynau 'gwneud dim', a byddai hynny'n costio oddeutu £1 miliwn; sef oddeutu £60,000 y flwyddyn am 20 mlynedd. Mae'r gwaith ailddatblygu yn rhagamcanu colled weithredol o £23,440 dros 5 mlynedd (ar ben y £71,000 y flwyddyn a nodir uchod). Fodd bynnag, mae hyn yn cynrychioli gwell gwerth am arian na'r ddau ddewis arall, yn enwedig wrth ystyried rhai o'r manteision anariannol a fyddai'n deillio o'r datblygiad hwn, fel mwy o gyfleoedd gwaith, cynnydd yn nifer y cwsmeriaid i fusnesau presennol a newydd, a chreu atyniad/cyrchfan ymwelwyr ar arfordir Prestatyn.

6.5 Nid yw'r rhagamcaniadau incwm wedi eu diwygio o'r adroddiad gwreiddiol a'r achos busnes a gyflwynwyd i'r Grŵp Buddsoddi Strategol ym mis Mai 2014. Er bod y costau cyfalaf wedi cynyddu, rydym ni'n teimlo ei bod yn ddoethach i ni gynnal y lefelau incwm a gytunwyd gyda'n Uwch Swyddog Cyllid a Sicrwydd cyn cyflwyno'r costau datblygu diwygiedig er mwyn tynnu sylw at y sefyllfa waethaf o ran yr elw a'r golled

weithredol. Rydym ni wedi bod yn hynod geidwadol gyda'n targedau incwm ac rydym ni'n disgwyl rhagori ar ein rhagamcaniadau, ond at ddibenion yr achos busnes maent yn parhau i fod yn geidwadol. Mae'r Grŵp Buddsoddi Strategol wedi archwilio'r achos busnes (Atodiad 5) ac mae ganddynt ddigon o hyder i argymhell i'r Cyngor y dylid symud ymlaen gyda datblygiad Canolfan Nova.

7. Beth yw prif gasgliadau'r Asesiad o Effaith ar Gydraddoldeb a gynhaliwyd ar y penderfyniad? Dylid atodi Asesiad o Effaith ar Gydraddoldeb wedi ei gwblhau fel atodiad i'r adroddiad hwn.

7.1 Mae'r Asesiad o Effaith ar Gydraddoldeb ynghlwm wrth Atodiad 6. Y cynnig yw adnewyddu cyfleuster presennol ond mae ystyriaethau wedi eu gwneud o fewn y cynllun er mwyn sicrhau bod gennym ni gyfleuster sy'n dileu pob rhwystr i gyfranogiad ac yn annog a chefnogi pob defnyddiwr.

8. Pa ymgynghori a wnaed gyda'r Pwyllgor Archwilio ac eraill?

8.1 Mae'r cynnig yn cael cefnogaeth lawn y Cynghorydd Huw Jones, Aelod Arweiniol Hamdden, Ieuenctid, Twristiaeth a Materion Gwledig. Mae'r cynnig a'r achos busnes hefyd wedi ei gymeradwyo gan y Grŵp Buddsoddi Strategol. Ymgynghorwyd â Chyngor Tref Prestatyn, y Bwrdd Arfordirol a Grŵp Aelodau Ardal Prestatyn drwy gydol y camau datblygu. Ystyriodd y Cabinet y gwerthusiad opsiynau cychwynnol ac argymhellodd y dylid cyflwyno achos busnes i'r Grŵp Buddsoddi Strategol i'w gymeradwyo.

9. Datganiad y Prif Swyddog Cyllid

9.1 Mae'r prosiect wedi ei adolygu gan Eiddo a Chyllid ac mae'n ymddangos yn gadarn ac yn rhesymol. Mae unrhyw gynllun sy'n golygu adnewyddu hen adeilad mawr yn cyflwyno risgiau a chostau na ellir eu rhagweld. Dylai natur y contract a swm y gwaith arolygu helpu i liniaru'r risgiau hyn.

9.2 Mae risgiau ariannol ynghlwm wrth unrhyw weithrediad masnachu newydd. Unwaith eto, fe ddylai swm y gwaith ymchwil a gyflawnwyd ynghyd â symud yr offer iechyd a ffitrwydd o Ganolfan Hamdden Prestatyn liniaru'r risgiau hyn. Mae cost y tri senario (ei ddymchwel, ei adael yn wag, neu ei adnewyddu) yn weddol debyg o safbwynt referniw ac felly cefnogir i fwrw ymlaen â'r prosiect. Dylid ei reoli yn dilyn methodoleg rheoli prosiect y Cyngor.

10. Pa risgiau sy'n bodoli, ac a oes unrhyw beth y gallwn ei wneud i'w lleihau?

10.1 Os yw'r Cyngor yn cymeradwyo'r cynllun i'r cam adeiladu, bydd y gost adeiladu yn sefydlog. Fel y nodwyd yn ein fframwaith partner datblygu, bydd unrhyw wyriad oddi wrth y swm cyfalaf a gytunwyd yn cael ei dalu gan Wasanaethau Hamdden Alliance, oni bai bod y costau yn ganlyniad i unrhyw gais arall gan y Cyngor yn ychwanegol at y cwmpas gwaith a gytunwyd arno.

10.2 Os byddwn yn gwneud dim byd, yna byddai Canolfan Nova Prestatyn yn aros ar gau a bydd yr adeilad yn parhau i ddirywio ac yn debygol o beri risg i iechyd a diogelwch; mae'n costio oddeutu £71,000 y flwyddyn i gynnal yr adeilad yn ei gyflwr presennol. Mae'r costau dymchwel yn oddeutu £1 miliwn. Mae'r rhagolwg ariannol 5 mlynedd yn nodi £23,440 o golled weithredol. Mae colled weithredol yn ystod y flwyddyn gyntaf wedi ei hystyried yn llawn a bydd camau priodol yn cael eu rhoi yn eu lle i wasanaethu'r sefyllfa llif arian. Bydd elw gweithredol mewn blynyddoedd dilynol yn gwrthbwyso unrhyw golled yn ystod y ddwy flynedd gyntaf. Mae'r opsiynau wedi eu

trafod gyda'r Grŵp Buddsoddi Strategol, ac wrth ystyried sut y bydd y risg yn cael ei reoli, maent wedi cytuno i argymhell datblygu, yn amodol ar gymeradwyaeth y Cyngor.

11. Pŵer i wneud y Penderfyniad

Adran 3 Deddf Llywodraeth Leol 1972: Dyletswydd i sicrhau gwelliannau parhaus yn y modd y caiff swyddogaethau eu harfer.

Mae tudalen hwn yn fwriadol wag



Appendix 1

PRESTATYN NOVA – FEASIBILITY STUDY

A

REPORT

BY



APRIL 2014

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Appendix A – Strategic Context

Appendix B – Market Segmentation

Appendix C – Latent Demand

Appendix D – Revenue Projections

SECTION 1 – INTRODUCTION AND BACKGROUND

Introduction

- 1.1 Alliance Leisure (ALS) and Denbighshire County Council (DCC) have commissioned RPT Consulting to undertake a feasibility study on the redevelopment options for Prestatyn Nova Leisure Centre (PNLC).
- 1.2 The PNLC was operated until February 2014 by Clwyd Leisure Ltd (CLL). However due to a number of factors including condition surveys, quality and level of service, and funding withdrawal CLL ceased trading and closed its facilities. An insolvency practitioner returned the keys to DCC as landlord who has taken the decision to keep PNLC closed pending redevelopment proposals by ALS.
- 1.3 ALS has presented a series of development options for the PNLC which include the following
 - Option 1 – Partial refurbishment – circa £3.66 million cost
 - Option 2 – Demolish and New Build – circa £5.96 million
 - Option 3 – Partial Demolition and Refurbishment – circa £3.66 million
- 1.4 DCC expressed a preference for Option 3 and in particular to seek to deliver from the facilities the following key areas.
 - Retain the 25m 4 lane pool
 - Retain a small splash pool
 - Create nice village changing
 - Create a good quality gym (as they have at Ruthin)
 - Fitness changing
 - Maximise a multi-use space to accommodate current community events (such as tea dances, lunches, parties etc.) and also use it for exercise classes/ martial arts etc.
 - Create a large soft play facility
 - Create a new entrance into the site which will have a café and views out to the sea
- 1.5 Following on from the options presented by ALS further work has been undertaken to prepare initial concept drawings further developing Option 3 above. This includes the following facility mix
 - 25 metre pool
 - Splash pool
 - New fitness gym & associated changing
 - Multi-use space
 - Soft Play
 - Café area overlooking the sea
 - External area between the Nova centre and Tourist information building
 - Creation of two /three promenade side retail units

It is anticipated that the current Prestatyn Leisure Centre would reduce its operational hours and open outside of school hours continuing to offer community use for sport (sports hall; squash; all weather pitch; climbing; meeting rooms) but its

SECTION 1 – INTRODUCTION AND BACKGROUND

health and fitness offer would be relocated as part of the improved offer at the new PNLC.

1.6 The feasibility will consider this option and also identify if there are any further opportunities. In particular the feasibility study will identify:

- Demand and Supply analysis of the catchment to identify the need for the proposed facilities
- Future revenue projections to identify the costs of the facilities
- Identification of affordability taking into account the capital available and future rental requirements

1.7 The feasibility study has been undertaken in partnership with DCC and in particular the future revenue projections have been scrutinised by DCC's financial team.

1.8 We have also set out our key recommendations as to the way forward in the report.

Introduction

2.1 Within this section we seek to identify the potential demand for the facilities and how they fit within the current strategic context for Denbighshire and the wider region. We approach this by

- reviewing strategic documents which set the framework within which PNLC sits
- identifying an overview of the current market and catchment
- review the demand for key facilities through comparing existing provision in the market

Strategic Context

2.2 A key part of the brief from the Council is that whilst the Council faces increasing financial pressures, there is still a strong commitment for the delivery of high quality leisure provision by the Council. The service and quality of the future provision is therefore an essential part of the assessment for each of the development options.

2.3 In considering the outcomes the Council require from the delivery of its leisure facilities, it is important that the strategic context is set out to enable us to understand the framework within which the service is operating.

2.4 It should also be recognised that there are a number of different organisations and strategies at a national, regional and local level which impact on the facility, including

- Climb Higher – Creating an Active Wales
- A Vision for Sport in Wales (Sport Wales)
- Turning the tide of inactivity
- Start Active, Stay Active
- The BIG plan – which includes the community strategy, health social care and wellbeing strategy, children and young people plan, community safety plan for Denbighshire

2.5 We summarise the key outcomes and approach of the strategic documents within Appendix A. Of particular relevance however to DCC is the BIG plan which seeks to want people to:

- Be healthy and have a sense of wellbeing
- Live in a safe place
- Be able to afford to meet their needs
- Live in Denbighshire because it's a great place to live, work and learn

2.6 The DCC Leisure Strategy seeks to deliver on the Big Plan through its leisure vision “By 2020 Denbighshire will be renowned for high quality, accessible leisure opportunities attracting high levels of participation and improving the wellbeing of its residents and visitors.” It seeks to deliver this vision by:

SECTION 2 – DEMAND ANALYSIS

- Increasing the number of people participating in a range of leisure opportunities
- Increasing the number of people involved in helping to deliver leisure opportunities
- Increasing the profile and importance of leisure for all

2.7 The development of PNLIC supports 'The BIG Plan' and 'The DCC Leisure Strategy' and will help achieve its desired outcomes of:

- Working in partnership to plan and deliver
- Providing accessible high quality settings for leisure
- Increasing the skills and resources to deliver
- Ensuring focus on supporting key target groups

Catchment Overview

2.8 DCC has a total population of circa 93,734 people (2011 Census) which is summarised by age breakdown in the table below, comparing it with Wales as a whole, and with the age breakdown for the more immediate drivetimes.

Table 2.1 – Population Age Profile

Key Indicator	7 minute Drivetime	10 minute Drivetime	12 minute Drivetime	Denbighshire CC	Wales
Total Population	6,639	14,306	22,747	93,734	3,063,500
Ages					
0-14	16.4%	17.9%	16.9%	16.8%	16.9%
15-19	5.5%	5.6%	5.5%	6.4%	6.5%
20-44	26.1%	27.1%	26.6%	27.7%	31.6%
45-64	24.4%	24.8%	25.9%	28.0%	26.6%
65-74	13.2%	12.0%	11.7%	11.3%	9.8%
75 & over	14.4%	12.7%	13.2%	9.7%	8.6%

(Source: 2011 Census)

2.9 Overall the population profile of the drivetimes are similar to that of Denbighshire generally, however Denbighshire does illustrate an older population than Wales as a whole.

2.10 Of particular interest the table demonstrates:

- A higher proportion of the older population, particularly in the 65 years plus and older category. This would support the need to retain community space for groups and informs that when developing programmes and future marketing opportunities, consideration of activities for older people will be important.

SECTION 2 – DEMAND ANALYSIS

- A higher proportion of the younger age group in the 10 and 12 minute drive time with 0-14 year olds being higher than both Denbighshire and Wales, illustrating support for soft play and retention of the pool.

Market Segmentation

2.11 The Sports Council of Wales (SCW) have identified a number of market segments that categorise the market into different profiles, which implies how the segments will participate in sport and leisure activities and physical activity.

2.12 We summarise the breakdown of the population in Denbighshire, by market segmentation, compared to other authorities in North Wales and overall in the table overleaf.

Table 2.2 – Market Segmentation in Wales and Denbighshire

	% of population							
	Wales	North Wales	Isle of Anglesey	Conwy	Denbighshire	Flintshire	Gwynedd	Wrexham
Rhys	3.3	3.4	3.9	3.5	3.6	2.8	4.4	2.5
Gav	4.3	3.5	2.5	2.9	3.4	3.8	3.0	4.9
Lisa	12.9	10.6	7.5	8.6	9.4	13.5	7.6	14.2
Siân	8.2	10.4	12.2	10.4	11.8	9.1	13.0	7.7
Mark	6.8	6.3	4.2	6.4	6.9	8.0	4.8	6.5
Steve	10.1	8.2	6.2	7.1	6.8	10.0	6.0	11.1
Huw	3.7	4.9	6.0	5.0	4.6	3.6	7.6	3.5
Christine	12.1	9.8	7.4	8.8	8.8	12.4	7.1	12.1
John & Ann	12.3	17.3	22.9	20.5	18.6	12.1	23.1	11.1
Tony	9.7	7.2	7.1	5.1	5.6	8.6	5.4	10.5
Bob & Betty	8.2	11.5	13.5	16.2	15.1	7.9	12.7	6.6
Dot	8.7	6.9	6.5	5.5	5.4	8.3	5.3	9.4

2.13 Appendix B presents a summary of the profile for each of the Market segmentations identified above. Denbighshire has a higher than normal proportion of the following segmentation types in comparison to the rest of North Wales and Wales overall:

- Sian – 18-45 years old, middle management, aspiring middle class
- John & Ann – 46-65 years old, married, likely to participate in sport and recreation
- Bob & Betty – over 66 years old, retired, comfortable, live modestly and are active

SECTION 2 – DEMAND ANALYSIS

Conversely there are a lower proportion of the following types:

- Steve – 26-45 young family, reasonable participation
- Christine – 36-55 years, low income, part time, lower participation
- Tony – 46-65 years old, manual skilled, low income, not very active

2.14 The market segmentation presents an overview of a population that has a higher proportion of people likely to be more active (despite the older age profile), which supports the fitness expansion and requirement of flexible space to support a strong group exercise programme.

2.15 The use of market segmentation is important in considering marketing strategies and the development of new facilities. For example the current profile within Denbighshire suggests higher proportions of groups which are likely to be more active.

2.16 However in order to attract participation from other groups it is important to design facilities that remove barriers to entry to ensure the provision of facilities encourages and supports all potential customers. This would suggest that the provision of facilities which encourage or support use through effective pricing, accessible fitness for deconditioned (such as toning), enhancement of National Exercise Referral Scheme (NERS), would support the more broadly active population.

2.17 The design of the facilities should also ensure a welcoming environment which provides equipment that is easy to use and enables use by low levels of fitness. These facilities can be supported by social areas (such as café) to encourage a social and supportive network for people to participate together, as well as a welcoming reception and attractive entrance.

2.18 We now consider over subsequent paragraphs the demand for some of the key facilities, namely health and fitness; play, catering and swimming.

Health and Fitness Latent Demand

2.19 Following our discussions with ALS and DCC, we have been provided with a latent demand study undertaken by The Leisure Database Company (LDB) for the redeveloped PNLC. The latent demand takes into account the potential level of membership for different mosaic groups and factors in existing or potential membership of other competing gyms in the catchment area.

2.20 Prestatyn is situated 3 miles along the coast from Rhyl. It has a population of just over 19,000 and just over 24,000 within a 10 minute drivetime of the PNLC. The 10 minute drive takes you along the Rhyl Coast Road and just into Rhyl itself, although much of the population in that part of the catchment is likely to be seasonal.

2.21 10 minutes from PNLC southwards takes you towards Dyserth, and more significantly, to the east near Gronant and Gwespyr, areas which have no current provision at all.

SECTION 2 – DEMAND ANALYSIS

- 2.22 Prestatyn remains a slightly unfashionable area, with an ageing population in keeping with many seaside resorts. Of this older segment 'Group B' {Professional Rewards} makes up 9.6% of the total, (well above average) and are fairly affluent & retired. In direct contrast however, 'Group E' (Active Retirement) makes up more than 22% of the population, which is nearly six times the national average for Wales as a whole. A large proportion of these (such as type E21 – Bungalow Quietude) are the kind of older retired couples who draw modest pensions and for whom the gym-going experience may have passed by. However the largest single segment is 'Group D (Small Town Diversity), they are not as affluent and are the bedrock of the local community and are an important target market.
- 2.23 The seasonal market in Prestatyn is substantial due to the caravan park operations which line the coast road. This tourist market will support casual swim income, play income and catering. Additional health and fitness take up is likely to be restricted.
- 2.24 There is competition in the Rhyl / Prestatyn area; however with the health & fitness provision at PLC due to relocate to the newly refurbished PNLC the latent demand supports a potential membership of over 1200.
- 2.25 LDB have estimated the total demand for a refurbished gym offering at PNLC to be 1,225. This is the total number of members that could be achieved, and includes allowance for 20% of the membership to come from outside the 10 minute drive time. This projection clearly exceeds the current membership at PLC and the membership that was at PNLC but reflects the 'wow' factor which such investment would bring. It also takes into account that the centre might enjoy a slightly wider catchment area until planned facilities in Rhyl come on line.
- 2.26 Health and fitness provision as well as providing a revenue stream from community use and membership would also enable the Council to organise its sports performance programmes through the effective design of the facility so it could be used by the local community.
- 2.27 Based on a market benchmark of 21- 25 members per station, a gym with circa 50 stations, which has been proposed would cater for the potential demand of 1225 members.

Swimming Pool Demand

- 2.28 We have undertaken a demand analysis for swimming pool provision based on a drivetime catchment population of 12 minutes.
- 2.29 We have reviewed the existing public provision through active places and have not identified any competing swimming provision within the 12 minute drivetime, although there is casual swimming provision at one of the holiday parks. This park has however had to restrict community access now the tourist season has commenced in order to be able to service its own customers.
- 2.30 In order to estimate the number of pools required for the catchment area the Sport England's Sports Facility Calculator has been used. Whilst it is recognised that this has been developed for England, it allows for a particular population to be inputted and assessment of the scale of facilities required for this population to be made. It

SECTION 2 – DEMAND ANALYSIS

is based on the profile of users relating to activity from the Active Peoples survey as opposed to specific Welsh data but does give an indication of the scale of demand for Pools, in the absence of any specific Welsh data.

- 2.31 Based on this matrix and on a population of 22,747 there is a demand for 242 square metres of water space within the 12 minute drivetime catchment area.
- 2.32 This would suggest that there is the demand for pool space (of circa 242 sqm) to be factored in the PNLC facilities, whether refurbishment or new build. This is equivalent to a 4 lane 25 metre pool

Soft Play

- 2.33 Soft Play can be a good fit within leisure facilities and there are a number of examples of good soft play provision in public sector leisure. In addition to a commercial return on the investment, soft play acts as an attraction for children who may not be interested in traditional sports or leisure activities, thus creating opportunity for people who wouldn't normally visit leisure facilities.
- 2.34 A critical success factor for soft play facilities is the visibility and profile of the facility, together with its location. Good catering facilities, a relaxed seating area for parents as well as provision to host children's parties are essential to maximise the revenue potential of these facilities.
- 2.35 The immediate catchment population has higher proportion of under 14 year olds and is therefore a good fit with this market. With little direct competition the development of a soft play facility should offer the local population a new local leisure activity.
- 2.36 The PNLC was actively used in the summer season by tourists. Whilst the newly refurbished PNLC will not offer water flumes the provision of a large play centre should still be able to attract this market.

Catering Facilities

- 2.37 The old PNLC provided a restaurant and pub offer which whilst attached to the main centre was located on the promenade in close proximity to the sea. Options have been explored to:
- Retain & develop a restaurant offer
 - Create a café style operation
- 2.38 Any restaurant offer needs to fit with the overall offer in the market and will also need to be relatively unique or offer something which will attract people to the facility as it is not in the mainstream restaurant area. This offer should seek to be different and could:
- Make use of the seaside views (as illustrated)

SECTION 2 – DEMAND ANALYSIS

- Use a brand (such as Jamie's or Rick Stein) or a good local provider
- Develop a reputation for good food through a local provider



It should however be recognised that this approach is a potentially high risk strategy as it is not the Council's core business and may not fit particularly well with the leisure offer. There is a significant risk that the offer will not work and may only work as a seasonal facility.

2.39 A café offer which would serve the centre customer base and support the play provision would be a potentially better model and a lower risk strategy. Many leisure centre providers are now providing good quality café offers which are increasing secondary spend and dwell time. Careful consideration to the design and location of the café is essential as there is the potential to attract 'beach' traffic.

2.40 We would recommend that soft play is considered and a good quality café offer but we would urge caution over developing a restaurant offer as it is highly risky and does not fit with the overall leisure offer.

Summary

2.41 Our review of the potential demand for facilities suggests that

- There is demand for a 50 station fitness facility which would support the latent demand of a 1225 health & fitness membership.
- There is a demand for swimming facilities from the community, and the pool should focus on traditional provision with some leisure programming for the holiday season.
- Provision for multi-use space will allow a group exercise programme, continued community use and function ability.
- The addition of a large play structure will complement the overall centre activity mix.
- A good quality café offer will complement the overall offer, should provide a commercial return and provide a social and community hub.
- The aquatic centre planned for Rhyl will have water slide provision, therefore indoor dry play will compliment this facility as opposed to compete.
- DCC has also explored the potential to offer a number of concession units to be located on the promenade which would generate a ground rent per annum as provided on the sea front at Rhyl.

SECTION 2 – DEMAND ANALYSIS

2.42 The catchment area and population for PNLC has a higher proportion of older people who are active and also a high number of children and as a result any facility development should ensure that programmes, pricing and membership is developed to reflect this approach.

SECTION 3 – FINANCIAL PROJECTIONS

Introduction

We present in this section the revenue projections for the preferred option as set out in the introduction and supported by the demand analysis. We illustrate below a concept layout for the refurbished facilities:

Figure 1 – Proposed Redevelopment Layout



3.1 The design presented above includes the following core facilities:

- 25 metre pool with splash area in the pool hall and refurbished changing
- New gym and dance studios (2)
- Soft play area
- New reception and café area
- New changing provision for both the pool and health & fitness

3.2 There are a number of key benefits which arise from the preferred option including:

- Creation of an external area between the PNLC and Tourist Information Centre to create a quality public realm
- Rationalisation of circulation throughout the building
- Increased use of façade glazing to add natural lighting into the building
- Reconnection to the sea by use of a glazed café façade

SECTION 3 – FINANCIAL PROJECTIONS

- Locating main activity spaces near external glazed external walls allowing the building to ‘advertise’ and showcase its functions to the public, bringing the building to ‘life’.

3.3 We have factored these benefits into the revenue projections and have taken an overall approach which seeks to build on the current operation of Denbighshire Leisure and also bring best market practice to develop robust revenue projections. The RPT business model has then been aligned with the DCC reporting process for ease of comparison.

Revenue Projections

3.4 Appendix D presents five year revenue projections for the option presented above and we summarise in the table below the future revenue projections, together with the costs of capital finance and how the future projections compare against the existing DCC budget for the Centre.

Table 3.1 – Revenue Summary

£'000's	Year 1	Year 2	Year 3	Year 4	Year 5
Income	724	883	930	958	982
Expenditure	651	660	670	680	690
Operating Surplus/(Deficit)	74	224	260	278	293
Capital Financing Costs	256	256	256	256	256
Net Surplus/ (Deficit)	(182)	(33)	4	22	36
DCC Budget	172	135	135	135	135
Net Surplus/(Deficit) vs DCC Budget	(11)	102	138	157	171

- 3.5 In a mature year (Year 4) the PNLC is projected to operate at an operating surplus of circa £278,000, with an operating surplus of circa £74,000 in Year 1, to allow for the new facility to become established. After financing costs these figures reduce to a surplus of £22,000 (Year 4) and a deficit of £182,000 (Year 1).
- 3.6 If the surplus and deficit after financing costs are compared to the existing DCC budget then there is a surplus of £157,000 (Year 4) and a deficit of £11,000 (Year 1) but by Year 2 the project is showing a surplus against the existing DCC budget.
- 3.7 It should be noted that these projections have been developed in partnership with DCC and they have been scrutinised by DCC's financial team. The expenditure is based on DCC expenditure and the income projections are considered conservative due to:
- Only 78% of the latent demand being achieved for health and fitness
 - The catering income being minimal due to (for the purposes of the feasibility) the service being franchised out to an external private operator. If the service is run in-house there is the potential to generate significantly more revenue.

SECTION 3 – FINANCIAL PROJECTIONS

3.8 These projections are based on a number of assumptions as set out below

- The projections have been developed based on market positions for the operation of the facilities, whilst taking into account local conditions, including pricing and usage of existing facilities. It also assumes that the operation will follow commercial principles and procedures and sales processes are put in place to achieve the revenue projections
- We have also factored into the projections the tourism factor and increased usage expectations for the influx of tourists in the summer months – this is particularly relevant for the soft play and swimming.
- The fitness projections are based on projecting circa 960 members as opposed to the 1,225 projected from the latent demand, being achieved by Year 3. We have factored a build-up of membership from year 1 to reflect a new operation. There may however be the potential to deliver an improved year 1 position if an effective pre sales approach is taken.
- It is assumed that the café operation will be franchised to a private operator and therefore a rental stream for this service has been provided.
- Soft play has been assumed to reflect a maximum capacity of 60 users at any one time and includes a seasonal factor to reflect the influx of tourists in the summer months.
- The two studios have been incorporated principally for exercise classes but also room hire of these facilities has been factored in to reflect hire for functions.
- Staffing costs have been provided by Denbighshire Leisure which is broadly in line with what we would expect from a market position and as such we have used these costs. However these costs provided exclude catering staff. We have incorporated the catering staff costs (and income) in the revenue projections.
- It should be noted that the staffing costs presented exclude any senior management input and time, but we understand that this is identified separately within Denbighshire Leisure costs.
- Business rates are based on the rateable valuation of the existing building – this may be reduced if the new building is a smaller footprint.
- Life cycle costs are excluded from the projections.

Sensitivity Analysis

3.9 We have also undertaken a sensitivity analysis in relation to the revenue projections which is set out in the table below for year 1 and also a mature year (year 5), based

SECTION 3 – FINANCIAL PROJECTIONS

on the surplus or deficit against the existing DCC budget. This includes the finance costs of funding the investment.

Table 3.2

Scenario	Net Surplus/ (Deficit) (£'000's)	
	Year 1	Year 5
Base Scenario	(11)	171
5% reduced income	(46)	122
5% increased expenditure	(58)	122
5% increased income	27	222
5% reduced expenditure	36	220
Increased £1,000 income per health and fitness station	49	220
Reduced £1,000 income per health and fitness station	(71)	111

3.10 We have presented a range of scenarios in the table above and it can be seen that in all the scenarios a surplus is still delivered in a mature year (Year 5).

3.11 DCC have provided RPT Consulting with their projections which are more conservative, due to :

- A lower health & fitness base
- Lower play projections

3.12 This however still demonstrates a positive revenue performance from year 2 onwards, when compared against the existing DCC budget:

Table 3.3 – Revenue Summary

£'000's	Year 1	Year 2	Year 3	Year 4	Year 5
RPT Net Surplus/ (Deficit)	(11)	101	138	156	171
DCC Net Surplus / (Deficit)	(40)	22	40	45	51

NB: Inclusive of finance costs

Summary

3.13 We have illustrated through the revenue projections that there is the potential to deliver a significant surplus at the PNLC based on a range of assumptions.

Demand Based Mix of Facilities

- 4.1 Our demand analysis of the local catchment has identified that the proposed facility mix presented as the preferred option is broadly in line with the demand analysis including.
- There is demand for a 50 station fitness facility which would deliver a membership of circa 1,225 as illustrated from the latent demand
 - There is a demand for swimming facilities from the community, and the facility should focus on traditional facilities with some leisure facilities
 - Additional ancillary facilities such as soft play and a café would add value and commercial revenue to the overall mix and attractiveness of the facility.
- 4.2 The proposed design also realigns the entrance and creates visual facilities with glass facades bringing views into the café from the sea and into other facilities into play. Thus creating a 'shop window' for the facilities inside.

Sustainable Plan

- 4.3 We have presented revenue projections which suggest there is the potential to deliver a facility which operates at a surplus of circa £138k (year 3) and £171k (year 5). DCC have presented revenue projections that whilst slightly lower still suggest there is the potential to deliver a facility that will operate at a surplus of circa £40k (year 3) and £51k (year 5).
- 4.4 This will however depend on effective marketing and launch of the facilities to deliver a viable facility.

The next steps will be to develop the design further and refine the indicative capital costs (£3.66 million) to assess whether the project is viable before progressing with the development.

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NOVA OPERATING FORECAST - Amended PB Costs as @ 4/9/14

APPENDIX 2

		DCC Projections				
		Yr 1	Yr 2	Yr 3	Yr 4	Yr 5
NOVA CENTRE - NET OPERATING COST/(SURPLUS)		£68,223	£6,477	-£11,785	-£17,093	-£22,382
TOTAL EXPENDITURE		£984,349	£977,834	£1,002,000	£1,025,500	£1,045,311
TOTAL INCOME		-£744,069	-£836,653	-£879,081	-£907,889	-£932,989
TOTAL DCC BUDGET		£172,056	£134,704	£134,704	£134,704	£134,704
C/F NNDR Budget from closure period		£37,352	£0	£0	£0	£0
Annual NNDR Budget		£74,704	£74,704	£74,704	£74,704	£74,704
Net Budget transferred from Prestatyn L.C		£60,000	£60,000	£60,000	£60,000	£60,000
TOTAL EMPLOYEE COSTS		£390,456	£398,318	£407,910	£415,987	£419,470
0924	TRAINING - COURSE FEES	£1,000	£1,020	£1,500	£1,530	£1,750
0931	ADVERTISING FOR STAFF	£200	£0	£0	£0	£0
0191	DUTY OFFICERS	£73,910	£76,123	£78,450	£80,711	£83,097
0311	RECEPTIONISTS	£52,674	£53,893	£55,358	£56,561	£56,010
0651	LEISURE ATTENDANTS	£159,298	£162,871	£167,146	£170,675	£171,037
0761	RELIEF/CASUAL	£34,034	£34,377	£34,721	£35,068	£35,419
0781	INSTRUCTORS	£69,340	£70,034	£70,735	£71,442	£72,157
TOTAL PREMISES COSTS		£219,364	£230,792	£243,618	£257,235	£271,700
1211	REPAIR & MAINT. - CONTRACTORS	£12,660	£12,775	£13,605	£14,501	£15,472
1411	UTILITIES	£123,000	£130,348	£138,186	£146,546	£155,468
1511	PREMIUMS - EXTERNAL	£5,000	£5,150	£5,305	£5,464	£5,628
1531	N.N.D.R.	£74,704	£78,439	£82,361	£86,479	£90,803
1811	CLEANING MATERIALS	£4,000	£4,080	£4,162	£4,245	£4,330
TOTAL TRAVEL & TRANSPORT COSTS		£200	£204	£208	£212	£216
2814	CASUAL USERS - MILEAGE	£200	£204	£208	£212	£216
TOTAL SUPPLIES & SERVICES COSTS		£89,649	£63,840	£65,584	£67,385	£69,246
3071	GEN. EQUIP. - PURCHASE	£43,905	£30,965	£31,998	£33,063	£34,163
3922	OFFICE COSTS	£1,600	£1,661	£1,725	£1,791	£1,860
3924	PUBLICITY & MARKETING	£7,500	£2,000	£2,060	£2,122	£2,185
4031	TELEPHONES	£10,150	£2,163	£2,176	£2,190	£2,203
4111	STAFF INSURANCE	£2,357	£2,428	£2,501	£2,576	£2,653
4231	SUBSCRIPTIONS - GENERAL	£6,637	£6,948	£7,272	£7,614	£7,971
TOTAL INCOME		-£744,069	-£836,653	-£879,081	-£907,889	-£932,989
9321	RETAIL SALES	-£10,000	-£10,250	-£10,506	-£10,769	-£11,038
9332	VENDING MACHINES	-£15,000	-£15,525	-£16,068	-£16,631	-£17,213
9412	STUDIO/FUNCTION SUITE	-£18,000	-£20,000	-£22,000	-£24,000	-£26,000
9515	FEES - SWIMMING POOL	-£107,817	-£109,974	-£112,173	-£114,417	-£116,705
951B	SWIMMING LESSONS (Incl School)	-£144,010	-£151,110	-£155,407	-£159,519	-£163,656
9528	PLAYZONE	-£175,000	-£200,000	-£210,000	-£220,000	-£226,000
9536	FITNESS	-£256,242	-£274,794	-£297,926	-£307,554	-£317,377
9711	RENTS - GENERAL	-£18,000	-£55,000	-£55,000	-£55,000	-£55,000
TOTAL FINANCING		£284,680	£284,680	£284,680	£284,680	£284,680
8000	PLAY & FITNESS EQUIPMENT - PB	£57,694	£57,694	£57,694	£57,694	£57,694
8000	BUILD - PB	£226,986	£226,986	£226,986	£226,986	£226,986

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APPENDIX 3

PRESTATYN NOVA BUSINESS CASE – Finance Context / Narrative

Senior Finance & Assurance Officer

The below briefly explains the rationale behind the financial calculations in relation to the five year operating requirement for the redeveloped Nova.

1. Employee Costs

The total employee costs are based on the operating hours of 94 hours per week for the new facility, we are predicting that there will be a requirement to employ 14.42 contracted F.T.E's including Duty Officers, Receptionists, General Leisure & Fitness Attendants, Swimming and Fitness Instructors. This will equate to 19 staff members, all of which will be entitled to holidays and will require additional members of casual staff to cover. All staff members will be employed on the same generically graded posts as current Leisure Centre staff and staff costs will incrementally increase based on the point at which they are employed on the grade.

There is no provision for a designated manager's post as the overall management of the facility will be included within the current Leisure Officer structure.

The staff requirement for the café provision has been excluded at this stage as we have assumed that the café will be leased to a third party and all staff arrangements for this area of the facility will be the responsibility of the tenant.

2. Premises Costs

The total 'Repairs & Maintenance' costs include devolved repair & maintenance, maintenance service contracts, window cleaning and refuse collection costs. All contract costs are based on current requirements at Rhyl Leisure Centre and include an element of annual inflation.

The total 'Utilities' costs include Gas, Electricity and Water, again these costs are based on current costs for Rhyl Leisure Centre and include an annual inflationary increase based on the inflation rates quoted for 2014/15.

There is an annual inflationary increase of 5% added to the NNDR costs.

3. Supplies & Services Costs

These costs include all purchases of general equipment which will aid the swimming programmes and the 'dry' side facility, all equipment service agreements which will

include the cost of the Fitness equipment service agreements, pool plant service contracts and the purchase of resalable goods such as goggles, swimming badges etc.

The cost of the 'telephones' will also include all installation and licence costs for the Leisure Management System used by all other DCC Leisure Centres.

'Subscriptions' include the Performing Rights licence costs to enable the facility to play general music and also to allow for music to be played at all fitness classes.

The cleaning contract cost is based on the current cost of Rhyl Leisure Centre and includes an annual inflationary increase.

4. Income

The 'Retail Sales' income is aligned to the income calculated for swimming and swimming lessons and there is a direct percentage relationship with the expenditure requirement for the purchase of goods included within the total 'general equipment' cost.

'Vending' income presumes a profit related to sales, it is undecided at this point whether the vending contracts will be based on a full profit share agreement with a vending provider which will negate the cost of rental of the vending machines or whether we will rent the machines and we will procure all stock. Both arrangements will provide approximately the same level of net income based on the predicted footfall of customers of the new facility, the cost of stock and machine rental is currently excluded for the expenditure calculations.

The 'Studio/Function' suite income is derived only from the function element of the dual use facility as the fitness class income is aligned to 'Fitness'. We have assumed that the function suite will be hired up to 40 times for functions and parties during the year and for the majority there will be a bar provision provided, therefore the income is based on the total hire fee and net bar profit share as at this stage the cost of DCC providing the bar provision is excluded.

The 'Swimming' income excludes swimming lesson income as this has been calculated separately. We have presumed that there will be the same level of requirement for club swimming as at Rhyl, together with extended public swimming allowance, as Rhyl is a school Dual Use site and is restricted to evening and weekend public use only. There will also be a greater demand for public swimming at the Nova during the holiday season.

'Swimming Lesson' income includes school swimming provision at the site, this is based on 6 hours of school swimming lessons per week during term time and the cost of each 30 minute session is based on the current Dual Use Agreement for

swimming lessons at Rhyl Leisure Centre which is £59.31 per session increasing to £73.60 per session dependant on the number of swimming teachers provided. The total income calculated for school swimming in year 1 is £27k. General swimming lesson income is based on the number of sessions linked to the staff costs, we have presumed a 70-80% capacity for each swimming session and included all income at Direct Debit rates. The cost of the DD will increase annually and the total income calculated for general swimming lessons for year 1 is £117k.

'Playzone' income is largely based on the advice from RPT Consulting as DCC have little experience in this area, the number of users and average entry cost per user is based on similar play facilities across the region, allowing for additional participation during the holiday season. There is also an element of children's party income and income derived from the hire of the facility by play groups built into the forecasts. Income is likely to increase annually based on inflationary increases in prices and demand is likely to grow as the facility becomes established as a play destination for the Coastal area. The number of users of the play facility will be inextricably linked to the income earned at the café and this will be used to attract a tenant for the café area.

'Fitness' income includes Junior and Adult DD memberships, 'Pay as you go' cash income including joining fees and fitness classes which will be held in the Studio/Function Suite. We have presumed that there will be 22 fitness classes per week with the majority of income included within the monthly DD memberships, however there is an additional £13k included for 'Pay as you go' class income. The joining fees are based on current prices and the number of new members required per annum, this is included at £40k per annum.

The Adult DD monthly income for year 1 is based on the percentage of Latent Demand we achieved in the first seven months of operating the newly built Ruthin fitness suite, we have set an average monthly member target of 761. Prestatyn Leisure Centre currently have 200 DD members and there is a presumption that all of these members will migrate over to the Nova as we will amend the provision available at Prestatyn Leisure Centre once the development is operational. Membership income is likely to fluctuate monthly based on current trends in our Leisure Centres, these trends have been accounted for in calculating the fitness DD income, although the average year 1 monthly membership is set at 761 we presume that by the end of year the number of members will have increased to 864 per month. The percentage of Latent Demand will increase in subsequent years, increasing to a monthly average of 825 in year 2, 888 in year 3, 898 in year 4 and 908 in year 5. Each year the DD cost is likely to increase by a gross amount of £0.50 per annum.

Rental income will be derived from three Business Units leased to tenants in year 1, year 2 includes the rental income from the café provision which will also include a profit share element.

5. Financing

The 'Prudential Borrowing' costs are based on a total project cost of £4,217,000, with the purchase of fitness equipment costing approximately £130,000 paid for over 5 years (after which all fitness equipment will be updated), CCTV at a cost of £40,000 over 5 years, Furnishings at £35,520 over 5 years and the Playzone Equipment at a cost of £125,000 paid for over 10 years. the redevelopment / construction cost of approximately £3,886,751m paid for over 25 years.

APPENDIX 4

PRESTATYN NOVA CENTRE BUSINESS CASE – Financial Statement

Gareth O Williams – Finance & Assurance Manager

Background

A project of this scale and nature is relatively “unknown” from a DCC perspective and as such it was agreed in conjunction with our strategic leisure development partner, Alliance Leisure (AL), to commission RPT Consulting to undertake a feasibility study on the redevelopment options for the Prestatyn Nova Centre.

RPT presented a series of options and DCC’s preferred one was the partial demolition of the existing refurbishment at an indicative cost of circa £3.6m. Leading on from this RPT produced a 5 year cost model based on a number of business assumptions.

Our work

Alongside the budget profile work commissioned by RPT Consulting, one of our own Senior Finance & Assurance Officers (SFAO) has spent a considerable amount of time, together with the CML’s Commercial Lead Officer, costing the projected staffing structure and other operating costs they believe would be needed for the proposed new development. This work has been based upon current market trends obtained from the Council’s existing commercial leisure sites and extrapolating expenditure and income data on each activity as a comparator. The analysis also utilised the expertise of the Commercial Leisure Lead Officer who has several years’ experience of operating similar sites in the private sector to that proposed at the redeveloped Nova Centre.

The SFAO and her Finance & Assurance Manager then compared the figures provided by RPT Consulting with those produced in-house and carried out a detailed analysis of any significant variances between both sets of data. From a Council perspective the concern was that some expenditure figures included by RPT (specifically relating to employee and premises costs) were understated from our own experience of the existing Council leisure sites. In addition there was worry that RPT had based their forecasts on the achievement of relatively high income levels for some of the activities. This in itself is not a criticism but we felt that we needed to take a more pragmatic view to protect the Council’s interests.

Food and Beverage

Alliance Leisure (AL) and RPT Consulting have based their forecasts on the food and beverage (F&B) functions being provided in-house and they believe that considerable net profit (after accounting for cost of sales) can be achieved, ranging from circa £100K in Year 2 and rising to nearly £170K by Year 5. However the DCC budget forecasts are based on the F&B functions being leased out to 3rd parties at the appropriate tenancy/franchise rates. Our view is that this reduces the risks associated with operating these functions ourselves since presently the Council has

little in-house expertise in this fairly specialised market. However the advice given to us from AL is that they feel strongly that there is significant net profit to be gained by the Council carrying out the services themselves (per the profit figures highlighted above). Whilst we have no reason to doubt AL's stance we feel it sensible to minimise any potential liability to the Council and have therefore based our forecasts on the "risk averse" option by leasing/franchising out the F&B functions. By taking this option we are guaranteed a fixed net rental/leasing income without the risk of incurring any of the associated variable costs.

Latent Demand analysis

The Leisure Database Company (LDB) has produced a latent demand analysis to show the potential number of gym members that could be achieved for a refurbished gym facility at the Nova Centre. These figures are arrived at by comparing a wide range of relevant population data (age profiling, gender mix, travel distance etc) and the total figure arrived at by the analysis is 1,225 potential members.

DCC has chosen not to go with this figure as the risks associated with reaching these numbers are too great. We have used our own statistical data associated with gym memberships at the Council's existing leisure sites and reduced the latent demand figures to what we feel is an acceptable and sensible level. Our budget forecasts assume total gym memberships of 761 in Year 1 (only 62% of the latent demand total); with this figure rising to 908 by Year 5 (still only 74% of the total latent demand figure).

Commercial Risk

Clearly in a venture of this kind there is a considerable commercial risk as the facility will depend almost entirely on the number of customers and memberships it can attract. There are also a number of other factors that will impact on visitor numbers such as the weather, seasonal demand, market competition etc. The budget forecasts included in the business case are based on the Council's experience of operating its other commercial leisure sites, but also making a "reasonable" assumption on those activities which are new to the Council e.g. play zone and the leasing/franchising of the food and beverage functions.

Mitigating the risks

Naturally there are considerable commercial risks associated with the new proposed Nova facility. However we feel that the financial numbers included in the business case are well reasoned, have been financially challenged and mitigate as best we can the Council's financial and reputational position. We feel that we have taken a reasonably conservative view in relation to membership numbers (at no stage forecasting more than 75% of the latent demand totals provided by the market experts) and we have also taken out the risk of the Council itself operating the food and beverage functions within the refurbished venue. The Council can of course take a different stance on the latter and opt to provide this service in-house, which might increase the risk but at the same time potentially provide significant opportunities to generate large net profits from day 1.

STRATEGIC INVESTMENT GROUP

BUSINESS CASE – CAPITAL INVESTMENT

This Business Case provides justification for undertaking a project. The completed form will be reviewed by the Strategic Investment Group who will make a recommendation to Council whether the bid should be approved and included within the Capital Plan. All sections should be completed and evidence of costs will need to be supplied.

For details of Strategic Investment Group meetings and deadlines for the submission of this form, please contact Richard Humphreys, Capital & Technical Finance Team on ext 6144.

Project Name:	Prestatyn Nova Centre Re-development
Project Reference:	
Project Manager:	Sion Goldsmith – Lead Officer Assets & Communities
Workstream:	

Head of Service/Project Sponsor	Jamie Groves – Head of Communications, Marketing & Leisure	Lead member:	Councillor Huw Jones
Service:	Communications, Marketing & Leisure	LM Portfolio:	Tourism, Leisure & Youth
Form completed by:	Sion Goldsmith	Date:	22/09/2014
Service Accountant:	Gareth O Williams	Date:	22/09/2014

PROJECT TYPE

*Please categorise your project type. Mark **one** box only.*

SMALL	<input checked="" type="checkbox"/>	MEDIUM	<input type="checkbox"/>	LARGE	<input type="checkbox"/>
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DECISION SOUGHT FROM SIG:	Approval by SIG for the £4.2 million development of the Prestatyn Nova Centre.
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EXECUTIVE SUMMARY

Highlights the key points in the Business Case to include:-

- What the project will achieve/important benefits
- Estimated costs
- How the project will be funded

Background Information

In May 2014, CML presented a business case to Strategic Investment Group (SIG) seeking approval to progress to detailed design for the £3.66 million redevelopment of Prestatyn Nova Centre. Our development partner, Alliance Leisure Services (ALS) had up to this point carried out all this work at risk and the Council had incurred no costs. To progress to this next stage, the Council needed to underwrite costs of approximately £108,000. SIG approved this expenditure based on the information provided in the business case and their decision was ratified by Cabinet in June 2014.

In June, Communications, Marketing and Leisure (CML) commissioned ALS to carry out this work with the intention of providing the Council with more assured plans and costs which would be reported back to both SIG in September and full Council in October for consideration.

The previous report is attached in appendix 1, however to summarise:-

- As part of a review into Clwyd Leisure, a condition survey was carried in October 2013. This was a due diligence survey comprising of the visual assessment of all exposed and accessible parts of the buildings. This was the basis for providing associated costs relating to repair and maintenance. ALS used these reports as a basis for their feasibility exercise.
- In January 2014, Cabinet considered the findings of this review into Clwyd Leisure Ltd (CLL) and concluded that it was too great a risk for the Council to take over this company. Cabinet ceased funding CLL from 1 April 2014 onwards due to concerns over the quality and level of service provided by them. Following this, they ceased trading in February 2014 and closed their facilities in Rhyl and Prestatyn with immediate effect. The properties returned to Denbighshire County Council on the 7th March 2014 under the management of CML.
- In March 2014, there was a cabinet resolution **agreeing, the Nova Centre remains closed pending agreement of the Alliance Leisure redevelopment proposals in May 2014.**

Findings of feasibility study by RPT Consulting:-

- **Demographics** - RPT used the Leisure Database Company (LDB) and we opted for a 7 - 12 minute drive time from Prestatyn as the core catchment area which resulted in a population of between 6,639 (7 minutes) - 22,747 (12 minutes). The age breakdown is shown on the table below:-

Population Age Profile

Key Indicator	7 minute Drivetime	10 minute Drivetime	12 minute Drivetime	Denbighshire CC	Wales
Total Population	6,639	14,306	22,747	93,734	3,063,500
Ages					
0-14	16.4%	17.9%	16.9%	16.8%	16.9%
15-19	5.5%	5.6%	5.5%	6.4%	6.5%
20-44	26.1%	27.1%	26.6%	27.7%	31.6%
45-64	24.4%	24.8%	25.9%	28.0%	26.6%
65-74	13.2%	12.0%	11.7%	11.3%	9.8%
75 & over	14.4%	12.7%	13.2%	9.7%	8.6%

(Source: 2011 Census)

- **Fitness** - The LDB has estimated the latent demand (desire currently not being satisfied) for improved fitness facilities at Prestatyn Nova Centre is 1225 members – this is the total number of members they feel the centre could achieve. The latent demand takes into account the potential level of membership for different groups and factors in existing or potential membership of other competing gyms in the catchment area.

- **Swimming** - A 12 minute drive time has also been used to determine the demand for a swimming pool. Based on a population of 22,747 there is a demand for 242 square metres of water space within the 12 minute drive time catchment area. This would suggest that there is the demand for pool space (of circa 242 sqm) equivalent to a 4 lane 25 metre pool which is what the Nova currently has as well as a small splash pool.
- **Soft Play** - although the immediate catchment (7 minute drive time) does have an older population, particularly 65 years and older there is also higher proportions of the younger age group in the 10 and 12 minute drive time with 0-14 year olds being higher than both the Denbighshire and Wales average. It was felt that this illustrated a strong market for soft play. It was also suggested that a unique product would attract visitors from well outside the area and would be a major attraction to these visitors and those staying in the area during the holidays.
- **Restaurant and café** – an appraisal has been carried out by ALS on the restaurant and café options. Our intentions are to include a café area within the scope of works but further work needs to take place to determine the best operating model for this offer. This could be a franchise / long term let, which would be less risk but also less profitable or could be delivered in – house. Currently this business case has provided financial information based on a long term let which would derive an annual rent. This element may be subject to change as options are explored. The business case is not dependent on agreeing an option now, there is no income attributed to this in year 1 but has a target from year 2 onwards.

Detailed Design – Surveys & Costs

Work has progressed at pace to get to this stage and ALS have now completed their full surveys which include:-

- Full dimensional survey undertaken to inform design team for space planning
- Asbestos Survey Undertaken
- Roof Survey (additional instruction by DCC)
- Drainage Survey
- Structural Survey Undertaken
- Mechanical & Electrical Survey Undertaken
- Catering Equipment Survey Undertaken
- Ground Investigation Survey
- Designs and costs called for from supply chain in terms of fitness; catering; play; signage; furniture
- Catering Options Review commissioned
- Beach toilet consultation to finalise design.

ALS have also provided CML with detailed costs based on the following and facility mix (Appendix 2 Prestatyn Nova Update):-

- Reduction of overall footprint of the property.
- Retention of the 25m 4 lane swimming pool and small splash pool.
- Creation of a village changing area to serve the swimming pool.
- Creation an improved fitness offer to the same quality delivered at Ruthin Leisure Centre with separate fitness changing.
- Creation of a multi-use space to accommodate current community events and a range of exercise classes / sports clubs.
- Creation of a large soft play facility.
- Creation of a new entrance, reception and café area overlooking the sea
- Creation of two or three promenade side retail units.
- Introduction of energy efficient mechanical / electrical services / devices in order to reduce carbon footprint.
- Renovation / repair of all roofs and re-enveloping of the property.
- Repair and replacement of mechanical and electrical systems including boilers, air handling system and pool plant.
- Addressing the issues highlighted in the condition survey.

There are other elements that have been designed and costed but are outside of the scope of the project. These include the redevelopment of the promenade /coastal defences and the public toilets connected to the side of the property. The costs associated with the refurbishment of the toilet block are approximately £108,000 whereas the costs associated with the promenade / coastal defence are approximately £100,000. Although these are not pivotal to delivering the new center, both would enhance the scheme. A number of options are being considered including possible contributions from Prestatyn Town Council or the Town Plan fund. If funding becomes available there will be the option to include these in the scheme as an acceptable variation.

The surveys have identified a number of issues that need to be resolved to ensure the long term sustainability of the building. The mechanical and electrical plant is in extremely poor condition and as part of the refurbishment will need to be replaced. The roofing survey undertaken by ALS identified a host of issues with both the flat and metal sheeted roof sections. All areas of the roof will need to be cleaned and repaired. This has had implications on the indicative budget costs provided by ALS prior to detailed design. The original cost provided by ALS was £3.6 million. The new costs which include the roofing and M&E requirements have increased the costs to £4,217,001. An increase of £617,001. This is confined within the affordability of the project.

This is broken down as follows with prudential borrowing term and annualised costs over that period:-

Construction Costs:- £3,886,751 (25 years – annualised payment £226,986)

Fitness Equipment / furniture / CCTV system:- £205,250 (5 years – annualised payment £43,406)

Soft Play:- £125,000 (10 years – annualised £14,288)

TOTAL Project cost £4,217,101 / £284,680 annualised payment as shown in appendix 3

Officers and ALS have been through a vigorous 'value engineering process' reviewing the costs and specification. In our original business case we identified we would have a total annualised payment for borrowing of £256,311. The new requirement of £284,680 results in an increase of £28,369.

Although this is disappointing, it is not unexpected and represents an 11% increase from the original business case. The building is in extremely poor condition and the condition survey carried out in October 2013 did identify nearly £500,000 expenditure required just to get the property up to an acceptable standard and did not include roofing costs or replacement of M&E plant.

The feasibility exercise and detailed design process has also included financial analysis with one of DCC's Senior Finance & Assurance Officers (SFAO), together with CML's Lead Officer for Commercial Leisure, costing the projected staffing structure and other operating costs believed to be needed for the proposed new development. This work has been based upon current market trends obtained from the Council's existing commercial leisure sites and extrapolating expenditure and income data on each activity as a comparator.

These income projections have not been amended against the report we submitted to SIG in May 2014. Although the capital costs have increased, we felt it more prudent to maintain the levels of income agreed with our SFAO prior to submission of these new costs. We have been extremely conservative with our income target and would expect to exceed our projections but for the purposes of the business case remain conservative. For example, the feasibility exercise suggests that there is a latent demand of 1225 for the provision of improved fitness facilities. However, having 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 62% membership of this latent demand in year 1 (equating to 761 members) rising to 908 members by year 5 (74% of the total latent demand figure). If we exceed these levels, the site will generate increased income which will reduce the subsidy requirement.

A budget forecast is attached as Appendix 3 with a financial commentary in Appendix 4 and a full financial statement by our Finance & Assurance Manager is attached in appendix 5. This provides a financial assessment of the proposals, detailing how this work has been undertaken. The budget forecast now shows an operating loss in year 1 of £68,223, year 2, a loss of £6,447 and by year 3 a surplus of £11,785. If we were to take the full 5 year forecast, over this period the centre will have made a £23,440 operational loss. However, if this development does not proceed the building will be more than likely 'mothballed'. This will be a 'blot' on the Prestatyn coastal landscape, a source of anger for local residents / visitors, a loss of economic opportunities i.e employment and local suppliers / contractors and a cost to the Council of approximately £71,000 per year including NNDR, security, running repair and maintenance. If the property was to be left for this period without the consideration of demolition then the non -operational cost would be £355,000. Alternatively, the building could be demolished at a cost of approximately £1M. Annualised payments for prudential borrowing over 20 years would be £55,000 - £60,000.

There are huge economic benefits associated with this development. A new visitor destination will be re-created on the Prestatyn Coast which will ultimately increase visitor numbers and benefit the other businesses in the area through increased footfall. There will also be a benefit for Parking Services who manage the surrounding car parks and would expect to achieve increased levels of income from the increased footfall. The site itself will offer three small retail units to complement the offer. This will be supported by 14 full time equivalent staff to operate the new centre. The development of an improved leisure offer along the coast is a major strand of the corporate priority 'Developing the Local Economy' set out in the Economic Ambition Strategy.

In addition to the improved coastal offer, Prestatyn Leisure Centre which is located on the grounds of Prestatyn High School would reduce the number of operational hours by approximately 45 - 50 hours per week and operate after school use only. This has been accounted for in the business case. The leisure centre would continue to offer community use of the sportshall, squash courts, all weather pitch, climbing wall and community meeting room in the evenings. This way we would not be duplicating any new offer at Prestatyn Nova Centre. This proposed use will also resolve the on – going issues with traffic management and the limited car parking capacity on the school site. By not having the community on site in the school day it will also free up much needed PE facilities previously used by the leisure centre.

These proposals and costs have been presented to the Coastal Board and the Prestatyn Member Area Group. The project has full support from both. A planning application has been submitted with no objections received.

BUSINESS OPTIONS

Analysis and reasoned recommendation for the base business options of: do nothing / do the minimal or do something

Option title:		Do nothing – maintain the existing situation / Do minimum			
Please provide brief details:					
The Prestatyn Nova Centre is currently closed and the building. The property has been secured and processes and procedures have been put in place appropriate to that of a vacant building.					
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?					
<ul style="list-style-type: none"> • The building will continue to deteriorate and become a health and safety issue • The costs of demolition are approximately £1,000,000 with no funding available for this • The on – going costs associated with this property would be approximately £71,000 per year taking account of NNDR, insurance, utilities standing charges and security inspections • There is a reputational risk to the Council for failing to open this facility as well as negative impact on Prestatyn • There would be no impact on local employment. Re – opening the centre after the refurbishment would create the equivalent of 14.1 full time staff members. If it did not open this opportunity to create employment would be lost. • There would be no business benefits to other operators on this stretch of the coast who would have the opportunity to tap into the increased footfall in the area created by this attraction. • There would be no opportunity to develop small businesses in the proposed promenade retail units which again could lead to increased employment. 					

Option title:	Re – open Prestatyn Nova Centre in current condition.				
Please provide brief details:					
Re – open Prestatyn Nova Centre in its current condition without making any improvements to the property with the exception of re – commissioning plant and carrying out urgent works associated with health and safety and fire risk assessments.					
Please mark with an X how this option compares with the preferred option in terms of Cost, Time, Quality and Benefits:					
Costs	Costs more	X	Time	Takes longer to deliver	
	Costs the same			Takes the same to deliver	
	Costs less			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?					
If the Prestatyn Nova Centre was to open in its current form. A full year operation would result in a NET loss of £347,650. This would also only take into account set up costs of approximately £80,000 which would only cover re-commissioning of plant, urgent works to flat roofs and health and safety issues. It does not include any improvements to the property or additional attractions. The condition survey identified costs of £456,541 excluding any mechanical and electrical items (estimated at approximately £250,000 just to replace the air handling system). There would be considerable on – going repair and maintenance of this property to raise it to an acceptable standard. The leisure offer would not be improved and in these circumstances further consideration would need to be given to an alternative interim management model which could include: limited opening hours; extended swimming lesson programme limiting public swimming sessions; a managed food & beverage offer (if an operator can be found) and relocation of the fitness offer from Prestatyn Leisure Centre which has a much more modern and fit for purpose facilities.					
Option title:	Declare the property surplus to CML’s requirements. Possible demolition?				
Please provide brief details:					
If the re-development was not to progress to construction then CML would need to declare the property surplus to requirements. This would be transferred to the Corporate Property portfolio and in the short term would have to cover the on – going costs (approx. £71,000) and would possibly look to demolish with costs anticipated to be approximately £1M (approx. £60,000 per year annualised prudential borrowing)					
Please mark with an X how this option compares with the preferred option in terms of Cost, Time, Quality and Benefits:					
Costs	Costs more	X	Time	Takes longer to deliver	
	Costs the same			Takes the same to deliver	
	Costs less			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?					
<ul style="list-style-type: none"> • The building will continue to deteriorate and become a health and safety issue • The costs of demolition are approximately £1,000,000 requiring funding • The on – going costs associated with this property would be approximately £71,000 per year taking account of NNDR, insurance, utilities standing charges and security inspections • There is a reputational risk to the Council for failing to open this facility as well as negative impact on Prestatyn. • There would loss of employment / regeneration opportunities and no business benefits to other operators on this stretch of the coast. 					

EXPECTED BENEFITS

The benefits that the project will deliver expressed in measurable terms against the situation as it exists prior to the project

<p>The development proposals will bring a range of additional attractions including new changing areas associated with the swimming pool, a new fitness suite, a café with views overlooking the coast, a new modern fitness suite with associated changing and a large soft play area. The development will also enhance the external look of the property which currently looks run down and has no 'kerbside' appeal.</p> <p>The development may also be a catalyst for regeneration of this area with an offer that will attract locals and tourists to the Prestatyn coast. It will increase footfall in this area benefiting other businesses and employment prospects. This Nova Centre development alone will result in the equivalent of 14 full time posts being created without considering further employment opportunities from the creation of the three promenade retail units and increase in footfall for other businesses in the area.</p> <p>The project will also revive a building that is currently closed and unoccupied and in the future will pose a significant health and safety risk as well as having a negative impact on coastal tourism.</p> <p>The development recreates a destination and removes the risk from the Council.</p>
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EXPECTED DIS-BENEFITS

Outcomes perceived as negative by one or more stakeholders

None

TIMESCALE

Over which the project will run (summary of the Project Plan) and the period over which the benefits will be realised

Date	Milestone
February 2014	Paper & presentation to Cabinet for approval to appoint Alliance Leisure Services Ltd to carry out feasibility exercise on the Prestatyn Nova Centre.
February – May 2014	Alliance Leisure – commence feasibility exercise.
May 2014	Presentation & report to Strategic Investment Group for approval to progress to next stage where design and development fees will need to be underwritten for detailed design.
May 2014	Cabinet approval to progress to the next stage of development and approve costs associated with detailed design.
June 2014 – September 2014	Detailed design stage
September 2014	SIG approval to proceed with full scheme. Submission of planning applications & preparation for Cabinet / Full Council
October 2014	Presentation to Full Council / Cabinet
November 2014	Mobilisation and start on site
July 2015	Project completion

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)	£108,664
Client side project management	
OTHER (please enter)	
OTHER (please enter)	
TOTAL	£108,664

Please provide details of the capital funding requirement (not including amount already spent):				
Enter details of cost element below:	2014/15	2015/16	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)				
Construction				
Fitness Equipment				
Play Equipment				
CCTV				
TOTAL				

Please provide details of proposed capital funding sources					
Enter details of funding source	Status:	2014/15	2015/16	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)	£108,864
Client side project management	
OTHER (please enter)	
OTHER (please enter)	
TOTAL	£108,864

Please provide details of the capital funding requirement (not including amount already spent):				
Enter details of cost element below:	2014/15	2015/16	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	£3,886,751			£3,886,751
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	£35,250			£35,250
Furniture				
Planning/Building Regulation Costs				
Design Team Fees (architects, QS, etc)				
Legal Costs and Fees				
Marketing/Consultation				
Equipment CCTV	£40,000			£40,000
Construction Technical Services - Design				
Fitness Equipment	£125,000			£125,000
Play Equipment	£130,000			£130,000
TOTAL	£4,217,001			£4,217,001

Please provide details of proposed capital funding sources					
Enter details of funding source	Status:	2014/15	2015/16	Future Years	TOTAL
SIG Prudential Borrowing	Applied	£4,217,001			£4,217,001
TOTAL		£4,217,001			£4,217,001

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:			
<u>SEE APPENDIX 3 – 5 YEAR FINANCIAL FORECAST</u>			
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)			
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*

<p>A budget forecast is attached as Appendix 3 with a financial commentary in Appendix 4 and a full financial statement by our Finance & Assurance Manager is attached in appendix 5.</p> <p>In Summary.</p> <p>Capital costs have increased from £3,600,000 to £4,217,001</p> <p>The increase in capital costs results in an increase in the prudential borrowing sum resulting in an increase in the annualised costs by £28,369 from the original cost of £256,311 to £284,680.</p> <p>Income level forecast have remained the same as previously submitted to SIG. The income forecast is conservative but CML would rather be prudent in their approach.</p> <p>This increased borrowing results in an operating loss of £68,223 in year but by year 3 would generate a surplus of £11,785. Over a 5 year period it equates to an operational loss of £23,440.</p> <p>To do nothing would cost the Council at least £71,000 per year in costs for NNDR, security, utilities and R&M</p> <p>Demolition would cost approximately £11,000</p>

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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.

This project will help meet the Management of Health & Safety at Work regulations 1999, Health & Safety at Work Act 1974, Workplace (Health, Safety & Welfare) Regulations 1992. The project will help mitigate the possible permanent closure of the building and the resultant service provision issues. The Authority remains at risk until these works are completed.

CARBON MANAGEMENT IMPACT

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

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 areas of the Service's activity.

The footprint of the existing building will be reduced by approximately 20% and any new mechanical / electrical installations will be more energy efficient. The building envelope will also be re – clad which will improve the efficiency of the building.

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).

<p>Any necessary survey will be carried out before works commences. The Service will work closely with Denbighshire's Biodiversity Officer.</p>

MAJOR RISKS TO THE PROJECT

A summary of the key risks associated with the project together with the likely impact and plans should they occur (*Please also add to your project risk register*)

Key Risk	Likely Impact	Mitigating Action
Failure to secure funding to progress to construction.	Prestatyn Nova Centre and the facility will remain closed with on – going annual revenue costs associated with the security of the property, NNDR, insurance etc (approx.. £71,000) Reputational risk to the Council if the Nova Centre does not re – open. Adverse impact on tourism. No economic benefits to employment or regeneration of Prestatyn coast.	Secure funding.
Unoccupied property – risk of building further deteriorating without urgent works.	The building will continue to deteriorate particularly the external elevations. May be unsafe.	Seek Cabinet decision to permanently close the Nova Centre if funding is not approved. Demolition costs are in the order of £1 million.

SUPPORTING INFORMATION

Please list any supporting documents that accompany this Business Case

Appendix 1 – Strategic Investment Group Business Case May 2014
 Appendix 2 – Prestatyn Nova Centre Update – Plans & Drawings
 Appendix 3 – DCC 5 year financial forecast
 Appendix 4 - Financial narrative detailing income and expenditure budget lines.
 Appendix 5 – Financial Statement by Finance & Assurance Manager

VERIFICATION:

Project Manager:	Sion Goldsmith – Lead Officer Assets & Community Development		
Project Sponsor:	Jamie Groves		
Name:	Jamie Groves	Position:	Head of Communications, Marketing & Leisure
Signature:	<i>Insert electronic signature</i>	Date:	17/09/2014

For use by Finance:

Result of S.I.G. Review	
Date of Meeting	
Approval	
Code	

APPENDIX 1



STRATEGIC INVESTMENT GROUP

BUSINESS CASE – CAPITAL INVESTMENT

This Business Case provides justification for undertaking a project. The completed form will be reviewed by the Strategic Investment Group who will make a recommendation to Council whether the bid should be approved and included within the Capital Plan. All sections should be completed and evidence of costs will need to be supplied.

For details of Strategic Investment Group meetings and deadlines for the submission of this form, please contact Richard Humphreys, Capital & Technical Finance Team on ext 6144.

Project Name:	Prestatyn Nova Centre
Project Reference:	
Project Manager:	Sion Goldsmith – Lead Officer Assets & Communities
Workstream:	

Head of Service/Project Sponsor	Jamie Groves – Head of Communications, Marketing & Leisure	Lead member:	Councillor Huw Jones
Service:	Communications, Marketing & Leisure	LM Portfolio:	Tourism, Leisure & Youth
Form completed by:	Sion Goldsmith	Date:	28/04/2014
Service Accountant:	Gareth O Williams	Date:	28/04/2014

PROJECT TYPE

*Please categorise your project type. Mark **one** box only.*

SMALL <input checked="" type="checkbox"/>	MEDIUM <input type="checkbox"/>	LARGE <input type="checkbox"/>
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DECISION SOUGHT FROM SIG:	Approval by SIG to underwrite professional fees / costs of £108,864 to proceed to the detailed design stage for the proposed £3.66 million development of the Prestatyn Nova Centre.
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EXECUTIVE SUMMARY

Highlights the key points in the Business Case to include:-

- What the project will achieve/important benefits
- Estimated costs
- How the project will be funded

Background Information

In November 2013 a condition survey was carried out on the North Wales Bowls Centre, Prestatyn Nova Centre and Rhyl Sun Centre as part of a review of Clwyd Leisure Ltd (CLL).

The condition surveys comprised of the visual assessment of the condition of all exposed and accessible parts of the buildings in order to identify any significant defects or items in need of repair. The reports highlighted a number of urgent issues that would need to be addressed across the portfolio and provided indicative costs for their repair or replacement.

In January 2014, Cabinet considered the findings of this review into Clwyd Leisure Ltd (CLL) and concluded that it was too great a risk for the Council to take over this company. Cabinet also decided to cease funding CLL from 1 April 2014 onwards due to concerns over the quality and level of service provided by them. Following this, they ceased trading in February 2014 and closed their facilities in Rhyl and Prestatyn with immediate effect. An Insolvency Practitioner was appointed to manage the closure and as Landlords, the keys were returned to Denbighshire County Council on the 7th March 2014. The Council has continued to work alongside the Insolvency Practitioner and the buildings remain closed and are now under the management of Communications, Marketing and Leisure (CML)

Over the last 2 months officers from both CML and Finance have thoroughly appraised the operating costs, risks and opportunities of operating these facilities going forward. In March 2014, CML presented a report to Cabinet which included a full options appraisal, financial forecasts and recommendations.

CML recommended to Cabinet that they:

1. Approve the re-opening of the Bowls Centre from April/May 2014 and that officers explore a future operating arrangement in partnership with the existing bowls clubs.
2. Agree that the Nova Centre remains closed pending agreement of the Alliance Leisure redevelopment proposals in May 2014, note that in the interim alternative gym and fitness provision will be available at Prestatyn Leisure Centre, and ask officers to explore alternative public access swimming opportunities for the local community with other local providers.
3. Agree that the Sun Centre is not reopened as an aquatic facility, note that alternative gym, fitness and swimming provision will be available from Rhyl Leisure Centre and authorise officers to explore further opportunities for the conversion of the facility for alternative 'dry' activity uses.

Cabinet agreed to these recommendations.

Prestatyn Nova Centre

The decision not to re – open the Prestatyn Nova Centre was made based upon the information contained in the appraisal / options section of the March Cabinet report. The report also looked at the possibility of opening for the summer season however the analysis demonstrated that re-opening the Nova in the interim, between now and the proposed redevelopment, would come with a significant set up cost. This set up costs would include re-commissioning plant, inspections, health and safety work and urgent repairs. The cost would have been approximately £80,000 and that it would have taken until July to open the facility with these proposed works planned for the Autumn. It was agreed that this was not good value for money.

The Cabinet report also referred to the condition survey carried out in November 2013 which highlighted costs of £456,641 associated with urgent or imminent repairs to the property. These costs did not include mechanical or electrical items. Due to the limited and out-dated offer and condition of the building, operating costs are shown to far exceed likely income resulting in a significant loss (over £208k) for the period to the autumn, when if approved, redevelopment work is expected to start. A full years cost to operate the Nova Centre in its current condition and with its existing offer would be approximately £347,000. The costs highlighted in the condition survey would be addressed via the re-development proposals.

Current Position & Future Development Proposals of Prestatyn Nova Centre

In January 2012, Leisure, Libraries & Community Development appointed Alliance Leisure Services Ltd (ALS) 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 provides financing options that would fully fund any proposal without the need of utilising the Authority's capital programme. This is based on the payment of a monthly fixed fee over an agreed period of time made affordable from revenue created by the new facilities.

The development partner manages the project from concept to completion providing feasibility studies and robust business plans identifying and addressing all the costs. The development partner further provides project management services and acts as the principal contractor coordinating the design, construction, commissioning and handover of the completed project.

The £1.3 million pound development of Ruthin Leisure Centre was completed in September 2013 under this partnership approach with the project coming in on time and within budget.

In February 2014 Cabinet approved the development of a business case for the £3.66 million development of Prestatyn Nova Centre which included the appointment of ALS to carry out a feasibility exercise which would form the basis of this business case.

The business case would be based on the following facility mix and include the:

- Reduction of overall footprint of the property by up to 20%
- Retention of the 25m 4 lane swimming pool and small splash pool.
- Creation of a village changing area to serve the swimming pool.
- Creation an improved fitness offer to the same quality delivered at Ruthin Leisure Centre with separate fitness changing.
- Creation of a multi-use space to accommodate current community events and a range of exercise classes / sports clubs.
- Creation of a large soft play facility.
- Creation of a new entrance, reception and café area overlooking the sea
- Creation of two or three promenade side retail units.
- Introduction of energy efficient mechanical / electrical services and re – enveloping of the property in order to reduce carbon footprint.

The proposal does not include development of any of the other public areas in the vicinity of the Nova Centre such as the promenade, coastal defence and landscaped areas. The project will however include areas that have been affected as a result of the partial demolition.

In addition to the improved offer at the Nova Centre, Prestatyn Leisure Centre, located on the grounds of Prestatyn High School would reduce the number of operational hours by approximately 45 - 50 hours per week and operate after school use only. The leisure centre would continue to offer community use of the sportshall, squash courts, all weather pitch, climbing wall and community meeting room in the evenings. This way we would not be duplicating any new offer at Prestatyn Nova Centre and the efficiencies from the reduced operating hours at Prestatyn Leisure Centre would be moved to the Nova Centre operation. This is included in the financial forecast in appendix 3A. This proposed use will also resolve the on – going issues with traffic management and the limited car parking capacity on the school site. By not having the community on site in the school day it will also free up much needed PE facilities previously used by the leisure centre. There is also an opportunity to explore a social enterprise model in partnership with Prestatyn High School whereby students studying for vocational subject such as BTEC Sport or BTEC public Services could assist in the day to day operation of the leisure centre in order to gain valuable experience towards the qualification.

Feasibility Study

Alliance Leisure as part of their feasibility exercise for the development of the Prestatyn Nova commissioned the services of RPT Consulting in order to undertake a study into the opportunities arising from this investment. They evaluated the demographics of the area including the Prestatyn population, the catchment population and the market segments. RPT used the Leisure Database Company (LDB) and we opted for a 7 - 12 minute drive time as the core catchment area which a resulted in a population of between 6,639 (7 minutes) - 22,747 (12 minutes).

The age breakdown is shown on the table below:-

Table 2.1 – Population Age Profile

Key Indicator	7 minute Drivetime	10 minute Drivetime	12 minute Drivetime	Denbighshire CC	Wales
Total Population	6,639	14,306	22,747	93,734	3,063,500
Ages					
0-14	16.4%	17.9%	16.9%	16.8%	16.9%
15-19	5.5%	5.6%	5.5%	6.4%	6.5%
20-44	26.1%	27.1%	26.6%	27.7%	31.6%
45-64	24.4%	24.8%	25.9%	28.0%	26.6%
65-74	13.2%	12.0%	11.7%	11.3%	9.8%
75 & over	14.4%	12.7%	13.2%	9.7%	8.6%

(Source: 2011 Census)

The LDB has estimated the latent demand (desire currently not being satisfied) for improved fitness facilities at Prestatyn Nova Centre to be 1225 members – this is the total number of members they feel the centre could achieve. This does include an allowance of 245 for members who would travel from outside the 12 minute drive time.

The latent demand takes into account the potential level of membership for different groups and factors in existing or potential membership of other competing gyms in the catchment area.

A 12 minute drivetime has also been used to determine the demand for a swimming pool. In order to estimate the number of pools required for the catchment area, RPT Consulting have used Sport England's Sports Facility Calculator. This allows for a particular population to be inputted and assessment of the scale of facilities required for this population to be made. It is based on the profile of users relating to activity from the Active Peoples survey as opposed to specific Welsh data but does give an indication of the scale of demand for Pools, in the absence of any specific Welsh data.

Based on a population of 22,747 there is a demand for 242 square metres of water space within the 12 minute drivetime catchment area. This would suggest that there is the demand for pool space (of circa 242 sqm) equivalent to a 4 lane 25 metre pool which is what the Nova currently has as well as a small splash pool. Although Pontins Holiday Camp, located half a mile away from the Nova Centre does have a swimming pool which is currently open to the public, this has not been included in the analysis as this is a private pool and cannot meet demand particularly during the holiday season when the camp reaches its capacity.

As part of the exercise to identify latent demand, RPT Consulting also considered the other elements of the facility particularly the café and soft play area. They found that although the immediate catchment (7 minute drivetime) does have an older population, particularly 65 years and older there is also higher proportions of the younger age group in the 10 and 12 minute drive time with 0-14 year olds being higher than both the Denbighshire and Wales average. It was felt that this illustrated a strong market for soft play. In addition to a commercial return of the investment, soft play also acts as a 'hook' for children who may not be interested in traditional sports or leisure activities, creating the opportunity for people who wouldn't normally visit leisure facilities to explore what else goes on in the centre. There is also the opportunity to tap into the seasonal market with a number of holiday camps and caravan parks local to the centre.

Although the Nova Centre did not have a soft play area it did operate a restaurant and café which was reasonably popular. Our intentions are to include a café area within the scope of works but further work needs to take place to determine the best operating model for this food and beverage offer. This could be a franchise / long term let, which would be less risk but also less profitable or could be delivered in – house. Currently this business case has provided financial information based on a long term let which would derive an annual rent. This element may be subject to change as options are explored. The full feasibility report is attached in Appendix 1.

A full financial statement by our Finance & Assurance Manager is attached in appendix 2. This provides a financial assessment of the proposals, detailing how this work has been undertaken.

Although the feasibility exercise suggests that there is a latent demand of 1225 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 62% membership of this latent demand in year 1 (equating to 761 members) rising to 908 members by year 5 (74% of the total latent demand figure).

We now need to progress onto the next stage of detailed design. Alliance Leisure Services Ltd up to this point has carried out all this work at risk and the Council have incurred no costs. However, to progress to the next stage of detailed design, the Council will need to underwrite costs of approximately £108,000.

Both Prestatyn Town Council and the Coastal Board have been consulted on these proposals and are happy to support progression to the next stage. The proposals have also been supported by Prestatyn Member Area Group who have been consulted and kept updated throughout the process.

BUSINESS OPTIONS

Analysis and reasoned recommendation for the base business options of: do nothing / do the minimal or do something

Option title:		Do nothing – maintain the existing situation / Do minimum			
Please provide brief details:					
The Prestatyn Nova Centre is currently closed and the building. The property has been secured and processes and procedures have been put in place appropriate to that of a vacant building.					
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>With this option of remaining closed there would be no set up costs estimated at approximately £80,000 and no NET loss estimated between £208,000 and £347,000 depending on which operating model would be adopted. The previous Nova Centre business model was not financially sustainable. This option has not been selected for a number of reasons:-</p> <ul style="list-style-type: none"> • The building will continue to deteriorate and become a health and safety issue • The costs of demolition are approximately £1,000,000 with no funding available for this • The on – going costs associated with this property would be approximately £71,000 per year taking account of NNDR, insurance, utilities standing charges and security inspections • There is a reputational risk to the Council for failing to open this facility as well as negative impact on Prestatyn • There would be no impact on local employment. Re – opening the centre after the refurbishment would create the equivalent of 14.1 full time staff members. If it did not open this opportunity to create employment would be lost. • There would be no business benefits to other operators on this stretch of the coast who would have the opportunity to tap into the increased footfall in the area created by this attraction. • There would be no opportunity to develop small businesses in the proposed promenade retail units which again could lead to increased employment. 					
Option title:		Re – open Prestatyn Nova Centre in current condition.			
Please provide brief details:					
Re – open Prestatyn Nova Centre in its current condition without making any improvements to the property with the exception of re – commissioning plant and carrying out urgent works associated with health and safety and fire risk assessments.					
Please mark with an X how this option compares with the preferred option in terms of Cost, Time, Quality and Benefits:					
Costs	Costs more	X	Time	Takes longer to deliver	
	Costs the same			Takes the same to deliver	
	Costs less			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?					
If the Prestatyn Nova Centre was to open in its current form. A full year operation would result in a NET loss of £347,650. This would also only take into account set up costs of approximately £80,000 which					

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would only cover re-commissioning of plant, urgent works to flat roofs and health and safety issues. It does not include any improvements to the property or additional attractions. The condition survey identified costs of £456,541 excluding any mechanical and electrical items. There would be considerable on – going repair and maintenance of this property to raise it to an acceptable standard. The leisure offer would not be improved and in these circumstances further consideration would need to be given to an alternative interim management model which could include: limited opening hours; extended swimming lesson programme limiting public swimming sessions; a managed food & beverage offer (if an operator can be found) and relocation of the fitness offer from Prestatyn Leisure Centre which has a much more modern and fit for purpose facilities.

EXPECTED BENEFITS

The benefits that the project will deliver expressed in measurable terms against the situation as it exists prior to the project

The development proposals will bring a range of additional attractions including new changing areas associated with the swimming pool, a new fitness suite, a café with views overlooking the coast, a new modern fitness suite with associated changing and a large soft play area. The development will also enhance the external look of the property which currently looks run down and has no ‘kerbside’ appeal.

The development may also be a catalyst for regeneration of this area with an offer that will attract locals and tourists to the Prestatyn coast. It will increase footfall in this area benefiting other businesses and employment prospects. This Nova Centre development alone will result in the equivalent of 14 full time posts being created without considering further employment opportunities from the creation of the three promenade retail units and increase in footfall for other businesses in the area.

The project will also revive a building that is currently closed and unoccupied and in the future will pose a significant health and safety risk as well as having a negative impact on coastal tourism.

EXPECTED DIS-BENEFITS

Outcomes perceived as negative by one or more stakeholders

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TIMESCALE

Over which the project will run (summary of the Project Plan) and the period over which the benefits will be realised

Date	Milestone
February 2014	Paper & presentation to Cabinet for approval to appoint Alliance Leisure Services Ltd to carry out feasibility exercise on the Prestatyn Nova Centre.
February – May 2014	Alliance Leisure – commence feasibility exercise.
May 2014	Presentation & report to Strategic Investment Group for approval to progress to next stage where design and development fees will need to be underwritten for detailed design.
May 2014	Cabinet approval to progress to the next stage of development and approve costs associated with detailed design.
June 2014 – September 2014	Detailed design stage
September 2014	SIG approval to proceed with full scheme. Submission of planning applications & preparation for Cabinet / Full Council
October 2014	Presentation to Full Council / Cabinet

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:	2014/15	2015/16	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)				
TOTAL				

Please provide details of proposed capital funding sources					
Enter details of funding source	Status:	2014/15	2015/16	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) – ALL WORK CARRIED OUT AT ALS RISK	£0
Client side project management	
OTHER (please enter)	
OTHER (please enter)	
TOTAL	£0

Please provide details of the capital funding requirement (not including amount already spent):				
Enter details of cost element below:	2014/15	2015/16	Future Years	All Years Total
Feasibility (surveys, market research, etc)	£108,864			
Client side project management				
Land/property acquisition				
Land preparation/remediation				
Demolition and/or site security				
Construction, refurbishment or maintenance				
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)	£78,000.00			
Legal Costs and Fees				
Marketing/Consultation				
External Project Support (eg gateway review)				
Construction Technical Services - Design	£19,564.80			
Sundry Items: Asbestos Survey, Ground Investigation, Drainage Survey, Property Management Consultants for Project Management.	£11,100.00			
TOTAL	£108,664.80			

Please provide details of proposed capital funding sources					
Enter details of funding source	Status:	2014/15	2015/16	Future Years	TOTAL
SIG	Applied	£108,864			£108,864
TOTAL		£108,864			£108,864

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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)	N/A		
energy costs (heating, lighting, ICT, etc)	N/A		
property maintenance and servicing costs	N/A		
other property related costs (rental, insurance, etc)	N/A		
ongoing ICT costs (licences, etc)	N/A		
mileage of Denbighshire fleet vehicles	N/A		
mileage for business travel by Denbighshire employees using their personal vehicles	N/A		
OTHER (please enter)	N/A		
OTHER (please enter)	N/A		
OVERALL REVENUE REQUIREMENT	N/A		

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*

Please see Appendix 3A for the 5 year financial forecast, Appendix 3B for a comparison against a forecast provided by RPT Consulting and Appendix 3C for a financial narrative detailing income and expenditure budget lines.

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.

This project will help meet the Management of Health & Safety at Work regulations 1999, Health & Safety at Work Act 1974, Workplace (Health, Safety & Welfare) Regulations 1992. The project will help mitigate the possible permanent closure of the building and the resultant service provision issues. The Authority remains at risk until these works are completed.

CARBON MANAGEMENT IMPACT

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

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 areas of the Service's activity.

This is unknown at this point. More details for this will be provided after the detailed design stage. However, the footprint of the existing building will be reduced by approximately 20% and any new mechanical / electrical installations will be more energy efficient. The building envelope will also be re-clad according to Part L of building regulations which will improve the efficiency of the building.

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).

<p>Any necessary survey will be carried out before works commences. The Service will work closely with Denbighshire's Biodiversity Officer.</p>

MAJOR RISKS TO THE PROJECT

A summary of the key risks associated with the project together with the likely impact and plans should they occur (*Please also add to your project risk register*)

Key Risk	Likely Impact	Mitigating Action
Failure to secure funding to progress to the detailed design stage of development.	We will not be able to progress the £3.66 million development of the Prestatyn Nova Centre and the facility will remain closed with on – going revenue costs associated with the security of the property, NNDR, insurance etc Reputational risk to the Council if the Nova Centre does not re – open.	Secure funding.
Failure to secure funding. Re – open Prestatyn Nova Centre in its current condition.	A full year operation would result in a NET loss of £347,650. It does not include any improvements to the property or additional attractions but does include set up costs to re – commission plant etc. The condition survey identified costs of £456,541 excluding any mechanical and electrical items on the existing property.	Seek Cabinet decision to permanently close the Nova Centre if funding is not approved. Demolition costs are in the order of £1 million.

SUPPORTING INFORMATION

Please list any supporting documents that accompany this Business Case

Appendix 1 – RPT Consulting – Prestatyn Nova Feasibility Report – April 2014 Appendix 2 – Financial Statement by Finance & Assurance Manager Appendix 3A – DCC 5 year financial forecast Appendix 3B – 5 year financial forecast comparison with RPT Consulting Appendix 3C - Financial narrative detailing income and expenditure budget lines.
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VERIFICATION:

Project Manager:	Sion Goldsmith – Lead Officer Assets & Community Development		
Project Sponsor:	Jamie Groves		
Name:	Jamie Groves	Position:	Head of Communications, Marketing & Leisure
Signature:	<i>Insert electronic signature</i>	Date:	07/05/2014

For use by Finance:

Result of S.I.G. Review	
Date of Meeting	
Approval	
Code	

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APPENDIX 2

DENBIGHSHIRE COUNTY COUNCIL

Prestatyn Nova Centre Update



1. WORK UNDERTAKEN TO DATE & REPORTING CHANNELS

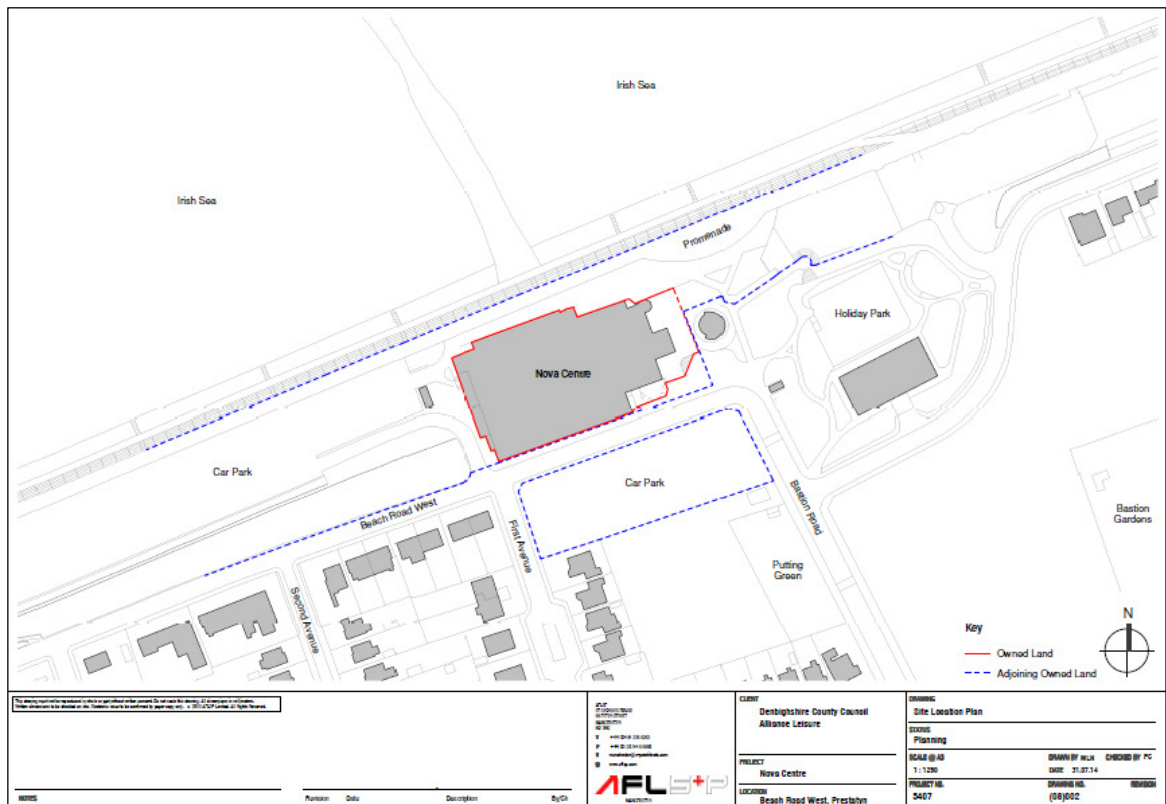
27 th May 2014:	Cabinet Approval for underwriting detailed design
5 th June 2014:	Alliance instruct the team to commence detailed design.
7 th June 2014:	Scheme cost check which is was within 10% of previous costs on the <u>main</u> brief presented @ £3.6m Additional items now costed include: <ul style="list-style-type: none">• 3 x retail units, Storm shutters for retail units & gym windows.• Disabled access ramp• External toilets & storm shutters• Facade
9 th June 2014:	Design updated post feedback from DCC to include: <ul style="list-style-type: none">• larger external toilet area to service beach• Additional internal café toilets• Access control points between Starlight Suite & play / pool
17 th June – July 2014:	Plans updated -Meetings held with project team to finalise design, meetings with Environmental Services & Planning
31 st July 2014:	Planning Application submitted. Consultation end date 8 th September 2014. If the decision needs to go to committee this will be 15 th October 2014
4 th September 2014:	Initial cost plan presented to DCC
September 8 th 2014	Coastal Project Board presentation
September 11 th 2014	Rhyl and Meliden Member Area Group & Town Council presentation
September 22 nd 2014	Business Case to Strategic Investment Group - Papers by 15 th September
October 7 th 2014	Full Council - papers submitted by 25 th September.

Detailed design has included:

- Full dimensional survey undertaken to inform design team for space planning
- Asbestos Survey Undertaken
- Roof Survey (additional instruction by DCC)
- Drainage Survey
- Structural Survey Undertaken
- Mechanical & Electrical Survey Undertaken
- Catering Equipment Survey Undertaken
- Ground Investigation Survey
- Designs and costs called for from supply chain in terms of fitness; catering; play; signage; furniture
- Catering Options Review commissioned
- Beach toilet consultation to finalise design
- Full design work to allow a BOQ to be produced for costing

2. THE DEVELOPMENT PROPOSAL

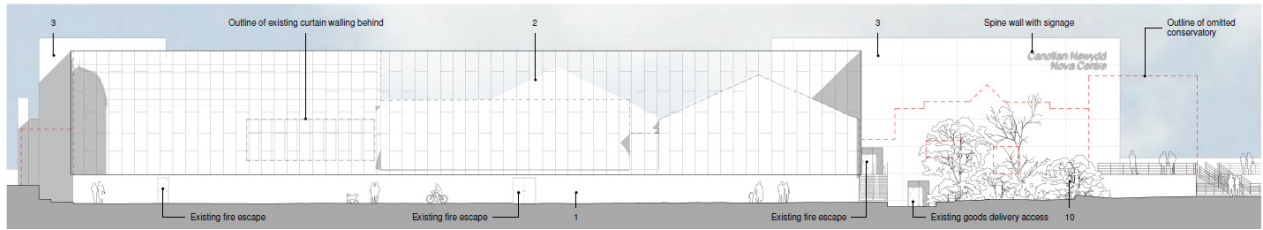
The Nova Centre is situated on the sea front of Prestatyn and is currently accessed from Beach Road West.



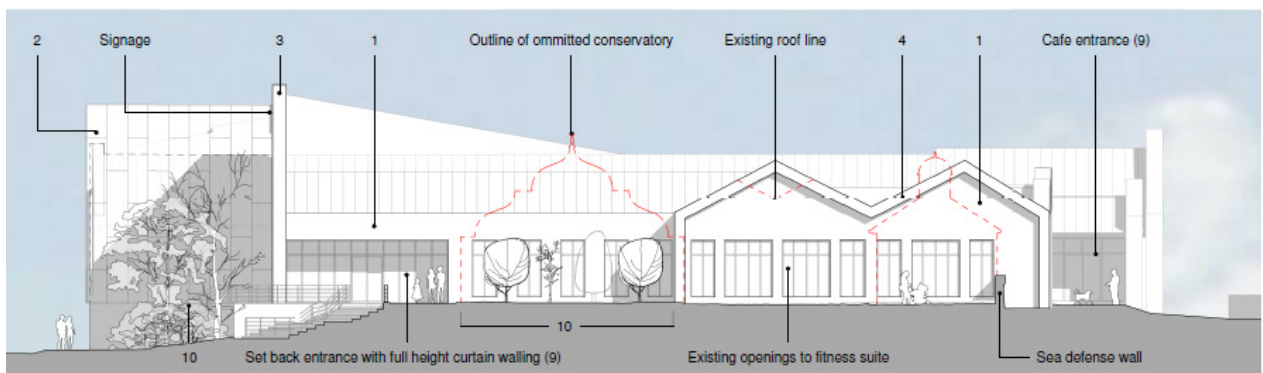
The refurbishment looks to address a number of key aspects of the existing building and give the centre a new 15 year longevity:

2.1 EXTERNALS

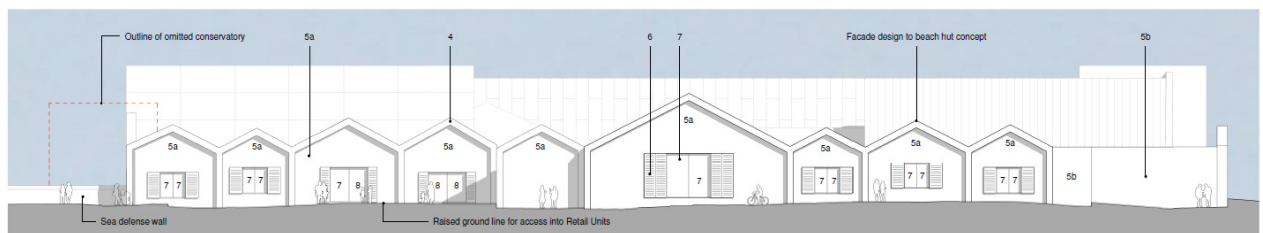
Façade: The current façade is in poor condition and dated. The proposed new façade will be modern and fresh through the use of perforated metal panelling. This will change the current profile of the building and with the introduction of a dark clad spine wall the eye will be drawn to the new entrance. The elevation from the South East (Beach Road East) will look like:



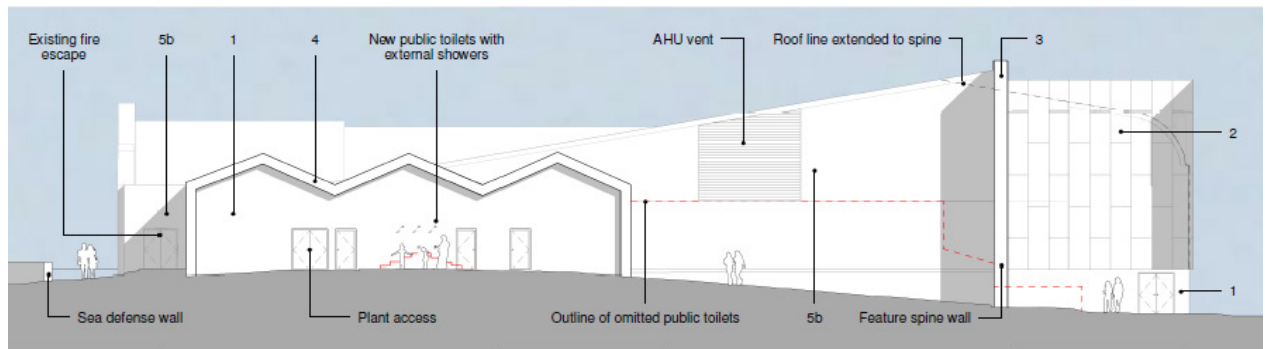
Entrance: The current entrance is situated off the main road and requires customers to go up one floor to access any of the existing facilities. The new proposed entrance is to be moved to the side of the promenade which allows all access on one level negating the need for a lift. The existing external walls will be re-rendered and the new entrance will be set back with full height curtain walling. The current orangery will be demolished and the front area will be a shop window for the health and fitness offer.



Promenade Façade: The current façade that looks out to the Irish Sea will be re-surfaced and painted in bright colours to create a beach hut theme. Three retail units are being developed for concession rentals and there will be a beach front entrance to the café (automated doors) which will have sea views and in good weather allow tables and chairs to be located outside on the promenade. Solid aluminium sea defence doors / shutters will be fitted.



South West Façade: This area currently hosts the blue flag toilets which serve the beach. These are to be remodelled and refurbished Existing brickwork on this façade will be re-rendered, gables cladded and the existing façade repainted.



NB: Lighting attached to the building has been positioned to light the area. A paraphet wall above the external café entrance has been added to ensure the roof is not seen from the promenade façade.



Main façade from Beach Road West



New entrance to the centre & fitness suite shop window

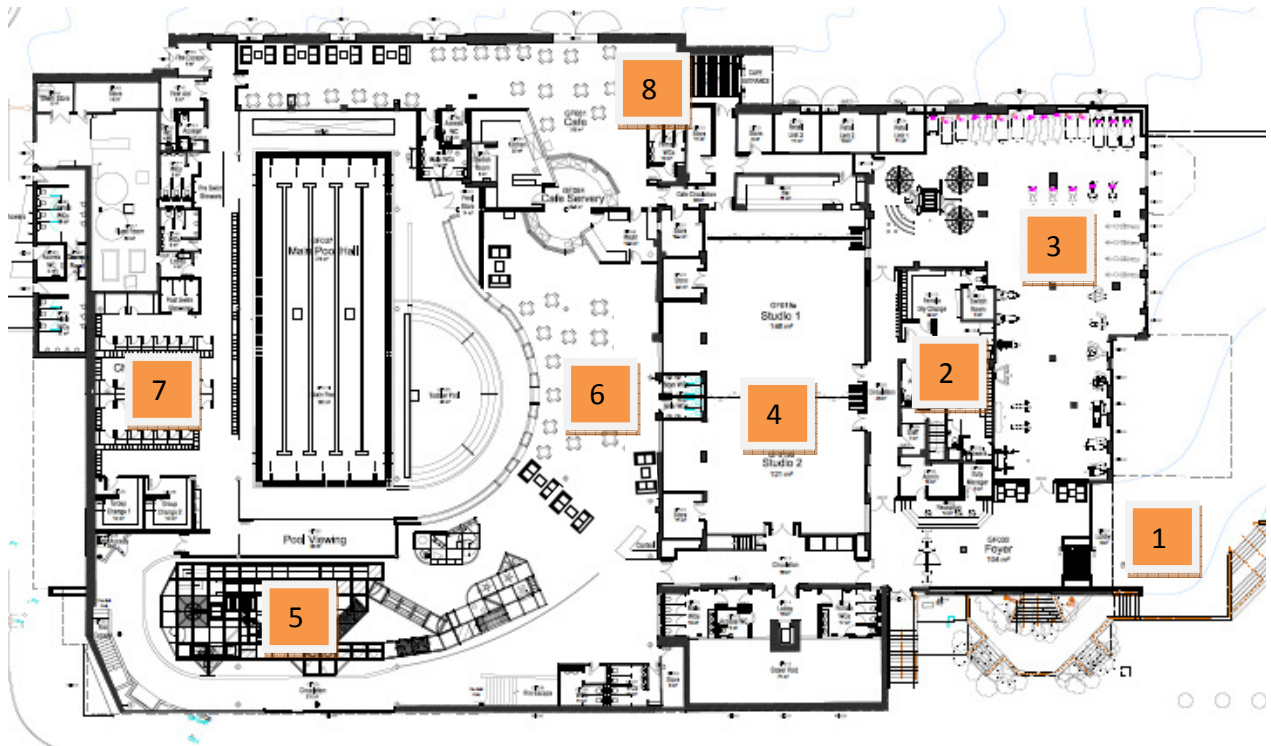


Promenade visual and entrance to beach cafe



View of the centre from the south west with the external blue flag toilets shown on the far left

2.2 INTERNALS

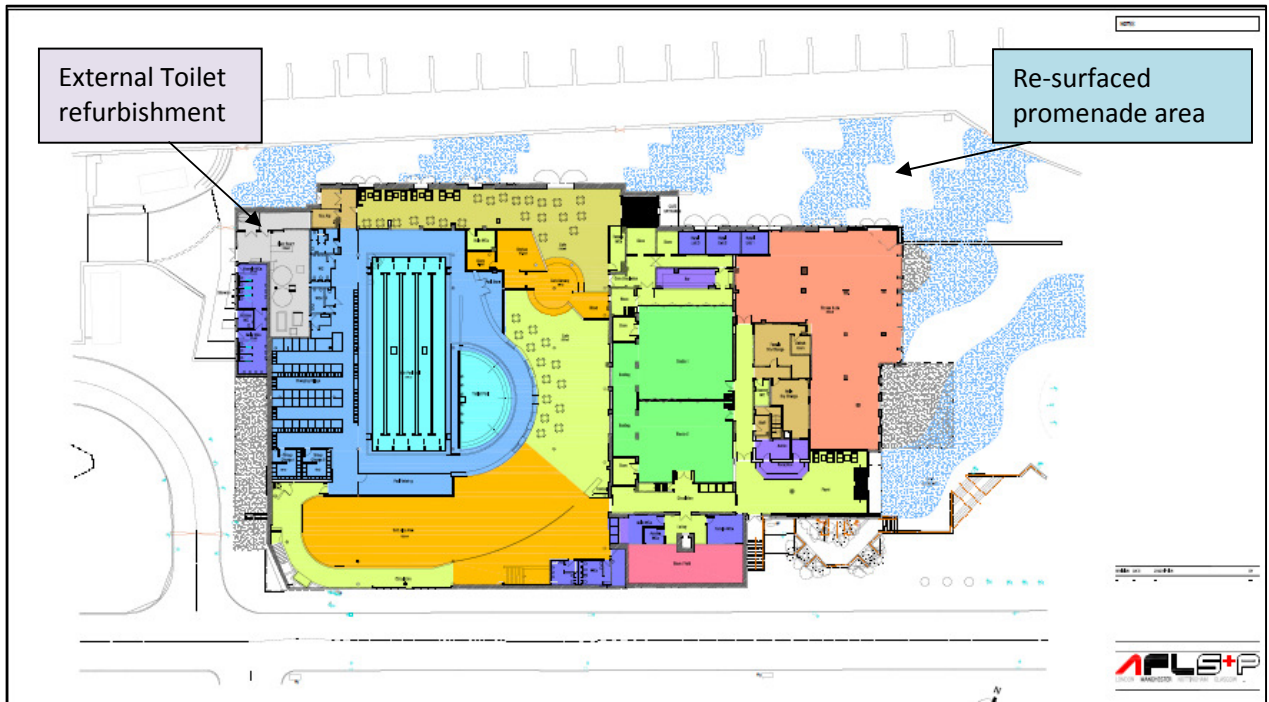


1. The refurbishment creates a new entrance to the centre and brings customers into an area where they are immediately met by a reception area that has an access control point to give security to the facility. The customer will be able to view the fitness & play from reception, and signage will ensure customers are able to understand the full activity profile the centre has to offer.
2. New male and female changing facilities have been created for the fitness users, which is adjacent to both the fitness area and the studios.
3. The fitness suite is 390sqm and will be equipped initially with around 40 pieces of equipment, which will allow additional pieces to be added as membership grows.
4. The studios are each circa 100sqm but can be opened out into one large function suite with bar as per 'The Starlight Suite'. Toilets have been built outside of the studios for function use. The corridor

takes you past to the studio / function space to the old pool hall which is now home to a large indoor play structure, café and the entrance to the pool.

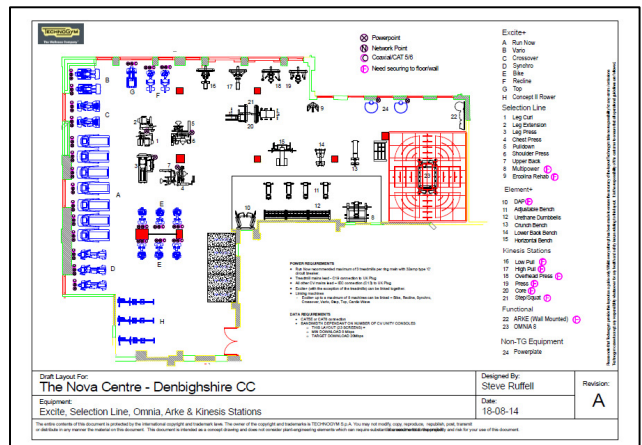
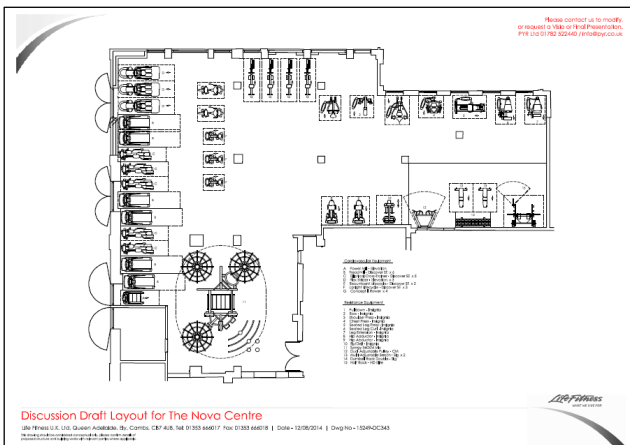
5. The play structure offers over 270sqm of multi-level play with a playing capacity for around 150 children catering for baby, toddler and juniors.
6. The play facility is supported with a café offer which has covers for 60, but there will be space for this to be expanded if required.
7. The entrance to the side of the play structure takes you to a newly refurbished changing village for the pool.
8. At the beach side to the facility the external café entrance is located, which links to the internal café offer. The external café has a further 86 covers

Proposed Layout showing the external toilets and promenade areas

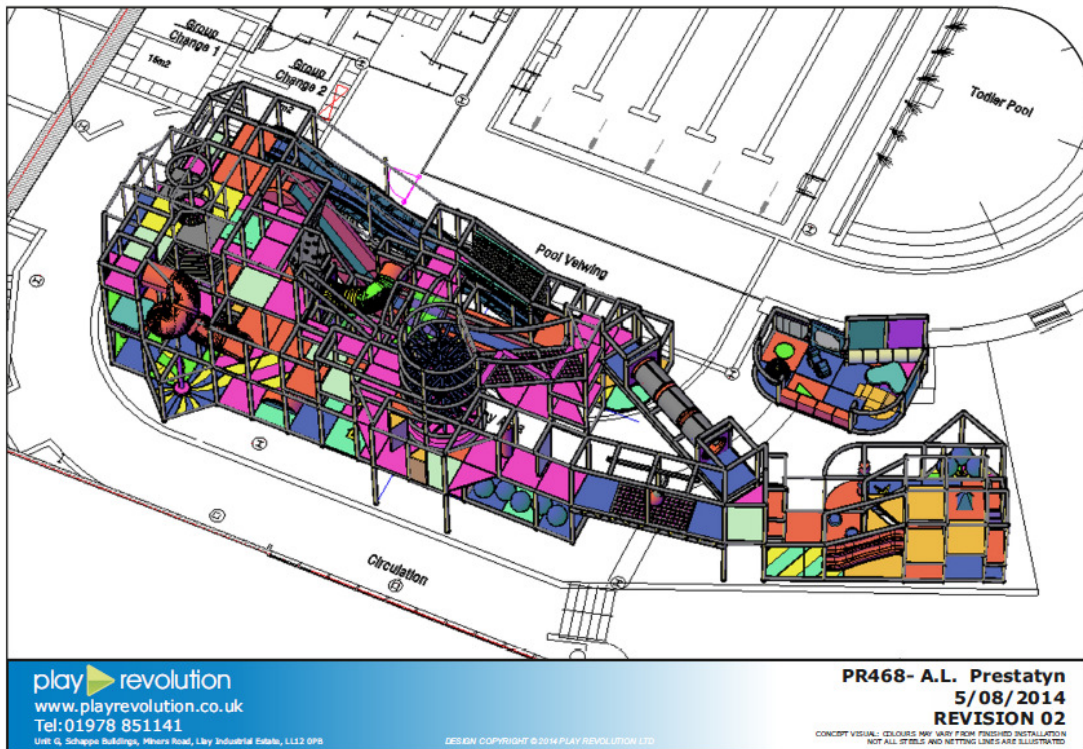


2.3 HEALTH & FITNESS:

RPT consulting has estimated based on the independent Leisure Database report a potential membership of 1225 which would require a gym of circa 60 stations. DCC have taken a prudent approach in their business plan and worked on a membership of 864 in year 1 rising to 960 by year 4. The equipment proposed therefore offers a circa 40 station facility which can increase as membership increases. Two possible layouts are shown for the fitness space which both take advantage of the sea views showing cardiovascular equipment located in front of the windows to allow customers to run / bike and look out to sea, a dedicated functional area is included as well as a selection of strength equipment.



2.4 THE NEW PLAY AREA



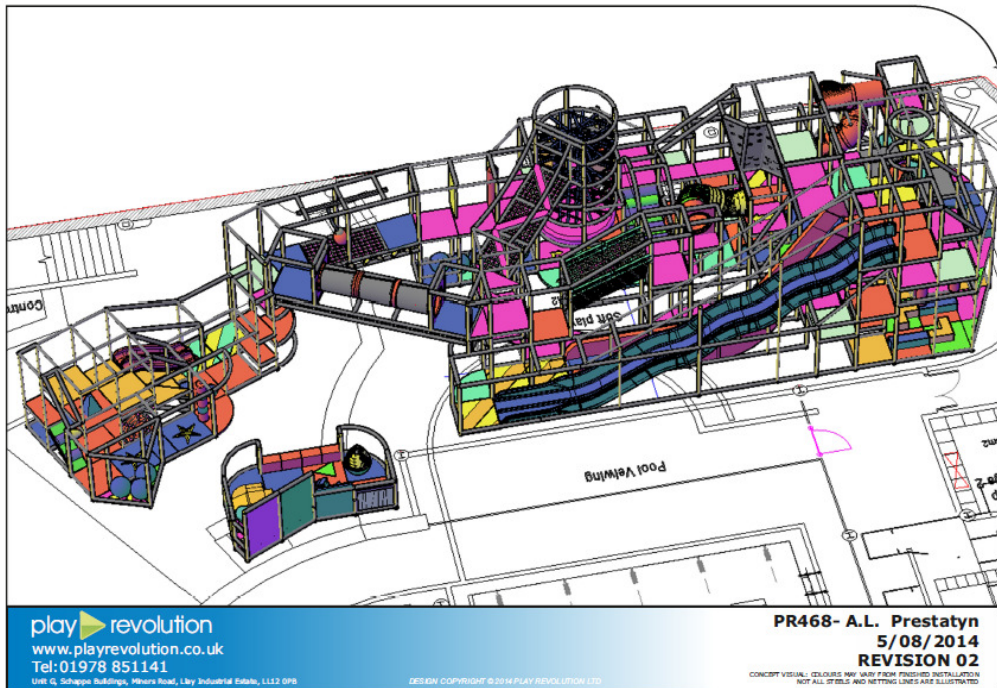
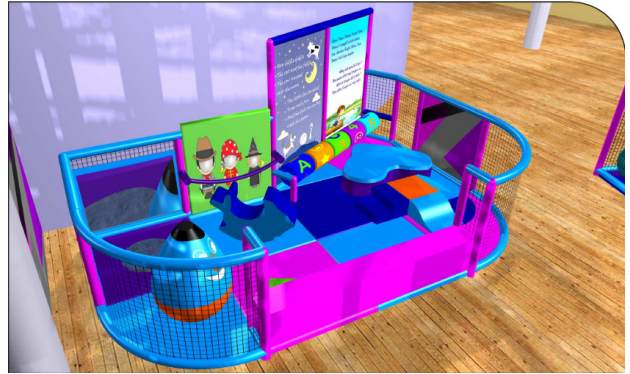
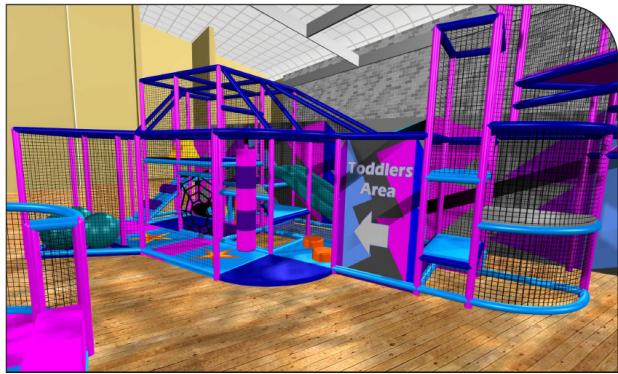
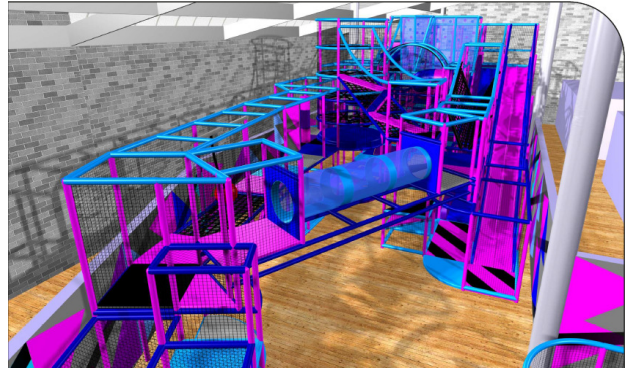
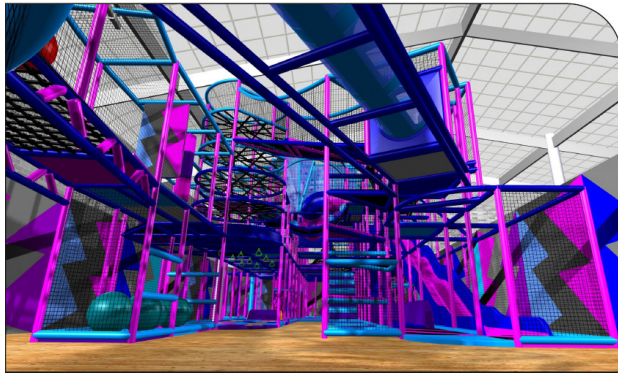
The play system for the Nova Centre has been designed to provide separate junior, toddler and baby play areas that are challenging, exciting, stimulating and rewarding. At its highest point the frame stands at **6.7** meters and provides over **270** square meters of multi-level play space with a playing capacity of around **150** children at any one time. The play frames contains over eighty different play activities including:

- Balance Beams
- Astra slides
- Bungy Tower
- Rope Bridges
- Cargo Nets
- High Level Crawl tube
- Transparent High Level Climbing Wall
- Spiral Tube Slides
- Racing Slide
- Climbing Towers
- Aerial Runways
- Giant Rope Pyramid Climber

Each of the separate play frames have been designed to include the basic elements of children's play behaviour, active, interactive and passive with a greater focus on sensory and tactile items in the toddler and baby area.

The design meets all the British and European Safety standards and all the products used in the installation will be in accordance with EN1176 / EN1177 safety standards.

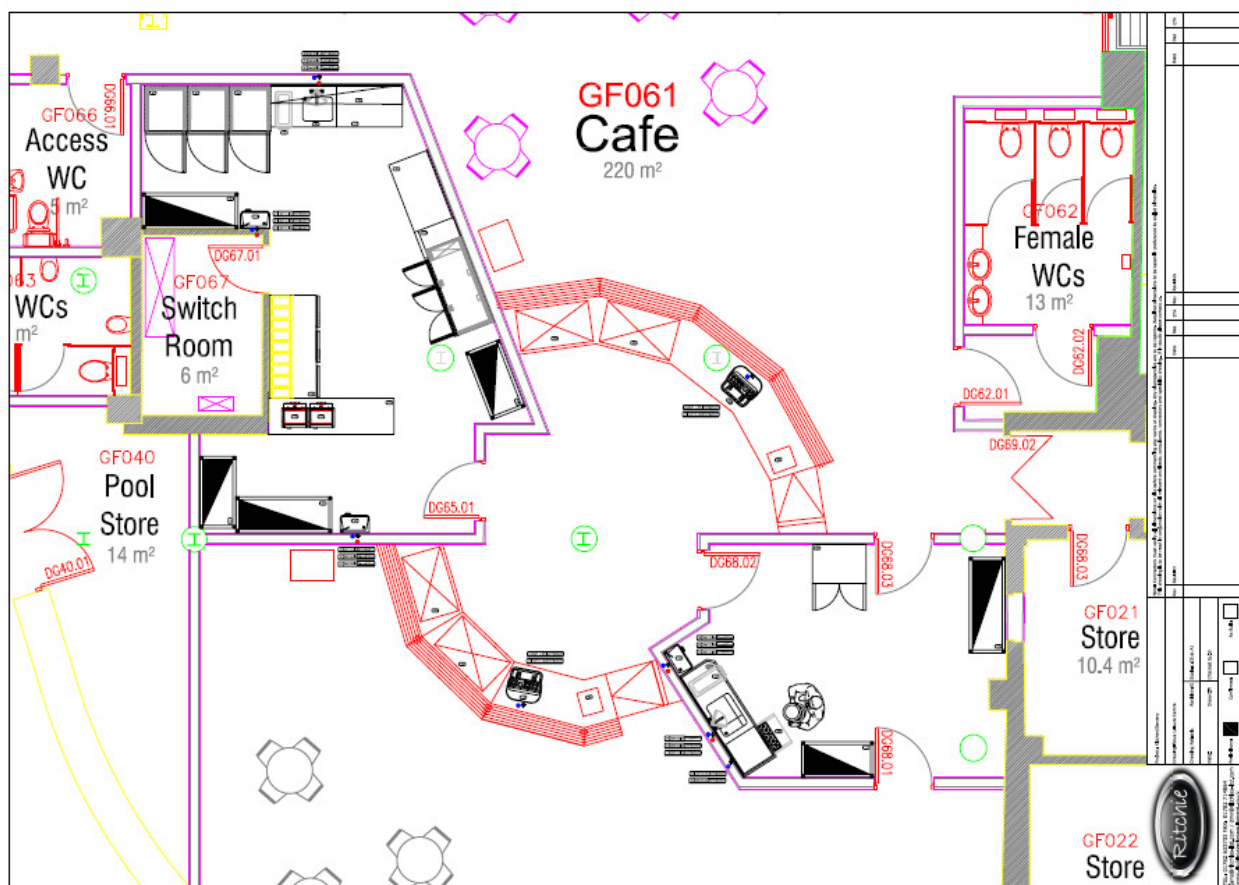
NB: The capacity for the play and café space due to fire regulations has an occupancy capacity of 220.



2.5 THE CAFÉ

The café has been designed with efficiency for the operator in mind. Whilst there are two distinct café offers; play centre & beach front, both offers can be operated by the same staff enabling in quiet times fewer operatives. Cross marketing is also maximised with beach customers having views into the play centre and play centre customers having the opportunity to view lunch and evening dining offers.

The design is indicative at this stage as the final operator model is being developed, which is hoped will be by a third party operator guaranteeing the revenue as shown in the business model of £0.00 in year 1 and £37,000 from year 2 onwards. Alliance Leisure commissioned Just Solutions to carry out an external feasibility on the options for a catering offer which is attached and shown in Appendix 4.



Costs to include:

Counter @ £36,650

Racking Freezers, work tables, wash hand basins, sink, dishwasher. Sandwich grill / toaster @ £11,420

Install @ £2,500

2 x coffee machines @ £6,000

Catering crockery @ £5,000

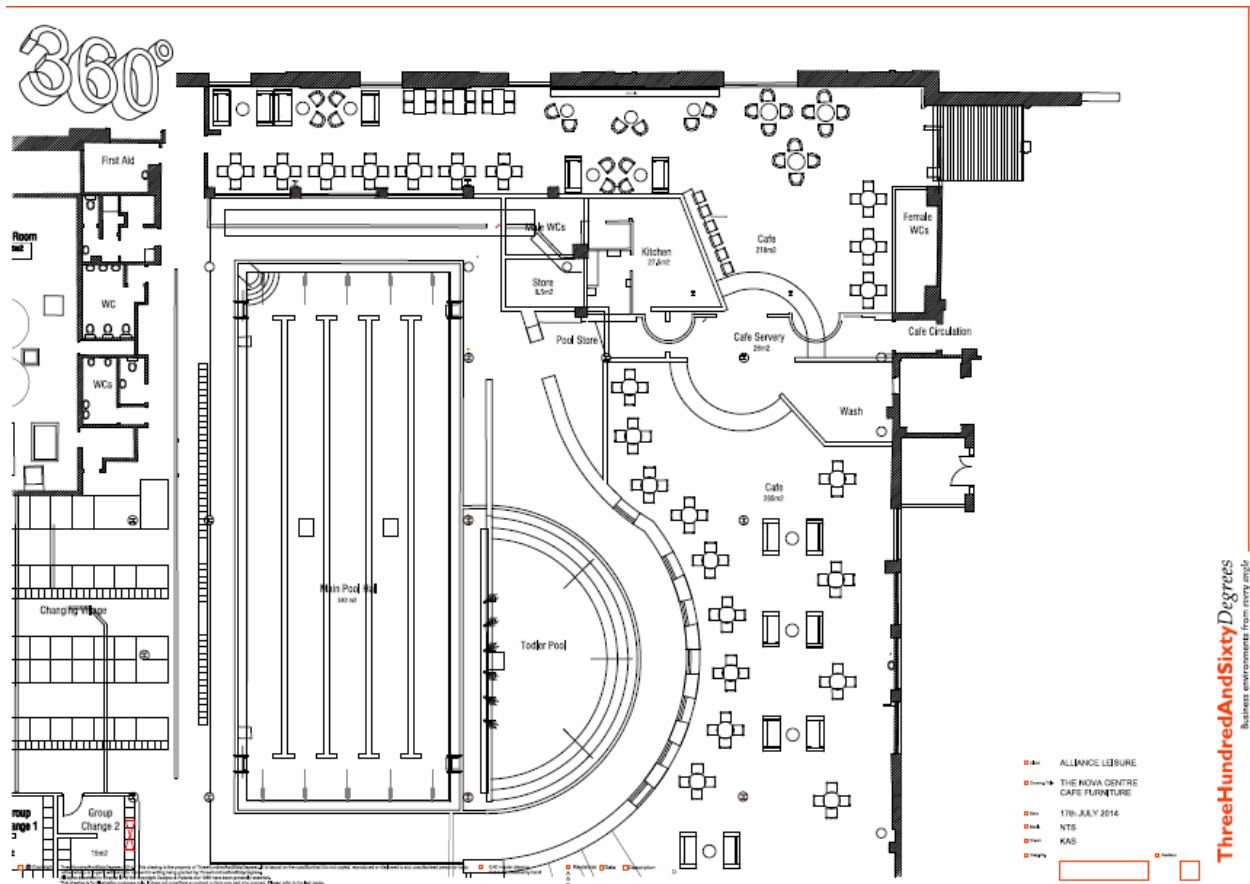
Total cost = £61,570

2.6 THE VILLAGE CHANGING AREA

The new changing area for the pool offers both group changing for schools and a village style cubicle arrangement for individual customers and families. Staff will be able to view the changing area from the pool to ease supervision at busy times. An accessible changing room is provided along with a pre and post shower area, male and female toilets and a first aid room.

2.7 FURNITURE

An indicative furniture layout and cost has been provided which will be further developed with the catering operator. Both areas offer both soft seating as well as tables and chairs and cater for over 150 covers inclusively.



The furniture in the beach front café is a mixture of the following chairs with associated tables and coffee tables:

				
52	6	6	26	1

Cost = £19,950

The furniture in the beach front café is a mixture of the following chairs with associated tables:

	
52	8

Cost = £8,100

Additional internal furniture costed includes for:

- Baby high chairs x 10 @ £500
- Reception sofa's x 4 @ £2,100

Additional External summer furniture as the current sockets are obsolete costed includes:

- 4 x parasols with bases @ £1,000
- 4 x rattan chairs plus rattan table @ £450 (8 sets = £3,600)

2.8 SIGNAGE

The signage schedule has been developed with IS Group who were commissioned to deliver The Ruthin Project. The same branding will be utilised to ensure consistency throughout DCC leisure facilities. The current schedule includes for:

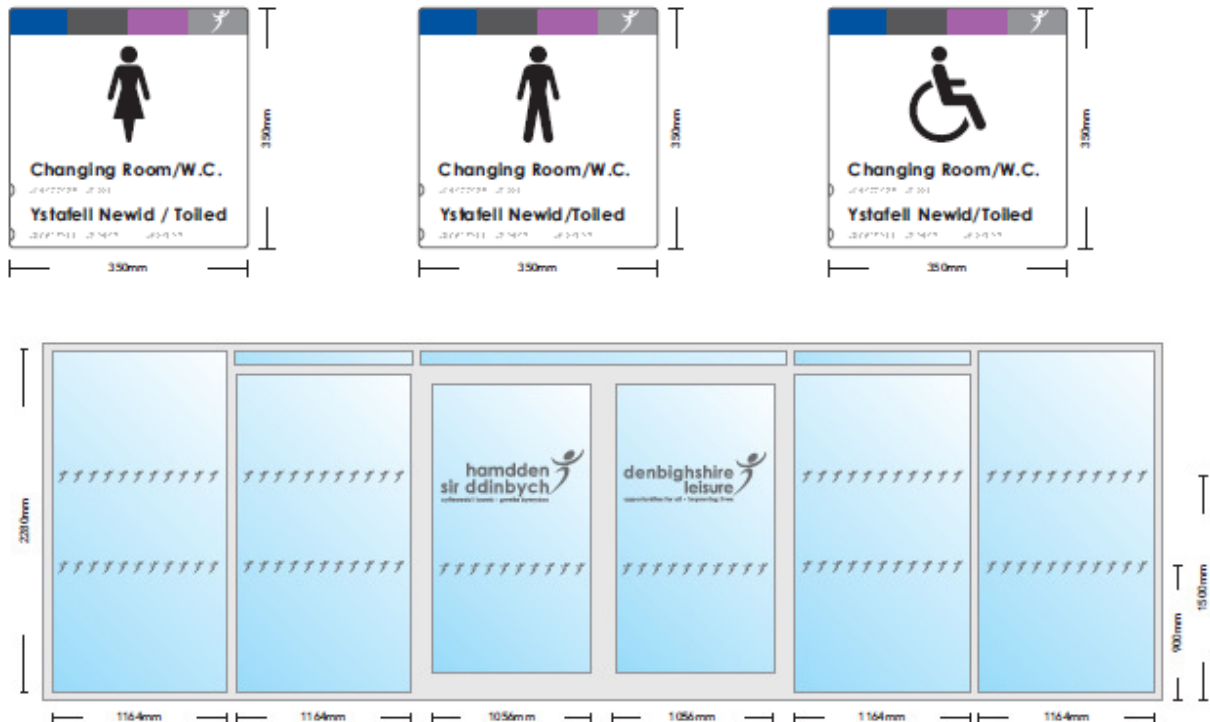
External Signage:

- Centre name on the dark clad spine wall @ £2,900 (if illuminated = £4,600)
- Centre name above the main entrance door @ £1,100
- Entrance sign for the beach café @ £850
- External install to include equipment & access survey etc @ £3,800

Internal Signage:

- Room Identifiers x 26 @ £3,380
- Area Identifiers x 10 @ £900
- Directional x 4 @ £1,200
- Pool Depth x 5 @ £200
- Opening Hours x 2 @ £600
- Window manifestations (Main entrance / café / pool) @ £3,000
- Café Servery x 2 @ £1,500
- Internal installation @ £1,900

Examples shown below:



3. NEXT STEPS

Step 1: Full design meeting on September 11th 2014 to go through:

- room data sheets
- costs
- value engineering options
- freeze design
- freeze costs

Step 2: Present scheme to MAG (September 11th 2014 - evening)

Step 3: Finalise the business case and funding by 12th September 2014 ready for SIG

Step 4: SIG report on 22nd September 2014

Step 5: Prepare Council report for 7th October 2014

Step 6: Post approval contracts to be agreed and signed (October 2014)

Step 7: ALS enter into contract with its development partners to deliver the scheme

Step 8: Mobilisation (November 2014)

Step 9: Construction

Step 10: Nova Centre opens (July 2015)

NOVA OPERATING FORECAST - Amended PB Costs as @ 4/9/14

APPENDIX 3

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		DCC Projections				
		Yr 1	Yr 2	Yr 3	Yr 4	Yr 5
NOVA CENTRE - NET OPERATING COST/(SURPLUS)		£68,223	£6,477	-£11,785	-£17,093	-£22,382
TOTAL EXPENDITURE		£984,349	£977,834	£1,002,000	£1,025,500	£1,045,311
TOTAL INCOME		-£744,069	-£836,653	-£879,081	-£907,889	-£932,989
TOTAL DCC BUDGET		£172,056	£134,704	£134,704	£134,704	£134,704
C/F NNDR Budget from closure period		£37,352	£0	£0	£0	£0
Annual NNDR Budget		£74,704	£74,704	£74,704	£74,704	£74,704
Net Budget transferred frpm Prestatyn L.C		£60,000	£60,000	£60,000	£60,000	£60,000
TOTAL EMPLOYEE COSTS		£390,456	£398,318	£407,910	£415,987	£419,470
0924	TRAINING - COURSE FEES	£1,000	£1,020	£1,500	£1,530	£1,750
0931	ADVERTISING FOR STAFF	£200	£0	£0	£0	£0
0191	DUTY OFFICERS	£73,910	£76,123	£78,450	£80,711	£83,097
0311	RECEPTIONISTS	£52,674	£53,893	£55,358	£56,561	£56,010
0651	LEISURE ATTENDANTS	£159,298	£162,871	£167,146	£170,675	£171,037
0761	RELIEF/CASUAL	£34,034	£34,377	£34,721	£35,068	£35,419
0781	INSTRUCTORS	£69,340	£70,034	£70,735	£71,442	£72,157
TOTAL PREMISES COSTS		£219,364	£230,792	£243,618	£257,235	£271,700
1211	REPAIR & MAINT. - CONTRACTORS	£12,660	£12,775	£13,605	£14,501	£15,472
1411	UTILITIES	£123,000	£130,348	£138,186	£146,546	£155,468
1511	PREMIUMS - EXTERNAL	£5,000	£5,150	£5,305	£5,464	£5,628
1531	N.N.D.R.	£74,704	£78,439	£82,361	£86,479	£90,803
1811	CLEANING MATERIALS	£4,000	£4,080	£4,162	£4,245	£4,330
TOTAL TRAVEL & TRANSPORT COSTS		£200	£204	£208	£212	£216
2814	CASUAL USERS - MILEAGE	£200	£204	£208	£212	£216
TOTAL SUPPLIES & SERVICES COSTS		£89,649	£63,840	£65,584	£67,385	£69,246
3071	GEN. EQUIP. - PURCHASE	£43,905	£30,965	£31,998	£33,063	£34,163
3922	OFFICE COSTS	£1,600	£1,661	£1,725	£1,791	£1,860
3924	PUBLICITY & MARKETING	£7,500	£2,000	£2,060	£2,122	£2,185
4031	TELEPHONES	£10,150	£2,163	£2,176	£2,190	£2,203
4111	STAFF INSURANCE	£2,357	£2,428	£2,501	£2,576	£2,653
4231	SUBSCRIPTIONS - GENERAL	£6,637	£6,948	£7,272	£7,614	£7,971
TOTAL INCOME		-£744,069	-£836,653	-£879,081	-£907,889	-£932,989
9321	RETAIL SALES	-£10,000	-£10,250	-£10,506	-£10,769	-£11,038
9332	VENDING MACHINES	-£15,000	-£15,525	-£16,068	-£16,631	-£17,213
9412	STUDIO/FUNCTION SUITE	-£18,000	-£20,000	-£22,000	-£24,000	-£26,000
9515	FEES - SWIMMING POOL	-£107,817	-£109,974	-£112,173	-£114,417	-£116,705
951B	SWIMMING LESSONS (Incl School)	-£144,010	-£151,110	-£155,407	-£159,519	-£163,656
9528	PLAYZONE	-£175,000	-£200,000	-£210,000	-£220,000	-£226,000
9536	FITNESS	-£256,242	-£274,794	-£297,926	-£307,554	-£317,377
9711	RENTS - GENERAL	-£18,000	-£55,000	-£55,000	-£55,000	-£55,000
TOTAL FINANCING		£284,680	£284,680	£284,680	£284,680	£284,680
8000	PLAY & FITNESS EQUIPMENT - PB	£57,694	£57,694	£57,694	£57,694	£57,694
8000	BUILD - PB	£226,986	£226,986	£226,986	£226,986	£226,986

APPENDIX 4

PRESTATYN NOVA BUSINESS CASE – Finance Context / Narrative

Senior Finance & Assurance Officer

The below briefly explains the rationale behind the financial calculations in relation to the five year operating requirement for the redeveloped Nova.

1. Employee Costs

The total employee costs are based on the operating hours of 94 hours per week for the new facility, we are predicting that there will be a requirement to employ 14.42 contracted F.T.E's including Duty Officers, Receptionists, General Leisure & Fitness Attendants, Swimming and Fitness Instructors. This will equate to 19 staff members, all of which will be entitled to holidays and will require additional members of casual staff to cover. All staff members will be employed on the same generically graded posts as current Leisure Centre staff and staff costs will incrementally increase based on the point at which they are employed on the grade.

There is no provision for a designated manager's post as the overall management of the facility will be included within the current Leisure Officer structure.

The staff requirement for the café provision has been excluded at this stage as we have assumed that the café will be leased to a third party and all staff arrangements for this area of the facility will be the responsibility of the tenant.

2. Premises Costs

The total 'Repairs & Maintenance' costs include devolved repair & maintenance, maintenance service contracts, window cleaning and refuse collection costs. All contract costs are based on current requirements at Rhyl Leisure Centre and include an element of annual inflation.

The total 'Utilities' costs include Gas, Electricity and Water, again these costs are based on current costs for Rhyl Leisure Centre and include an annual inflationary increase based on the inflation rates quoted for 2014/15.

There is an annual inflationary increase of 5% added to the NNDR costs.

3. Supplies & Services Costs

These costs include all purchases of general equipment which will aid the swimming programmes and the 'dry' side facility, all equipment service agreements which will

include the cost of the Fitness equipment service agreements, pool plant service contracts and the purchase of resalable goods such as goggles, swimming badges etc.

The cost of the 'telephones' will also include all installation and licence costs for the Leisure Management System used by all other DCC Leisure Centres.

'Subscriptions' include the Performing Rights licence costs to enable the facility to play general music and also to allow for music to be played at all fitness classes.

The cleaning contract cost is based on the current cost of Rhyl Leisure Centre and includes an annual inflationary increase.

4. Income

The 'Retail Sales' income is aligned to the income calculated for swimming and swimming lessons and there is a direct percentage relationship with the expenditure requirement for the purchase of goods included within the total 'general equipment' cost.

'Vending' income presumes a profit related to sales, it is undecided at this point whether the vending contracts will be based on a full profit share agreement with a vending provider which will negate the cost of rental of the vending machines or whether we will rent the machines and we will procure all stock. Both arrangements will provide approximately the same level of net income based on the predicted footfall of customers of the new facility, the cost of stock and machine rental is currently excluded for the expenditure calculations.

The 'Studio/Function' suite income is derived only from the function element of the dual use facility as the fitness class income is aligned to 'Fitness'. We have assumed that the function suite will be hired up to 40 times for functions and parties during the year and for the majority there will be a bar provision provided, therefore the income is based on the total hire fee and net bar profit share as at this stage the cost of DCC providing the bar provision is excluded.

The 'Swimming' income excludes swimming lesson income as this has been calculated separately. We have presumed that there will be the same level of requirement for club swimming as at Rhyl, together with extended public swimming allowance, as Rhyl is a school Dual Use site and is restricted to evening and weekend public use only. There will also be a greater demand for public swimming at the Nova during the holiday season.

'Swimming Lesson' income includes school swimming provision at the site, this is based on 6 hours of school swimming lessons per week during term time and the cost of each 30 minute session is based on the current Dual Use Agreement for

swimming lessons at Rhyl Leisure Centre which is £59.31 per session increasing to £73.60 per session dependant on the number of swimming teachers provided. The total income calculated for school swimming in year 1 is £27k. General swimming lesson income is based on the number of sessions linked to the staff costs, we have presumed a 70-80% capacity for each swimming session and included all income at Direct Debit rates. The cost of the DD will increase annually and the total income calculated for general swimming lessons for year 1 is £117k.

'Playzone' income is largely based on the advice from RPT Consulting as DCC have little experience in this area, the number of users and average entry cost per user is based on similar play facilities across the region, allowing for additional participation during the holiday season. There is also an element of children's party income and income derived from the hire of the facility by play groups built into the forecasts. Income is likely to increase annually based on inflationary increases in prices and demand is likely to grow as the facility becomes established as a play destination for the Coastal area. The number of users of the play facility will be inextricably linked to the income earned at the café and this will be used to attract a tenant for the café area.

'Fitness' income includes Junior and Adult DD memberships, 'Pay as you go' cash income including joining fees and fitness classes which will be held in the Studio/Function Suite. We have presumed that there will be 22 fitness classes per week with the majority of income included within the monthly DD memberships, however there is an additional £13k included for 'Pay as you go' class income. The joining fees are based on current prices and the number of new members required per annum, this is included at £40k per annum.

The Adult DD monthly income for year 1 is based on the percentage of Latent Demand we achieved in the first seven months of operating the newly built Ruthin fitness suite, we have set an average monthly member target of 761. Prestatyn Leisure Centre currently have 200 DD members and there is a presumption that all of these members will migrate over to the Nova as we will amend the provision available at Prestatyn Leisure Centre once the development is operational. Membership income is likely to fluctuate monthly based on current trends in our Leisure Centres, these trends have been accounted for in calculating the fitness DD income, although the average year 1 monthly membership is set at 761 we presume that by the end of year the number of members will have increased to 864 per month. The percentage of Latent Demand will increase in subsequent years, increasing to a monthly average of 825 in year 2, 888 in year 3, 898 in year 4 and 908 in year 5. Each year the DD cost is likely to increase by a gross amount of £0.50 per annum.

Rental income will be derived from three Business Units leased to tenants in year 1, year 2 includes the rental income from the café provision which will also include a profit share element.

5. Financing

The 'Prudential Borrowing' costs are based on a total project cost of £4,217,000, with the purchase of fitness equipment costing approximately £130,000 paid for over 5 years (after which all fitness equipment will be updated), CCTV at a cost of £40,000 over 5 years, Furnishings at £35,520 over 5 years and the Playzone Equipment at a cost of £125,000 paid for over 10 years. the redevelopment / construction cost of approximately £3,886,751m paid for over 25 years.

APPENDIX 5

PRESTATYN NOVA CENTRE BUSINESS CASE – Financial Statement

Gareth O Williams – Finance & Assurance Manager

Background

A project of this scale and nature is relatively “unknown” from a DCC perspective and as such it was agreed in conjunction with our strategic leisure development partner, Alliance Leisure (AL), to commission RPT Consulting to undertake a feasibility study on the redevelopment options for the Prestatyn Nova Centre.

RPT presented a series of options and DCC’s preferred one was the partial demolition of the existing refurbishment at an indicative cost of circa £3.6m. Leading on from this RPT produced a 5 year cost model based on a number of business assumptions.

Our work

Alongside the budget profile work commissioned by RPT Consulting, one of our own Senior Finance & Assurance Officers (SFAO) has spent a considerable amount of time, together with the CML’s Commercial Lead Officer, costing the projected staffing structure and other operating costs they believe would be needed for the proposed new development. This work has been based upon current market trends obtained from the Council’s existing commercial leisure sites and extrapolating expenditure and income data on each activity as a comparator. The analysis also utilised the expertise of the Commercial Leisure Lead Officer who has several years’ experience of operating similar sites in the private sector to that proposed at the redeveloped Nova Centre.

The SFAO and her Finance & Assurance Manager then compared the figures provided by RPT Consulting with those produced in-house and carried out a detailed analysis of any significant variances between both sets of data. From a Council perspective the concern was that some expenditure figures included by RPT (specifically relating to employee and premises costs) were understated from our own experience of the existing Council leisure sites. In addition there was worry that RPT had based their forecasts on the achievement of relatively high income levels for some of the activities. This in itself is not a criticism but we felt that we needed to take a more pragmatic view to protect the Council’s interests.

Food and Beverage

Alliance Leisure (AL) and RPT Consulting have based their forecasts on the food and beverage (F&B) functions being provided in-house and they believe that considerable net profit (after accounting for cost of sales) can be achieved, ranging from circa £100K in Year 2 and rising to nearly £170K by Year 5. However the DCC budget forecasts are based on the F&B functions being leased out to 3rd parties at the appropriate tenancy/franchise rates. Our view is that this reduces the risks associated with operating these functions ourselves since presently the Council has

little in-house expertise in this fairly specialised market. However the advice given to us from AL is that they feel strongly that there is significant net profit to be gained by the Council carrying out the services themselves (per the profit figures highlighted above). Whilst we have no reason to doubt AL's stance we feel it sensible to minimise any potential liability to the Council and have therefore based our forecasts on the "risk averse" option by leasing/franchising out the F&B functions. By taking this option we are guaranteed a fixed net rental/leasing income without the risk of incurring any of the associated variable costs.

Latent Demand analysis

The Leisure Database Company (LDB) has produced a latent demand analysis to show the potential number of gym members that could be achieved for a refurbished gym facility at the Nova Centre. These figures are arrived at by comparing a wide range of relevant population data (age profiling, gender mix, travel distance etc) and the total figure arrived at by the analysis is 1,225 potential members.

DCC has chosen not to go with this figure as the risks associated with reaching these numbers are too great. We have used our own statistical data associated with gym memberships at the Council's existing leisure sites and reduced the latent demand figures to what we feel is an acceptable and sensible level. Our budget forecasts assume total gym memberships of 761 in Year 1 (only 62% of the latent demand total); with this figure rising to 908 by Year 5 (still only 74% of the total latent demand figure).

Commercial Risk

Clearly in a venture of this kind there is a considerable commercial risk as the facility will depend almost entirely on the number of customers and memberships it can attract. There are also a number of other factors that will impact on visitor numbers such as the weather, seasonal demand, market competition etc. The budget forecasts included in the business case are based on the Council's experience of operating its other commercial leisure sites, but also making a "reasonable" assumption on those activities which are new to the Council e.g. play zone and the leasing/franchising of the food and beverage functions.

Mitigating the risks

Naturally there are considerable commercial risks associated with the new proposed Nova facility. However we feel that the financial numbers included in the business case are well reasoned, have been financially challenged and mitigate as best we can the Council's financial and reputational position. We feel that we have taken a reasonably conservative view in relation to membership numbers (at no stage forecasting more than 75% of the latent demand totals provided by the market experts) and we have also taken out the risk of the Council itself operating the food and beverage functions within the refurbished venue. The Council can of course take a different stance on the latter and opt to provide this service in-house, which might increase the risk but at the same time potentially provide significant opportunities to generate large net profits from day 1.

Mae tudalen hwn yn fwriadol wag

Appendix 6 - Re-development of Prestatyn
Nova Centre
September 2014

Equality Impact Assessment

Relocation of Prestatyn Library

Contact: Sion Goldsmith
Communications, Marketing & Leisure
Updated: 18.09.14

1. What type of proposal is being assessed?

A project proposal

2. Please describe the purpose of this proposal

In January 2014, Cabinet considered the findings of a due diligence review into Clwyd Leisure Ltd (CLL) and concluded that it was too great a risk for the Council to take over the company. Cabinet also decided to cease funding CLL from 1 April 2014 onwards due to concerns over the quality and level of service provision. Following this CLL ceased trading and closed their facilities in Rhyl and Prestatyn with immediate effect.

In March 2014, a report was presented to Cabinet by Communications, Marketing and Leisure (CML) outlining the recommendations arising from a detailed appraisal of the building conditions and the cost benefit analysis in respect of the different interim management options for the facilities, whilst the business case for a much improved leisure offer on the coast was developed. Cabinet agreed that the Nova Centre would remain closed pending agreement of the Alliance Leisure Services Ltd (ALS) redevelopment proposals.

In March 2014 Cabinet approved the development of a business case for the £3.66 million development of Prestatyn Nova Centre which included the appointment of ALS to carry out a feasibility exercise which would form the basis of this business case. The business case would be based on the following facility mix and include the:

- > Reduction of overall footprint of the property by up to 20%
- > Retention of the 25m 4 lane swimming pool and small splash pool.
- > Creation of a village changing area to serve the swimming pool.
- > Creation an improved fitness offer to the same quality delivered at Ruthin Leisure Centre with separate fitness changing.
- > Creation of a multi-use space to accommodate current community events and a range of exercise classes / sports clubs.
- > Creation of a large soft play facility with new entrance, reception and café area overlooking the sea.
- > Creation of two or three promenade side retail units.
- > Introduction of energy efficient mechanical / electrical services and re – enveloping of the property in order to reduce carbon footprint.

In May 2014, CML presented a business case to Strategic Investment Group (SIG) seeking approval to progress to detailed design for the £3.6 million redevelopment of Prestatyn Nova Centre. SIG approved this and their decision was ratified by Cabinet in June 2014.

In June, Communications, Marketing and Leisure (CML) commissioned ALS to carry out this work with the intention of providing the Council with more assured plans and costs which would be reported back to both SIG in September and full Council in October for consideration.

There are huge social and economic benefits associated with this development. A new visitor destination will be re-created on the Prestatyn Coast which will ultimately increase visitor numbers and benefit the other businesses in the area through increased footfall. The site itself will offer three small retail units to complement the offer. This will be supported by 14 full time equivalent staff to operate the new centre. The development of an improved leisure offer along the coast is a major strand of the corporate priority 'Developing the Local Economy' set out in the Economic Ambition Strategy

The new facility will also encourage a more inclusive, healthier, more active lifestyle by offering a range of sports and recreational activities that were lost when the Nova Centre closed in March 2014.

3. Does this proposal require a full equality impact assessment?

(Please refer to section 1 in the toolkit above for guidance)

No	At this stage, I believe a full equality impact assessment is not necessary. This stage of the project relates to the physical design of the centre and the capital required for the construction / refurbishment but does not go into the detail of the range of activities, programming, staffing arrangements etc. This will be reviewed as the project progresses.
-----------	--

4. Please provide a summary of the steps taken, and the information used, to carry out this assessment, including any engagement undertaken

(Please refer to section 1 in the toolkit for guidance)

ALS commissioned a feasibility study in April 2014 which identified the potential demand for the facilities and how they fit within the current strategic context for Denbighshire and the wider region. This was approached by reviewing strategic documents, identifying an overview of the current market and catchment and reviewing the demand for key facilities through comparing existing provision in the market.

A key part of the brief from the Council is that whilst the Council faces increasing financial pressures, there is still a strong commitment for the delivery of high quality leisure provision. It should also be recognised that there are a number of

different organisations and strategies at a national, regional and local level which impact on the facility, including:-

- > Climb Higher – Creating an Active Wales
- > A Vision for Sport in Wales (Sport Wales)
- > Turning the tide of inactivity
- > Start Active, Stay Active
- > The BIG plan – which includes the community strategy, health social care and wellbeing strategy, children and young people plan, community safety plan for Denbighshire. The BIG plan outcomes are for the residents of Denbighshire are:-

- Be healthy and have a sense of wellbeing
- Live in a safe place
- Be able to afford to meet their needs
- Live in Denbighshire because it's a great place to live, work and learn

The DCC Leisure Strategy has vision that “By 2020 Denbighshire will be renowned for high quality, accessible leisure opportunities attracting high levels of participation and improving the wellbeing of its residents and visitors.” It seeks to deliver this vision by:

- Increasing the number of people participating in a range of leisure opportunities
- Increasing the number of people involved in helping to deliver leisure opportunities
- Increasing the profile and importance of leisure for all

DCC has a total population of circa 93,734 people (2011 Census) which is summarised by age breakdown in the table below, comparing it with Wales as a whole, and with the age breakdown for the more immediate drivetimes.

Table 2.1 – Population Age Profile

Total Population	6,639	14,306
Ages		
0-14	16.4%	17.9%
15-19	5.5%	5.6%
20-44	26.1%	27.1%
45-64	24.4%	24.8%
65-74	13.2%	12.0%
75 & over	14.4%	12.7%

(Source: 2011 Census)

Of particular interest the table demonstrates:

- A higher proportion of the older population, particularly in the 65 years plus and older category. This would support the need to retain community space for groups and informs that when developing programmes and future marketing opportunities, consideration of activities for older people will be important.
- A higher proportion of the younger age group in the 10 and 12 minute drive time with 0-14 year olds being higher than both Denbighshire and Wales, illustrating

support for soft play and retention of the pool.

The Sports Council of Wales (SCW) have identified a number of market segments that categorise the market into different profiles, which implies how the segments will participate in sport and leisure activities and physical activities. Denbighshire has a higher than normal proportion of the following segmentation types in comparison to the rest of North Wales and Wales overall:

- Sian – 18-45 years old, middle management, aspiring middle class
- John & Ann – 46-65 years old, married, likely to participate in sport and recreation
- Bob & Betty – over 66 years old, retired, comfortable, live modestly and are active

Conversely there are a lower proportion of the following types:

- Steve – 26-45 young family, reasonable participation
- Christine – 36-55 years, low income, part time, lower participation
- Tony – 46-65 years old, manual skilled, low income, not very active

The market segmentation presents an overview of a population that has a higher proportion of people likely to be more active (despite the older age profile), which supports the fitness expansion and requirement of flexible space to support a strong group exercise programme.

The use of market segmentation is important in considering marketing strategies and the development of new facilities. For example the current profile within Denbighshire suggests higher proportions of groups which are likely to be more active.

However in order to attract participation from other groups it is important to design facilities that remove barriers to entry to ensure the provision of facilities encourages and supports all potential customers. This would suggest that the provision of facilities which encourage or support use through effective pricing, accessible fitness for deconditioned (such as toning), enhancement of National Exercise Referral Scheme (NERS), would support the more broadly active population.

The design of the facilities will also ensure a welcoming environment which provides equipment that is easy to use and enables use by low levels of fitness. These facilities can be supported by social areas (such as café) to encourage a social and supportive network for people to participate together, as well as a welcoming reception and attractive entrance.

From the 2011 Census data, Denbighshire has a population of 93,734, of which 96.1% describes themselves as having a White ethnic background, 1.2% other white, 0.8% mixed ethnic group, and 1.8% as other ethnic group. or other. The population is 45,987 male and 47,747 female.

64.1% are Christian and 26.8% have no religion.

65.6% of those aged between 16 - 74 are economically active. 6.4% are unemployed. 34.4% are economically inactive and 17.6% are long term sick or

disabled.

5. Will this proposal have a positive impact on any of the protected characteristics?

(Please refer to section 1 in the toolkit for a description of the protected characteristics)

The Nova Centre closed in February 2014 and the town lost a valuable social, sporting and visitor attraction. By refurbishing and re - opening the centre, the local community will once again have access to quality facilities available to all. Primary schools will be able to use the centre again for their swimming lessons, sports clubs who will grow in numbers, voluntary groups will be able to hire any of the facilities, GP referral / cardiac rehabilitation will resume and the facilities will be clean, modern, accessible and meet the end user needs.

High quality facilities for disabled people is part of the design and will include:-

- Parking bays for disabled users.
- Automatic entrance doors
- Reduced height section of reception desk for wheelchair users.
- Induction hearing loop at reception
- Double width doors and corridors
- Ample toilets for disabled customers, shower and changing facilities
- Facilities all on one floor, no stairs.
- Special lockers to accommodate artificial limbs and other equipment
- Pool hoist
- Gym equipment adapted for wheelchair use
- High visibility signs
- Best practice design using DDA and Sport England Disability guidelines

The cost of activities in all the Council's leisure centres is affordable and lower than comparable private leisure facilities. The cost is sufficiently low to ensure it does not represent a barrier to people on low income.

The Centre will have ample car parking and secure cycle storage.

The location is on the Prestatyn Coast. The centre is not on bus routes but is within walking distance of the train station and town centre.

6. Will this proposal have a disproportionate negative impact on any of the protected characteristics?

No

7. Has the proposal been amended to eliminate or reduce any potential negative impact?

<Please Select>

Yes, further work has been carried out on the specification of the disabled changing rooms and design of access control systems to ensure they are practicable for wheel chair users and not just meet the requirements for Building Regulations.

	Colours still need to be agreed but will be contrasting We also considered customer feedback regarding accessible changing facilities for parent and toddler groups ensuring we include the appropriate equipment for baby changing facilities.
--	--

8. Have you identified any further actions to address and / or monitor any potential negative impact(s)?

No	Not identified anything further at this point of the project.
----	---

Action(s)	Owner	Date

9. Declaration

Every reasonable effort has been made to eliminate or reduce any potential disproportionate impact on people sharing protected characteristics. The actual impact of the proposal will be reviewed at the appropriate stage.

Review Date:	30.01.15
--------------	----------

Name of Lead Officer for Equality Impact Assessment	Date
Sion Goldsmith	18.09.2014

Please note you will be required to publish the outcome of the equality impact assessment if you identify a substantial likely impact.

Mae tudalen hwn yn fwriadol wag

Adroddiad i'r:	Cyngor Sir
Dyddiad y Cyfarfod:	7 Hydref 2014
Aelod Arweiniol / Swyddog:	Cynghorydd Barbara Smith/Alan Smith
Awdur yr Adroddiad:	Keith Amos
Teitl:	Adolygiad Perfformiad Blynyddol 2013/14

1. Am beth mae'r adroddiad yn sôn?

- 1.1 Mae gofyn i'r Cyngor gyhoeddi adroddiad blynyddol ar ei berfformiad erbyn 31 Hydref pob blwyddyn. Mae'r adroddiad hwn yn ymwneud ag Adolygiad Perfformiad Blynyddol drafft y Cyngor ar gyfer 2013/14.

2. Beth yw'r rheswm dros lunio'r adroddiad hwn?

- 2.1 Mae angen penderfyniad i gymeradwyo yr adroddiad drafft Blynyddol ar gyfer 2013-14, sydd wedi ei atodi yn Atodiad 1.

3. Beth yw'r Argymhellion?

Argymhellir i'r Aelodau, yn amodol ar unrhyw newid y cytunwyd arno, i gymeradwyo yr Adolygiad Perfformiad Blynyddol 2013/14 i alluogi iddo gael ei gyfieithu a'i gyhoeddi erbyn 31ain Hydref 2014..

4. Manylion am yr adroddiad

- 4.1 Mae Cynllun Corfforaethol 2012-17 y Cyngor yn nodi cyfeiriad strategol a blaenoriaethau'r Cyngor am gyfnod o bum mlynedd. Mae manylion yr hyn mae'r Cyngor yn bwriadu ei wneud pob blwyddyn i gynorthwyo gyda chyflawni'r blaenoriaethau wedi eu nodi yn y cynlluniau gwasanaethau blynyddol ac yn Nogfen Gyflawni Blynyddol y Cynllun Corfforaethol. Mae gan y Cyngor hefyd set o Gytundebau Canlyniad gyda Llywodraeth Cymru.
- 4.2 Mae'r Adolygiad Perfformiad Blynyddol hwn yn darparu gwerthusiad ôl-weithredol o lwyddiant y Cyngor o ran cyflawni ei ymrwymadau yn ystod 2013/14, a p'un ai yw'r Cyngor wedi llwyddo i wneud trefniadau i sicrhau gwelliannau parhaus.

5. Sut mae'r penderfyniad yn cyfrannu at y Blaenoriaethau Corfforaethol?

- 5.1 Mae'r Adolygiad Perfformiad Blynyddol yn cynnwys gwerthusiad o lwyddiant y Cyngor o ran y blaenoriaethau corfforaethol.

6. Faint fydd hyn yn ei gostio a sut y bydd yn effeithio ar wasanaethau eraill?

6.1 Yr unig gostau ynghlwm wrth yr adroddiad hwn yw costau argraffu copïau ar gyfer derbynfydd, llyfrgelloedd a siopau un stop ac ati. Bydd hyn yn cael ei wneud yn fewnol, gyda'r costau'n cael eu cwrdd gan Wella Busnes a Pherfformiad.

7. Beth yw prif gasgliadau'r Asesiad o Effaith ar Gydraddoldeb a gynhaliwyd ar y penderfyniad? Dylid atodi Asesiad o Effaith ar Gydraddoldeb wedi ei gwblhau fel atodiad i'r adroddiad hwn.

7.1 Nid oes angen Asesiad o Effaith ar Gydraddoldeb ar gyfer yr adroddiad hwn. Mae'r adroddiad hwn yn darparu gwerthusiad ôl-weithredol o berfformiad y Cyngor, ac nid yw'r penderfyniad i gymeradwyo'r adroddiad yn effeithio ar nodweddion a ddiogelir. Cynhaliwyd Asesiad o Effaith ar Gydraddoldeb ar y Cynllun Corfforaethol, a chafodd ei gyflwyno i'r Cyngor Sir pan gymeradwywyd y cynllun ym mis Hydref 2012.

8. Pa ymgynghori a wnaed gyda'r Pwyllgor Archwilio ac eraill?

8.1 Datblygwyd yr adroddiad hwn gan y Tîm Gwella Corfforaethol, drwy ymgynghori â gwasanaethau eraill y Cyngor. Mae'r wybodaeth ynglŷn â'r perfformiad wedi ei ddarparu gan y gwasanaethau yn defnyddio system rheoli perfformiad Verto. Mae'r adroddiad wedi ei gyflwyno er dibenion ymgynghori gyda'r Pwyllgor Archwilio Perfformiad cyn y cafodd ei gyflwyno i'r Cyngor er cymeradwyaeth. Ymgynghorwyd hefyd â'r Uwch Dîm Arweinyddiaeth. Bydd unrhyw newid yn sgil yr ymgynghoriad â'r Cabinet, y Pwyllgor Archwilio Perfformiad a'r Uwch Dîm Arweinyddiaeth yn cael ei wneud cyn cyflwyno'r adroddiad i'r Cyngor.

9. Datganiad y Prif Swyddog Cyllid

9.1 Nid oes goblygiadau ariannol arwyddocaol o ganlyniad i'r adroddiad hwn.

10. Pa risgiau sy'n bodoli, ac a oes unrhyw beth y gallwn ei wneud i'w lleihau?

10.1 "Mae'r risg o adroddiadau negyddol gan reolyddion allanol" yn risg sydd wedi ei nodi ar y Cofrestr Risg Corfforaethol. Byddai methu cyhoeddi'r Adolygiad Blynyddol erbyn y dyddiad terfyn o 31 Hydref yn debygol o arwain at argymhellion statudol gan Swyddfa Archwilio Cymru, gyda goblygiadau sylweddol ar gyfer enw da'r Cyngor.

11. Pŵer i wneud y Penderfyniad

11.1 Mae'r Cynllun Corfforaethol a'r Adolygiad Perfformiad Blynyddol yn elfennau allweddol o Raglen Cymru ar gyfer Gwella (2010), sy'n cael ei gefnogi gan ofynion statudol Deddf Llywodraeth Leol 1999 a Mesur Llywodraeth Leol (Cymru) 2009.



Annual Performance Report 2013-14

**Corporate Plan / Project Register / Outcome
Agreement / Statutory Performance Framework**

This document is available on request in other languages and / or formats

Tudalen 115



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LANGUAGE SIGNPOST

This document may be available in other formats on request

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To make comments and suggestions or for further information please contact:

By EMAIL: corporate.improvement@denbighshire.gov.uk

By TELEPHONE: 01824 706161

By POST: Corporate Improvement Team
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County Hall,
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FOREWORD

Each year we publish a report to review our performance and to evaluate how successful we have been in delivering real benefits for our communities. This report is a review of our performance during the 2013/14 financial year.

2013/14 represented the second year of the council's Corporate Plan for 2012-17. It remains the most ambitious plan the council has ever had and there is continued commitment to delivering on the priorities it sets out, despite harsher financial settlements from the Welsh Government. The plan sets out our priorities for next three years, and this report evaluates our progress so far. We know that some of our priorities will take several years to deliver, and we realise that the full benefits of our Corporate Plan will be realised beyond 2017. In particular, the priorities focussing on the economy and education have a timescale beyond the five years of our Corporate Plan.

The council has continued to make progress with its priorities during 2013/14, making an important difference to the lives of people in our communities. However, there are still key areas that we have identified for improvement, and we will be working hard to address these.

Our services and elected members have worked hard to ensure that Denbighshire, once again, is the best performing council in Wales according to the indicators used by the Welsh Government to evaluate local government performance. In 2013/14, we performed in the top quarter of councils in Wales for 16 of 30 statutory indicators, which is more than any other council. We were also among the highest performing councils in Wales on a number of issues, such as special educational need statementing, adult protection referrals, and recycling. However, we have slipped behind in some of the indicators and we need to understand the reasons for this. Our aim is still to maintain our status as a high performing Welsh council, but also to deliver further improvements and become an excellent council that compares favourably with the best authorities outside of Wales.



Dr Mohammed Mehmet, Chief Executive

INTRODUCTION

This report provides an overall assessment of the performance of Denbighshire County Council during 2013/14, and contains sections on the following elements of our work:

1. The council's Corporate Plan 2012-17, and progress in delivering our corporate priorities.
2. The council's project register and progress in delivering key projects that support our corporate priorities.
3. The council's progress in delivering on our Outcome Agreements with the Welsh Government (designed to demonstrate how we contribute to national priorities).
4. The council's performance in relation to the National Strategic Indicators (used by the Welsh Government to evaluate local government performance in Wales).
5. The conclusions from audit and inspection work from our external regulators.

HOW WE UNDERSTAND OUR PERFORMANCE

The following contains information that will help you to understand the analysis of our progress, particularly in relation to our priorities.

Each priority has one or more "outcomes", which describe the benefits we aim to deliver for our communities. We use a selection of "indicators" to help us understand whether we are making progress with delivering these outcomes. Indicators do not directly measure the performance of the council, as most indicators are outside of our full control and tell us about the external environment. However, indicators are useful and important because they help us to understand whether outcomes for our communities are getting better or worse.

Each outcome also has a selection of "performance measures" which measure the success of the council's work in relation to that outcome. Each indicator and performance measure is given a status that describes the current position. The status tells us how good the current position is, and the colours below represent the following definitions:

Status	Definition
Green	The current position is excellent
Yellow	The current position is good
Orange	The current position is acceptable
Red	The current position is a priority for improvement

These colours do not show whether we have met a particular “target”, because, unlike most other councils, we do not set specific targets for indicators and performance measures. This is because targets tend to be based on achieving minor annual improvements, but this type of system does not tell us how well we are performing comparatively. Using a traditional approach, it is possible to meet a target (and show this as green) even if the comparative position is still very poor.

Our system means that we only report something as “green” if the current position for an indicator or performance measure is genuinely “excellent”. Where possible, we use comparisons with other councils to say how good the position is in Denbighshire. Being “green” or “excellent” usually means we are in the top quarter of councils in Wales, and “red” usually means we are in the bottom half of councils in Wales, which would be a “priority for improvement”. However, where being in the top quarter of councils in Wales cannot be classed as “excellent”, we use a different threshold. For educational attainment, we only call something “excellent” if we are the best in Wales, because educational attainment in Wales is currently lower than in other parts of the UK. For sickness absence, our “excellence” threshold is in line with the UK private sector because we feel that average sickness absence levels in Welsh councils are higher than we want Denbighshire’s to be.

Each outcome also has "improvement activities", which are projects and actions designed to contribute to the delivery of the outcome. We monitor the delivery of these activities by providing a "delivery confidence". The same four colours are used to mean the following:

Status	Delivery Confidence Definition
Green	Successful delivery appears highly likely and there are no major outstanding issues that at this stage appear to threaten delivery significantly
Yellow	Successful delivery appears probable but significant issues already exists requiring management attention.
Orange	Successful delivery is in doubt with major risks or issues apparent in a number of key areas.
Red	Successful delivery appears to be unachievable.

We use a wide range of information to understand the progress being made by the council. As well as using traditional measures of our performance (which measure how much of something we do, or how well we do it), we also analyse population indicators that tell us whether people in our communities are better off. It is also important for us to know how people feel about the outcomes we hope to deliver, so we undertake a number of surveys to evaluate whether people are feeling more or less positive about things that affect their lives.

Monitoring our improvement activities is important because these are the things that we hope will make a positive difference to our communities in the future. Finally, we evaluate what our external regulators say about us. We have brought all of these things together to produce a balanced report of our performance in 2013/14.

FINANCIAL INFORMATION

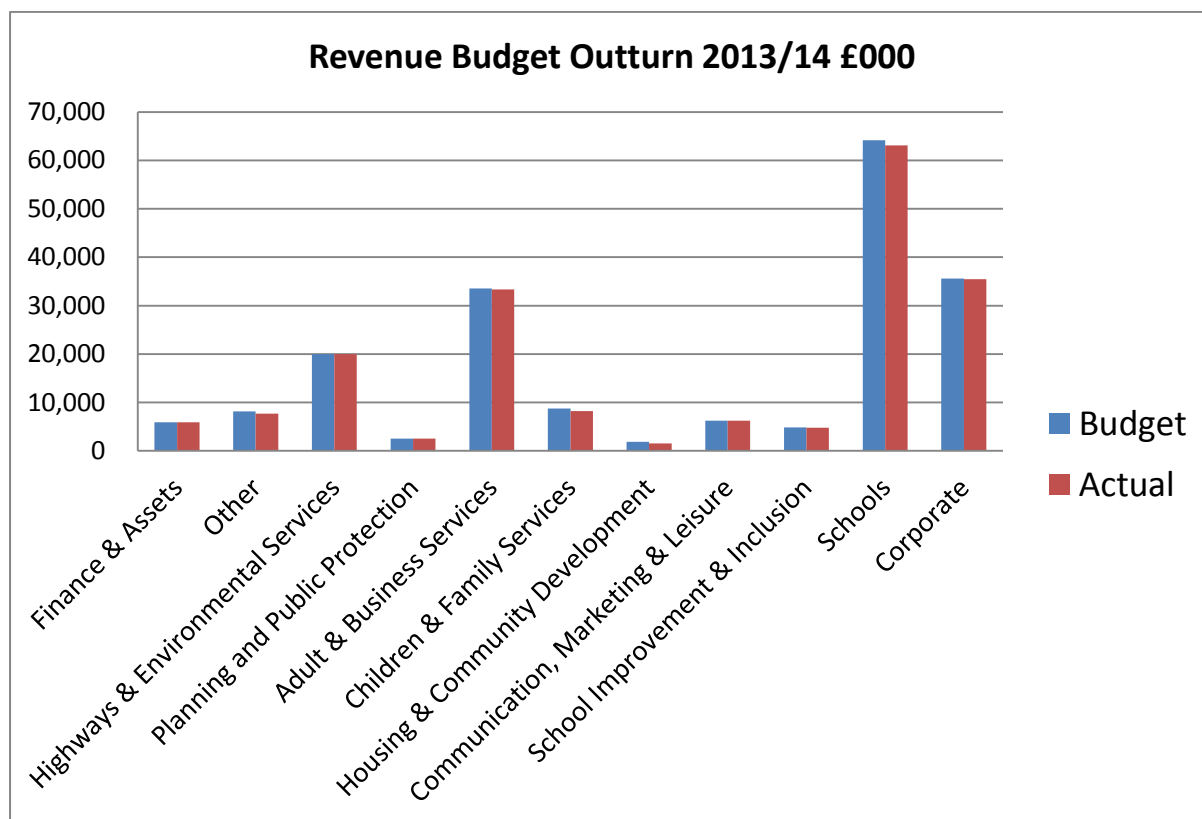
The council sets a revenue budget each year. This revenue budget covers the costs of the services the council provides, and is paid for by service users, Welsh Government Grants, Council Tax, and Business Rate payers. For 2013/14, the gross revenue budget was £268 million.

As part of the ongoing austerity measures, the funding available to Local Government was restricted and the Council had to identify £3.1m of savings to balance the budget.

All services underwent a Service Challenge to identify areas for savings and to explain how we could achieve these while protecting frontline services. We used this information as the basis to develop a Medium Term Financial Plan, which set out how the council will make these savings. The Medium Term Financial Plan was revised in 2014/15 to take account of known and likely reductions to the council’s budget settlement.

There will be significant reductions in the Council’s funding for future years with a 2014/15 savings target of £8.5m and £9m in each of the two following years.

The table below shows where the Council spends its money:



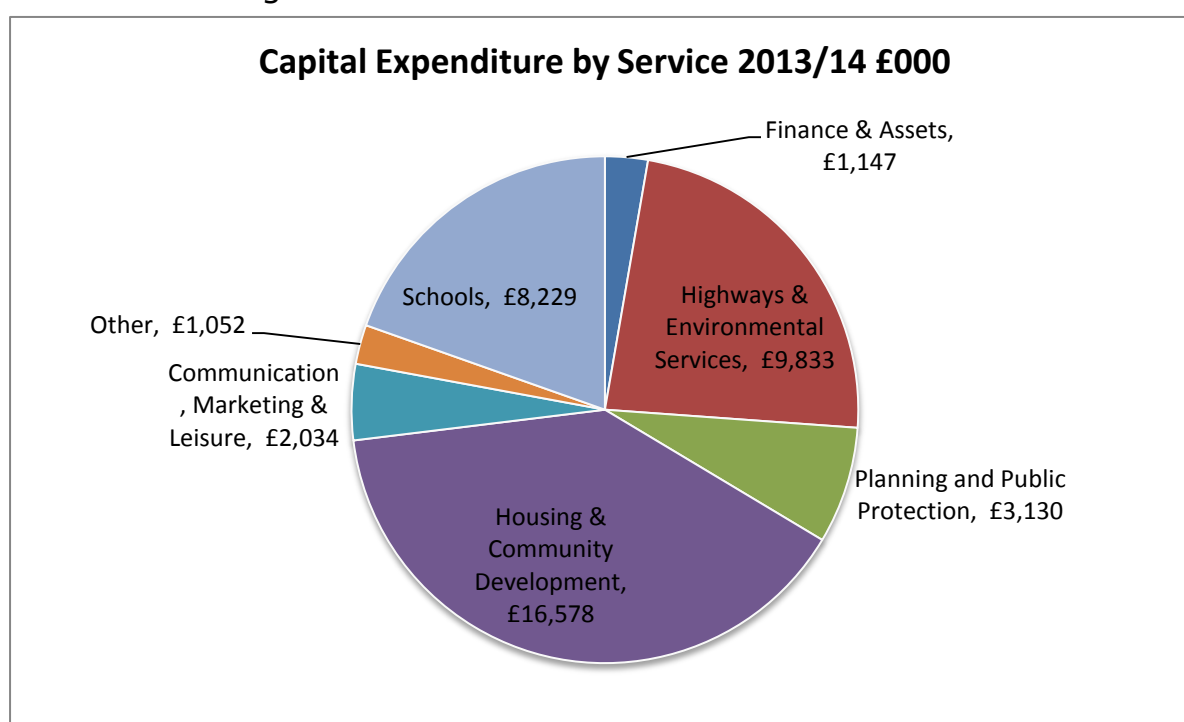
In 2013/14, we invested an additional £1m in our priorities, allocated as follows:

Area	£'000
Modernising Education	200
Highways	100
Town Plans/Regeneration	160
Modernising the Council	140
Demographic Change/Extra Care Housing	400
Total	1,000

By the end of the year, excluding schools delegated budgets, the council spent £1.8 million less than it budgeted for on services and corporate budgets, including making a budgeted contribution to balances of £300k. The year-end position made it possible to make a net contribution to reserves and balances (including schools) of £3.1 million.

During 2012/13, the council agreed an ambitious Corporate Plan which aims to deliver investment of over £124 million in schools, social care facilities and roads in the coming five to seven years. External funding will contribute to the overall cost of investment in schools and roads, but the Plan relies upon internal resources to fund borrowing and to provide cash. Such a significant investment will help improve key services but does not come without risk, and therefore measures are in place to continually assess the delivery and affordability of the Plan. During 2013/14 we contributed additional cash resources of £5.2 million towards the Corporate Plan.

Capital investment in council assets amounted to over £42 million in 2013/14, which included £6.5 million spent on improvements to the council's housing stock.



PERFORMANCE REVIEW

The Corporate Plan

There are a total of 14 outcomes within our Corporate Plan, with each of our seven corporate priorities having one or more outcome. This report reviews each outcome and provides an evidence-based assessment of the current position.

Project Register

The Project Register is a record of current projects being delivered by the council that support our corporate priorities. This report will outline our progress against delivering these in 2013/14.

Outcome Agreement

Like all councils in Wales, we developed a set of five outcomes within our Outcome Agreement 2013-16 with the Welsh Government. The Outcome Agreement sets out how we will work towards improving outcomes for local people within the context of the Welsh Government's national priorities. This report reviews the council's progress in delivering on its Outcome Agreement.

National Strategic Indicators

There are a total of 30 statutory indicators, known as the National Strategic Indicators (NSIs). The NSIs are used to measure performance of local authorities at a national level, and this report provides an overall assessment of the performance of Denbighshire County Council.

External Regulation and Inspection Work

Like all councils in Wales, Denbighshire County Council is scrutinised by external regulators to ensure that we use public money efficiently and effectively to deliver benefits for our communities. The Wales Audit Office has an annual programme of audit and assessment work that it undertakes in the council, and the conclusions from this work are brought together in an Annual Improvement Report. Other regulators undertake work relating to specific service areas. The main ones are Her Majesty's Inspectorate for Education and Training in Wales (Estyn) and the Care and Social Services Inspectorate for Wales (CSSIW). This report summarises the conclusions made about the council by our external regulators during 2013/14.

THE CORPORATE PLAN

This is the summary position for each Outcome in the Corporate Plan at 31 March 2014. The overall evaluation for each Outcome has been determined by taking account of the indicators, performance measures, and improvement activity.

DEVELOPING THE LOCAL ECONOMY

Outcome 1	PRIORITY FOR IMPROVEMENT
Outcome 2	UNKNOWN
Outcome 3	UNKNOWN
Outcome 4	ACCEPTABLE
Outcome 5	ACCEPTABLE
Outcome 6	GOOD

IMPROVING PERFORMANCE IN EDUCATION & THE QUALITY OF OUR SCHOOL BUILDINGS

Outcome 7	ACCEPTABLE
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IMPROVING OUR ROADS

Outcome 8	GOOD
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VULNERABLE PEOPLE ARE PROTECTED & ABLE TO LIVE AS INDEPENDENTLY AS POSSIBLE

Outcome 9	GOOD
Outcome 10	GOOD

CLEAN AND TIDY STREETS

Outcome 11	EXCELLENT
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ENSURING ACCESS TO GOOD QUALITY HOUSING

Outcome 12	ACCEPTABLE
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MODERNISING THE COUNCIL TO BE EFFICIENT & IMPROVE SERVICES FOR CUSTOMERS

Outcome 13	GOOD
Outcome 14	ACCEPTABLE

LOCAL ECONOMY HEADLINE INDICATORS

All of the work involved with delivering the six outcomes within this priority should have a positive influence on the following, overarching indicators that demonstrate the success of the Economic and Community Ambition (ECA) programme overall.

The survival rate of new enterprises in Denbighshire is Red, Priority for Improvement (especially after three years). Work under Outcome 2 to better support and connect businesses is underway, and should provide strategic direction for improving our contribution to the success of local businesses in the long term.

DENBIGHSHIRE HAS HIGH EMPLOYMENT AND GOOD INCOME

% Job Seekers Allowance claimant count	▲ 3.30 (1,872 people)
Median Household Income (£)	(2013) 22,703

BUSINESSES DEVELOP AND GROW

The count of births of new enterprises	— (2012) 280
1 year survival rate of new enterprises	▲ 91.1%
3 year survival rate of new enterprises	▼ 52.6%
Turnover of Denbighshire based businesses (£m)	(2013) 2,100

OUTCOME 1

Infrastructure for Growth

SUMMARY

The overall position for this outcome is Red: Priority for Improvement. This is based on two facts: 1) the indicators that we can measure presently have a mainly Red status, and 2) we are awaiting results from our Business Survey in order to gauge how far our infrastructure supports the business community. Although the activities are progressing well, their impact is yet to be felt.

The indicators relating to transport have been removed, as the ECA Board has no plans for additional projects to improve Denbighshire's position in relation to transport.

The Ofcom overall broadband ranking, which was last updated in October 2013 is, effectively, a score of 3 out of 5 (where '1' = good performance), based on four criteria. The availability of superfast broadband is poor, while the overall take-up of broadband is quite good. However, progress is being made. The BT Superfast Cymru project has now rolled out superfast broadband to communities served from the Corwen exchange. The future focus for the Digital Denbighshire project will be predominantly on encouraging businesses to take up the opportunities presented by superfast broadband.

The indicators relating to our business Land and Premises are new. The Council conducts employment land reviews on an annual basis, which monitor the development of land with regard to progress in planning terms (copies of the annual review report are available from the Planning department). Indicators relating to employment land are 0%, and refer to new sites or additional land allocated in the Denbighshire Local Development Plan 2006 – 2021 (LDP, p42). "The % of employment land that has been developed" refers to land that has been developed and completed in line with a valid planning permission. "The % of employment land that is ready to be developed" refers to land which has been granted planning permission. Both indicators are nil returns because no planning application has been received on these sites, so no development has been completed. These indicators are dependent on investors taking up land and applying for planning permission.

However, positive intervention through the council's Commercial Sites group could help to bring some of these sites forward. In addition, a planning

permission for Bodelwyddan Key Strategic Site is currently under consideration; this allocation includes 26 hectares of employment land.

Some of the activity originally outlined for this Outcome is no longer under the remit of the ECA Board, which steers progress under this priority.

The first activity that has been stopped is, “Identify transport infrastructure that risks limiting local economic development”. The Board has prioritised land, premises and digital infrastructure over transport, but it should be noted that transport issues are being discussed at a regional level.

For similar reasons the activity around development of a business case for electrification of the rail line has been withdrawn by Denbighshire’s ECA Board. This is because the business case is being co-ordinated overall by Welsh Government (WG). At a regional level, the North Wales Economic Ambition Board is contributing to the business case by analysing the potential economic growth and social benefit of rail modernisation. Early work suggests that economic benefit from investment in more modern rail services (including electrification) could be significant, but the full report to the Ministerial Taskforce on Transport for North Wales (which will also look at the potential offered by other strategic transport interventions) is due in December 2014. This work will be collated by WG and will be considered as they develop the National Transport Plan.

Activity around “Creating cross-sector online access point promoting business land and premises” is now due to start in June 2014, when resource will be available. It should be noted that the activity to promote inward investment (currently under Outcome 6, Well-Promoted Denbighshire) has been combined with this because the same tool will be used to achieve both objectives.

The scope of the activity “Public agency industrial/commercial property review and development plan” has been reduced so that now it will only focus on a Denbighshire commercial property review and development plan. It’s felt that there’s much work to be done on Denbighshire’s own property portfolio before examining the portfolio of other agencies.

[KEY](#)

INDICATORS

TRANSPORT

% of businesses who report travel difficulties as a barrier for employees	WITHDRAWN
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% of businesses who report travel difficulties as a barrier for customers	WITHDRAWN
% of businesses who report travel difficulties as a barrier for suppliers	WITHDRAWN
% of businesses who report selling goods and services to a wider area	N/A until 2014/15

DIGITAL AND MOBILE

Ofcom five point ranking for overall broadband performance	▲ (2013) 3
Ofcom rank for premises that receive no reliable signal (3G)	— (2013) 5
Ofcom rank for premises that receive no reliable signal (4G)	N/A until 2014/15
% of businesses who report internet use to sell or source goods and services	N/A until 2014/15

LAND AND PREMISES

% of employment land that has been developed	0
% of employment land that is ready to be developed	0

IMPROVEMENT ACTIVITY

Identify transport infrastructure that risks limiting local economic development	WITHDRAWN
Lead the case for modernisation/electrification of rail services in North Wales	WITHDRAWN
Develop a 'Digital Denbighshire' Plan	YELLOW
Create cross-sector online access point promoting business land and premises	POSTPONED
Identify constraints and opportunities for strategic development sites	GREEN
Public agency industrial/commercial property review and development plan	YELLOW

OUTCOME 2

Supported and Connected Businesses

SUMMARY

The overall position for this outcome is Unknown. A judgement cannot be made as results from the Business Survey (which form most of the Indicators) are currently unavailable. It is anticipated that results will be available by the end of Quarter 2 (September) 2014/15.

There was an Open For Business event held in early April, with the purpose of engaging with businesses. This well-attended event was considered successful and useful by the businesses in attendance.

A proposal for capturing community and social benefits under the Procurement heading is due at the ECA Board in November 2014. This activity will feature in performance reports covering 2014/15. It should be noted that wider work on the procurement strategy is well underway already: the first phase is about strengthening arrangements in-house, which will make it easier for local businesses to engage with us; while phase two is about developing and monitoring contracts that feature community benefits, and also developing local suppliers so that they are better placed to bid for local authority contracts.

The activity to “Guide and assist development of business advice & support partnership” has been merged with the project under Outcome 6 regarding inward investment, and has been further refined. We are no longer aiming for a full blown partnership but are instead working with other agencies to streamline and make more straightforward the way businesses access the services. We have recently purchased a CRM system, Evolutive (to be implemented shortly), which is widely used in the Economic Development and Inward Investment sector, and we’re working at a regional level to share best practise and adopt common approaches. Contact has also been made with WG to improve Denbighshire's profile.

A project brief in support of the activity, “Embed effective county business networking and B2B mentoring” is now due in March 2015.

[KEY](#)

INDICATORS

BUSINESS SUPPORT

No. of businesses that access business advice & support services during the year	N/A until 2014/15
% of businesses who were satisfied with the quality of advice & support	N/A until 2014/15
% of businesses reporting that the right advice & support was easy to access	N/A until 2014/15

LOCAL BUSINESS CONNECTIONS

% of businesses who report that they are part of a business network	N/A until 2014/15
% of businesses who report some benefit from their business network	N/A until 2014/15

DCC PROCUREMENT AND LOCAL IMPACT

£ value of procurement contracts awarded to local businesses	£47,072,401
Local procurement as a % of total procurement	▲ 31.3%
% of agreed community and social benefit clauses that are:	
a. fully achieved	Means of data capture to be developed
b. partially achieved	Means of data capture to be developed

IMPROVEMENT ACTIVITY

Guide and assist development of business advice & support partnership	WITHDRAWN
Ensure regulatory services adopt a more business-friendly approach	GREEN
Embed effective county business networking and B2B mentoring	POSTPONED
Plan effective strategic engagement with the business community	GREEN

OUTCOME 3

Opportunities for growth

SUMMARY

The overall position for this outcome is Unknown, as too little information is available on which to base a judgement.

There have been changes to the set of Indicators under the heading, “Growth Opportunities”. Originally itemising sectors such as Creative Industries, we now understand two things: 1) this might not be a growth sector, and 2) data does not exist in support of it. Instead, some research will be undertaken to identify the growth sectors for Denbighshire, and also identify means of collecting data in support of tracking their progress. Under this heading, we will be tracking the number of new businesses in the Growth Sectors, and the number of residents employed in Growth Sectors (as commuting out-of-county is likely).

The section of indicators relating to Social Enterprises has been removed. This is because the ECA Board has decided not to segregate this type of business from others. Also, the Board suggests that Denbighshire Voluntary Services Council (DVSC) is better placed to support the sector in future.

The activity, “Further exploit the potential of OpTiC & promote St Asaph Business Park” was briefly postponed but a project brief is due before the ECA Board in June 2014. Postponement has been due to the fact that finite resources necessitate staggered delivery of our projects. This is why the Economic & Community Ambition strategy is likely to be a ten-year one.

Establishment of a strategic relationship with the agricultural sector is an activity that has been postponed and will be reviewed in 2016/17, again due to competing priorities and resource allocation.

[KEY](#)

INDICATORS

TOURISM

Total revenue derived from tourism (£m)	▲ (2013) 339
No. of people employed in tourism sector in Denbighshire	▲ (2013) 5302
No. of residents in accommodation & food services	WITHDRAWN

sector	
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GROWTH OPPORTUNITIES

No. of new business in Growth Sectors	Data Development
No. of Denbighshire residents employed in Growth Sectors	Data Development
No. of businesses in production sector	WITHDRAWN
No. of businesses in the creative industries sector	WITHDRAWN
No. of residents employed in the manufacturing sector	WITHDRAWN
No. of residents employed in the energy & water sector	WITHDRAWN
No. of residents employed in the agriculture sector	WITHDRAWN
No. of residents employed in the creative industries sector	WITHDRAWN

SOCIAL ENTERPRISE

The count of births of new social enterprises	WITHDRAWN
The one year survival rate for new social enterprises	WITHDRAWN
The three year survival rate for new social enterprises	WITHDRAWN
The number of jobs created within the social enterprise sector	WITHDRAWN

IMPROVEMENT ACTIVITY

Further exploit the potential of OpTiC & promote St Asaph business park	YELLOW
Map regional growth locations to identify supply chain and job opportunities	GREEN
Business case and implementation plan for Coastal leisure facilities	YELLOW
Develop an Events Strategy, integrating major and local events	GREEN
Establish a strategic relationship with the agricultural sector	POSTPONED

OUTCOME 4

High quality skilled workforce

SUMMARY

The overall position for this outcome is Orange: Acceptable. Priorities are to see an increase in the qualification levels for a higher proportion of our residents (which might be achieved by improving the county's job market to attract/retain well-qualified residents); to reduce the number of Year 11 school leavers not in employment, education or training; and to reduce the number of young people claiming Job Seekers' Allowance.

In relation to NEETs, the Education service has looked into the figure supplied by Careers Wales, and there are no obvious trends. We will be meeting with Careers Wales to interrogate the data further, and will make this a priority.

Data for indicators beneath the Advanced Skills for Growth section will be available by September 2014, once the Denbighshire Business Confidence Survey (currently being conducted) is complete.

Four of the activities have been postponed, subject to a review of the section. To date, the key early priorities are about identifying the advanced skills that are needed for growth, with a particular focus on encouraging uptake of (and attainment in) STEM subjects (Science, Technology, Engineering, and Mathematics) and Careers advice to young people. Once we are clearer about the skills that are required we will identify specific improvement actions.

[KEY](#)

INDICATORS

SKILLS FOR WORK AND LIFE

% of the working age population with no qualifications	▼ (2013) 10.2
% of the working age population with qualifications of level 2 and above	▲ (2013) 72.4
% of the working age population with qualifications of level 4 and above	▲ (2013) 31.1

CONNECTING PEOPLE WITH JOBS

% of year 11 school leavers not in employment, education, or training (NEET)	▼ (AY - 2013) 4.1 (53 people)
% of the working age population claiming Job Seeker's Allowance (JSA)	▲ (Mar 2014) 3.30
% of the population aged 18 to 24 claiming JSA	— (Mar 2014) 7.3

ADVANCED SKILLS FOR GROWTH

% of businesses reporting unfilled vacancies due to unsuitable applicants	N/A until 2014/15
% of businesses reporting difficulty recruiting staff with the right skills	N/A until 2014/15

ENTERPRISE AND ENTREPRENEURSHIP

% of people of working age in Denbighshire who are self employed	▲ (2013) 13
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IMPROVEMENT ACTIVITY

Review current programmes to support skills development	YELLOW
Ensure our priorities are in the North Wales Skills Development Plan	YELLOW
Support and challenge Careers Wales to improve school career advice	POSTPONED
Improve the availability and quality of apprenticeship opportunities	POSTPONED
Develop a county wide Job Brokerage scheme	POSTPONED
Review & evaluate how enterprise and entrepreneurship are promoted	POSTPONED

OUTCOME 5

Vibrant towns and communities

SUMMARY

The overall position for this outcome is Orange: Acceptable. While some of the indicators are performing at a Good or Excellent level, deprivation in some of our areas is a key issue. New data from the Wales Index of Multiple Deprivation (WIMD) will be available later in 2014, but we know that unemployment and low income are still issues for Rhyl West in particular, which has not recovered the way other areas (including other deprived areas) in Wales have. It's likely that Rhyl Going Forward will need to focus not just on completion of the big infrastructure projects but also increasingly on how we derive maximum benefit from them in terms of improving employment and income levels.

Data on the indicator relating to rural business confidence forms part of the results from the aforementioned Denbighshire Business Confidence Survey (results available by September 2014). For both this indicator and the one relating to rural levels of JSA claimants, Rural has been taken to mean all areas except for Rhyl and Prestatyn.

The activity to develop an initiative for all empty shops has been postponed until sometime in the financial year 2015/16, pending a Town Centre Growth & Diversification Plan, which is due to be started in July 2014.

With regard to the activity to, "Deliver priority projects within the Rhyl Going Forward (RGF) work streams", this activity will now be monitored by the RGF Board alone. There was no need for additional oversight from the ECA Board. Likewise, it's suggested that the activity to support North Denbighshire Communities First Clusters is also overseen by the RGF Board.

[KEY](#)

INDICATORS

TOWN CENTRES AND HIGH STREETS OF THE FUTURE

% of vacant town centre premises (Denbighshire average)	▲ (2013) 9.75 (133 vacant)
% of residents reporting overall satisfaction with their town centre	(2013) 62.6
% of town residents reporting overall satisfaction with	(2013) 86.0

their local area	
% of town centre businesses reporting confidence in future prospects	N/A until 2014/15

TACKLING DEPRIVATION AND POVERTY, PARTICULARLY IN PARTS OF RHYL AND UPPER DENBIGH

% of neighbourhoods (lower layer super output areas) that fall into the 10% most deprived in Wales	(2011) 10
No. of neighbourhoods (lower layer super output areas) with a claimant count (%) greater than Great Britain	(2011) 18
No. of LSOA with a median household income below Wales	(2011) 32

RURAL DENBIGHSHIRE

% of the rural working age population claiming Job Seekers Allowance	1.75% (604 people)
% of rural residents reporting overall satisfaction with their local area	(2013) 89.7
% of rural businesses reporting confidence in their future prospects	N/A until 2014/15

IMPROVEMENT ACTIVITY

Develop initiatives for empty shops	POSTPONED
Review parking/traffic management in all towns to support economic growth	YELLOW
Deliver priority projects within the Rhyl Going Forward work streams	YELLOW
Support North Denbighshire Communities First Cluster to address deprivation	GREEN
Develop a county wide approach to tackling deprivation and poverty	YELLOW

OUTCOME 6

Well-promoted Denbighshire

SUMMARY

The overall position for this Outcome is Yellow: Good. Although there are two indicators that are classed as Excellent, we need further data before we can be confident that the overall position is Excellent.

Two indicators have been removed because, on reflection, they were not deemed to be reliable indicators of a 'well-promoted Denbighshire'.

The activity to "Undertake market research to better understand target markets and audiences" was postponed for a short period, but a project brief is due to go before June's ECA Board.

We referred to "Ensure a seamless response to Inward Investment enquiries" under Outcome 2. Town & Area Plans are currently subject to a full review that will help guide their next stage of development. Cabinet commissioned the review following consideration of the latest wave of Town & Area Plans and concerns that perhaps the Plans were not sufficiently focused or delivering impact.

[KEY](#)

INDICATORS

DENBIGHSHIRE IS RECOGNISED AS A GREAT PLACE TO LIVE

% of residents satisfied with their area as a place to live	▼ (2013) 84.7
% of residents reporting they are likely to move out in the next 5 years	▼ (2013) 17.9
Number of house sales	WITHDRAWN
Number of housing new build completions	WITHDRAWN

DENBIGHSHIRE IS RECOGNISED AS A GREAT PLACE TO VISIT

Number of visitors	▲ (2013) 5,355,400
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IMPROVEMENT ACTIVITY

Undertake market research to better understand target markets and audiences	POSTPONED
Destination Management Plan & the Destination Denbighshire Partnership	GREEN
Ensure a seamless response to Inward Investment enquiries	POSTPONED
Embed Town & Area Plans across services, with partners and in communities	POSTPONED
Develop and implement coordinated approach to tackling eyesore sites	GREEN

OUTCOME 7

Students achieve their potential

SUMMARY

We are using a higher benchmark for Excellence for the educational attainment where Green/Excellent is the best in Wales. The overall position for this outcome is Orange: Acceptable. The percentage of pupils that leave without an approved qualification; the percentage of pupils achieving the level 2 threshold, including English/Welsh & maths; the percentage of pupils who achieve the Core Subject Indicator at Key Stage 4; and the percentage of pupil attendance in Secondary school are currently a Priority for Improvement. One of the performance measures is currently classed as a Priority for Improvement due to a small increase in the number of deficit places in primary schools.

[KEY](#)

INDICATORS

% of all pupils that leave without an approved qualification	▲ (FY-2014) 0.24
% of pupils who achieve the Core Subject Indicator at Key Stage 2	▲ (AY-2013) 86.0
% of pupils who achieve the Core Subject Indicator at Key Stage 4	▼ (AY-2013) 49
Average Capped Points Score for pupils at Key Stage 4	▲ (AY-2013) 345
% of pupils achieving the level 2 threshold, including English/Welsh & maths	▼ (AY-2013) 53.4
% of pupils achieving the level 2 threshold or vocational equivalents	▲ (AY-2013) 85.7
% of pupil attendance in primary schools	▼ (AY-2013) 94.3
% of pupil attendance in secondary schools	▼ (AY-2013) 92.4
Average number of school days lost per fixed-term exclusion	▲ (AY-2013) 1.9

Number of fixed-term exclusions	▲ (AY-2013) 555
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PERFORMANCE MEASURES

No. of surplus places as a % of total primary school places	▲ (AY-2014) 12.95
No. of surplus places as a % of total secondary school places	▼ (AY-2014) 17.89
No. of deficit places as a % of total primary school places	▼ (AY-2014) 1.22
No. of deficit places as a % of total secondary school places	— (AY-2014) 0.00
No. of primary school places provided by mobile classrooms	▲ (AY-2014) 527
No. of secondary school places provided by mobile classrooms	▲ (AY-2014) 566

IMPROVEMENT ACTIVITY

Bodnant Community School - Extension and remodelling	YELLOW
Mentoring programme to support year 11 students	GREEN
Programme to facilitate the delivery of the Literacy Numeracy Framework	GREEN
Funding for 21st Century Schools Programme and Modernising Education	GREEN
Re-structure framework and delivery arrangements of strategic priorities	YELLOW
Review current cluster arrangements	YELLOW
Review current provision for students who access the Behaviour Support Service	YELLOW
Develop and implement an anti-bullying policy	GREEN
Rhyl High School - New building	YELLOW
Programme to reduce the reliance on mobile accommodation	YELLOW
To establish the Modernising Education Programme Board	GREEN

Review approach to planned and reactive maintenance works within schools	YELLOW
Ysgol Bro Dyfrdwy - Building works for the new area school	GREEN
Ysgol Dyffryn Ial - Llandegla extension	GREEN
Ysgol Glan Clwyd - Extension and remodelling	GREEN
Ysgol Twm o'r Nant - Refurbish and remodel	ORANGE
Ysgol y Llys - Extension and remodel	GREEN
Governor's Wales Quality Mark	ORANGE
Faith-Based Review: Consultation	YELLOW

OUTCOME 8

Residents and visitors to Denbighshire have access to a safe and well-managed road network

SUMMARY

We compare our position for the road condition indicators with a group of similar rural local authority areas in Wales. Overall, the current position for this outcome is Yellow: Good. Our B roads are still considered a Priority for Improvement, despite seeing improvement, and satisfaction with the quality of our C roads is also low. The percentage of drop-kerb routes in place continues to be a Priority for Improvement; however, the Service has now identified each of the priority routes and through 2014-15 will be carrying out audits to identify gaps in provision and rectify any shortcomings. The percentage of damaged roads and pavements made safe within target time is also a Priority for Improvement.

Please note that the percentage of road condition defects (CRM queries) resolved within timescale has been withdrawn from the measures for this outcome due to issues with extracting data from the Customer Relationship Management System (CRM). The council has created a business case for a new CRM system.

[KEY](#)

SURVEY INDICATORS

Residents Survey, % satisfaction with:	
Maintaining main roads in good condition	▲ (2013) 64.9
Maintaining streets in towns & villages in good condition	▼ (2013) 61.9
Maintaining rural roads in good condition	(2013) 48.8
City, Town & Community Councillor Survey, % satisfaction with:	
Maintaining main roads in good condition	N/A until 2014/15
Maintaining streets in towns & villages in good condition	N/A until 2014/15
Maintaining rural roads in good condition	N/A until 2014/15

INDICATORS

% of A, B & C roads that are in overall poor condition	▲ (2014) 9.60
% of principal A roads that are in overall poor condition	▲ (2014) 3.70
% of non-principal/classified B roads in overall poor condition	▲ (2014) 8.80
% of non-principal/classified C roads in overall poor condition	▼ (2014) 14.50

PERFORMANCE MEASURES

% structural maintenance spend spent on planned structural maintenance	▲ (2014) 96.0
% timeliness of category C (Final) Street Works inspections	▲ (2014) 10.28
% of damaged roads and pavements made safe within target time	▼ (2014) 81.7
% of road condition defects (CRM queries) resolved within timescale	WITHDRAWN
% of key routes where a drop-kerb route is in place	— (2014) 0
% of planned Highways Capital Maintenance Programme achieved	▲ (2014) 90.3
No of successful claims during the year (road condition)	▼ (2014) 3.00

IMPROVEMENT ACTIVITY

Road Resurfacing	ORANGE
Microasphalt	GREEN
Surface Dressing	GREEN
Pedestrian Safety Improvements	GREEN
A525 Elwy Bridge	GREEN
A548 Foryd Bridge	GREEN
Dropped Kerbs Project	GREEN
Review of preparations - Highways Winter Maintenance	GREEN
Review parking charges	GREEN
Develop Minor Works framework	GREEN

OUTCOME 9

Vulnerable people are able to live as independently as possible

SUMMARY

The overall position for this outcome is Yellow: Good. On the whole the council is successfully enabling vulnerable people to live independently in Denbighshire. The only concern within this outcome is the proportion of the adult population who are unable to live independently.

Traditionally Denbighshire has always had a very high rate of adults living in residential care compared to other authorities in Wales, and we have been working for many years to reduce it. However, it was always acknowledged that it would take time to bring the rate down. Our ambition for this Corporate Plan is to reduce the number of adults in residential care by 200 by 2017, from 815 to 615. At 31st March 2014, we had reduced the number by 106 to 709, which shows that significant progress has been made. However, Denbighshire still has a higher rate of adults in residential care than most other councils in Wales, which is why the indicator is still showing as red.

[KEY](#)

INDICATORS

% of the adult population who live independently	▼ (2014) 94.7
% of the adult population who cannot live independently	▼ (2014) 0.95

PERFORMANCE MEASURES

% of people who live independently with modern supportive options	▲ (2014) 68.2
% of people who live independently with traditional care options	▲ (2014) 31.8
Rate of delayed transfers of care for social care reasons	▲ (2014) 0.54
% of adult clients who do not need social care service following reablement	▲ (2014) 77.0
Average number of days taken to deliver a Disabled Facilities Grant	▼ (2014) 187
The number of new placements of adults whom the	▼ (2014) 148

authority supports in care homes (65+)	
No. of service users in receipt of assistive technology	▲ (2014) 1550

IMPROVEMENT ACTIVITY

Direct Payments Scheme	GREEN
Additional Reablement Capacity (£100k)	GREEN
Carers Plan	GREEN
Feasibility Study: Extra Care Housing Options	GREEN

OUTCOME 10

Vulnerable people are protected

SUMMARY

The overall position for this outcome is Yellow: Good. The council has excellent success protecting vulnerable people in Denbighshire, but there is an exception in terms of the timeliness of core group meetings. In 2013/14, just over 9 out of 10 meetings were held within 10 days of the child protection conference, which is a performance improvement on the previous period but remains below the Wales median.

Steps have been taken over the last few months to increase the number of timely Core Groups meetings, but there are a few circumstances where the key professionals and/or parents are not available within the timescales. These are kept to a minimum and authorised at Service Manager level.

[KEY](#)

INDICATORS

% of child referrals that were re-referrals within 12 months	▲ (2014) 17.2
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PERFORMANCE MEASURES

% of adult protection referrals completed & the risk has been managed	▲ (2014) 100
% of child protection reviews carried out within statutory timescales	— (2014) 100
% of core group meetings within 10 days of child protection conference	▲ (2014) 91.2
% of open cases on child protection register with allocated social worker	▲ (2014) 100

IMPROVEMENT ACTIVITY

Arrangements for Protecting Vulnerable Children and Adults	YELLOW
Signs of Safety Model	YELLOW
Intensive Family Support Services	GREEN

OUTCOME 11

To produce an attractive environment for residents and visitors alike

SUMMARY

The overall position for this outcome is Green: Excellent. The indicator data, however, identifies an issue with fly tipping. This is because we are reporting this indicator differently from other councils, including incidents that we identify ourselves in addition to incidents reported by the public. The percentage of reported fly tipping incidents cleared within five working days is also a Priority for Improvement. There are again some issues with the quality of the data, as our Customer Relationship Management System (CRM) can only measure how long it takes from when the incident is recorded to when it is closed on the system (rather than when the incident was actually cleared). Going forward in 2014-15 we hope to have addressed these issues.

Please note that the average response time to litter notifications (including dog fouling) has been withdrawn from the measures for this outcome due to issues with extracting data from the Customer Relationship Management System (CRM). The council has created a business case for a new CRM system.

[KEY](#)

SURVEY INDICATORS

Residents' Survey, % satisfaction with:	
The cleanliness of the streets (local area)	(2013) 73.1
The cleanliness of the streets - dog fouling (local area)	(2013) 50.8
The cleanliness of the streets (nearest town)	(2013) 74.4
The cleanliness of the streets - dog fouling (nearest town)	(2013) 58.8
City, Town & Community Council Survey, % satisfaction with:	
The cleanliness of the streets (C,T&CC area)	N/A until 2014/15
% of C,T&CC who report improvement with dog fouling	N/A until 2014/15

INDICATORS

The Cleanliness Index	▲ (2014) 83.6
The rate of reported fly tipping incidents reported per 1,000 population	▼ (2014) 23.3
Clean Streets Survey – Improvement Areas	(2014) 97.6

PERFORMANCE MEASURES

% reported fly tipping incidents cleared within five working days	▲ (2014) 94.88
% of untidy land incidents resolved within 12 weeks	▼ (2014) 47
Average response time to litter notifications (including dog fouling)	WITHDRAWN
The rate of fixed penalty notices (all types) issued per 1,000 population (Status TBC in October)	▲ (2014) 35.3
The rate of fixed penalty notices (dog fouling) issued per 1,000 population (Status TBC in October)	▲ (2014) 0.47

IMPROVEMENT ACTIVITY

Review provision of Public Bins	GREEN
Review street cleaning activities	GREEN
Target problematic areas for environmental crime	GREEN
Anti-Dog Fouling Project	GREEN
Eyesore Sites Project	GREEN

OUTCOME 12

The housing market in Denbighshire will offer a range of types and forms of housing in sufficient quantity to meet the needs of individuals and families

SUMMARY

The overall position for this outcome is Orange: Acceptable. However, the current supply of social and affordable housing is considered a Priority for Improvement, as is the supply of housing land. The housing land supply data provided below is, however, is for 2012-13, pre-dating the adoption of the Local Development Plan (LDP). The LDP makes provision for 7500 new homes by 2021 and the land supply figure for 2013-14 will be significantly higher. The 2014 Joint Housing Land Availability Study is to be agreed and published by March 2015. In terms of the performance measures, the speed of determining householder planning applications within eight weeks is also a Priority for Improvement. The council recognises that speed needs to be balanced with quality, but accepts that further improvements should be made in this area. The council will also be looking at upfront work on planning applications (pre-application stage) to support the development and submission of higher quality applications.

[KEY](#)

INDICATORS

The current supply of social housing	▼ (2014) 9
The current supply of affordable housing, excl. social	▼ (2014) 7
The current supply of market housing	▲ (2014) 134
% additional affordable housing units provided	▲ (2014) 49
% additional affordable housing units granted planning permission (count)	▲ (2014) 18
% HMO with a full licence*	▲ (2014) 36
Supply of housing land by joint housing land availability study (provisional data)	▼ (2014) 1.7

PERFORMANCE MEASURES

% potentially homeless households with homelessness prevented	▼ (2014) 93
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% of core KPI benchmarked in HouseMark that are in the top quartile	▼ (2014) 41
The average number of calendar days taken to re-let empty properties (standard re-lets only)	▼ (2014) 34.42
% private sector dwellings returned to occupation	▼ (2014) 17.7
The number of potential homeless people assisted to find a home	▲ (2014) 30
The average number of calendar days taken to deliver a Disabled Facilities Grant	▼ (2014) 187
% householder planning applications determined within eight weeks	▲ (2014) 82
% council properties achieving Welsh Housing Quality Standard	▲ (2014) 99.76

IMPROVEMENT ACTIVITY

Single Access Route to Housing Project	YELLOW
HMO Licensing Scheme	ORANGE
Refurbishment in Conservation Area (Brighton Road, Rhyl)	GREEN
Refurbishment (Area Renewal Grants)	GREEN
Housing Renewal Projects in private sector housing and environmental enhancements	GREEN
Private sector bringing forward allocated Housing Sites	ORANGE
Financial Inclusion Strategy 2014-17	ORANGE
Satisfaction Survey: Homelessness & Housing Options Service	YELLOW
Arrangements for Move On accommodation from supported housing	GREEN
Redesign/restructure the Homelessness and Housing Option Service	ORANGE
Action Plan: Relationship with Private Rented Sector	YELLOW
Encourage the private sector to bring forward allocated housing sites	ORANGE
Agree common allocations policy with SARTH partners	YELLOW

Local Housing Strategy for 2013-18	ORANGE
Develop an Affordable Housing Programme for 2013/14	YELLOW
Revise the Supplementary Planning Guidance on Affordable Housing	YELLOW
Deliver energy efficiency initiatives in the private sector housing	GREEN
Introduce re-payable loans to allow home owners to improve conditions in the private housing stock	YELLOW

OUTCOME 13

Services will continue to develop and improve

SUMMARY

The overall position for this outcome is Yellow: Good, with most of the Indicators generating an Excellent status. Although the complaints-related indicator only achieves Acceptable status, there is low tolerance for deviation from 100%, and we are very close to the Acceptable threshold of 95%.

We have not been able to report on the percentage of Modernisation projects that have had a post-implementation review as no Modernisation projects are at this stage as yet.

We've reported the rate of complaints received by DCC per 10,000 population, but no Excellence or Intervention thresholds were set for this indicator. This is because we did not have access to enough comparable data, and we did not know whether comparable processes were being followed in other authorities. Hence, we could not account for the difference in volumes recorded, and could not establish what would be an excellent position. We will track the trend over time.

[KEY](#)

SURVEY INDICATORS

Residents' Survey, % satisfaction with:	
The council is efficient and well-run	▲ (2013) 40.8
The council acts on the concerns of residents	▼ (2013) 38.4

INDICATORS

% of projects expected to achieve their benefits	— (Q) 100
No. of statutory recommendations made by the Wales Audit Office	— (2014) 0

PERFORMANCE MEASURES

% of Outcome Agreement grant awarded to Denbighshire	— (2013) 100
% of complaints responded to within corporate	▼ (2014) 93.84

timescales	
% of eligible modernisation projects with a post-implementation review	(2014) N/A
Rate of complaints received by DCC per 10,000 population	(2014) 15.46

IMPROVEMENT ACTIVITY

Customer Feedback and Complaints	GREEN
Establish the Corporate Programme Office	GREEN
Resident's Survey	GREEN
Launch New Website	GREEN

OUTCOME 14

More flexible and effective workforce supported by cost efficient infrastructure

SUMMARY

The overall position for this outcome is Orange: Acceptable. Reducing running costs is a big challenge for the Council, but there are some significant projects underway to increase efficiency, and these are progressing well.

Of the exceptions, the percentage of people that feel they have the information and IT to work efficiently was initially gauged in 2013, and the survey will be repeated in 2015.

Although our levels of sickness absence remain a Priority for Improvement, the FTE average is down from 9 days, and there is work planned for 2014/15 to further address problem areas.

We are aware that our primary school portfolio emits a relatively high proportion of carbon, compared to the rest of Wales. This is because our electricity consumption in Primary Schools is higher than the Welsh average, and electricity substantially affects our carbon emissions. The Property section is aware of increased ICT equipment in schools, and is investigating ways of reducing consumption by installing switch off software for the computers when they are not being used. A number of schools under refurbishment are also having low energy lighting installed.

The average number of business miles recorded per FTE is 506, which is down from 557 in 2012/13 – a positive improvement. No Excellence threshold has been set for this indicator, but if there were to be a year-on-year increase the performance would become a Priority for Improvement.

The Council has changed the way that this it measures whether its workforce is flexible. Previously it was a count of the number of people that had mobile/remote access to Denbighshire's servers, but policy now states that to be mobile people need mobile server access, a laptop, and a mobile phone. Data is being developed, the original survey repeated, and full reporting will be possible from Q3 2014/15.

Although the percentage of 'key tasks' performed online is 7.43%, it should be noted that this is the average percentage for the year, but our new website was not launched until August 2013. The figure at Q4 was actually

13%, compared to 2% in Q1, so substantial progress had been made during the year.

KEY

SURVEY INDICATORS

Staff Survey, % of positive responses to:	
I know what is expected of me	(2013) 94.0
I have the skills to do my job effectively	(2013) 97.0
I can access the information & I.T. that I need to work efficiently	(2013) 82.0

INDICATORS

No. of working days/shifts lost to sickness absence per FTE	▲ (2014) 8.47
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PERFORMANCE MEASURES

% of performance appraisals due that were completed	▲ (2014) 96.0
Carbon emissions from Denbighshire's corporate office space (carbon kg/m ²)	▼ 50
Carbon emissions from Denbighshire's primary schools (carbon kg/m ²)	▼ 45
Carbon emissions from Denbighshire's secondary schools (carbon kg/m ²)	▼ 36
Corporate Office space occupied by DCC, m2	16,340
Average number of business miles recorded per FTE	▲ (2014) 506
% of mobile staff that have remote access to their work I.T. systems	N/A until Q3 2014/15
% of proposed savings through the Modernisation programme achieved	New (2014) 64.1%
% of 'Key Tasks' transactions undertaken online	▲ (2014) 7.43 (baseline)

IMPROVEMENT ACTIVITY

Printer Rationalisation Project	COMPLETE
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Defining Work Styles Project	YELLOW
E-Invoicing & Central Invoice Registration	GREEN
EDRMS	GREEN
Office Accommodation Review Implementation	GREEN
Audio/video conferencing implementation	GREEN
Automated payment kiosks in Ruthin and Prestatyn	COMPLETE
Website: Phase 2 - channel shift	GREEN

PROJECT REGISTER

CORPORATE PROJECT REGISTER SUMMARY

CORPORATE PROGRAMME: ECONOMIC & COMMUNITY AMBITION

Rhyl Harbour: Bridge, public square, quayside building and extended quay wall	YELLOW
Rhyl Harbour: Harbour Empowerment Order	ORANGE
Construction Procurement North Wales	GREEN

CORPORATE PROGRAMME: MODERNISATION

Electronic Document and Record Management System (EDRMs)	GREEN
Electronic Invoicing & Central Invoice Registration	GREEN

CORPORATE PROGRAMME: MODERNISING EDUCATION

Rhyl New School	YELLOW
Ysgol Y Llys - Extension, Remodel & Refurbishment	GREEN
Bodnant Community School Extension and Refurbishment	YELLOW
Ysgol Bro Dyfrdwy Area School: Extension & Refurbishment, Cynwyd Site	GREEN
Ruthin Area Primary School Review	New Project
Welsh Medium Primary's North Denbighshire - Ysgol Twm o'r Nant	YELLOW
Welsh Medium Provision - Ysgol Glan Clwyd Extension & Refurbishment	New Project

CORPORATE PROGRAMME: MODERNISING SOCIAL SERVICES & ENHANCING WELLBEING

Carer's Development	YELLOW
Single Point of Access	YELLOW
Vulnerable People Physical Activity	YELLOW

PROJECT REGISTER

ICT STRATEGY

Desktop Refresh	GREEN
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RHYL GOING FORWARD

West Rhyl Housing Improvement Project	YELLOW
The Honey Club, Rhyl	GREEN

SERVICE: ADULT & BUSINESS SERVICES

Review of Day Services Provision for Older People (North)	GREEN
Financial Inclusion Project	YELLOW

SERVICE: BUSINESS IMPROVEMENT & MODERNISATION

Business Continuity Plan	GREEN
Denbighshire's T&CC Devolution and Empowerment project	GREEN

SERVICE: CHILDREN & FAMILY SERVICES

PARIS - Children's Financials	GREEN
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SERVICE: CUSTOMERS & EDUCATION SUPPORT

Income Management, Cash Receipts	GREEN
Capita Regional MIS	ORANGE

SERVICE: FINANCE & ASSETS

Office Accommodation Review	GREEN
FCC and DCC Joint Strategic Procurement Service	YELLOW
PROACTIS eSourcing Rollout	ORANGE

SERVICE: HIGHWAYS & ENVIRONMENTAL SERVICES

Residual Waste (North Wales Collaboration)	GREEN
North Wales Cycling Sustainable Activity Tourism Centre of Excellence	YELLOW
H&I Street Lighting HiLight Implementation	GREEN
Merged Highways and Environmental Services	GREEN

PROJECT REGISTER

Department	
Loggerheads Traffic Congestion Initiative	YELLOW
Foryd Harbour Blue Bridge Concrete Repairs	GREEN
Corwen Flood Risk Management Scheme	GREEN
Denbighshire Local Flood Risk Management Strategy	GREEN

SERVICE: HOUSING & COMMUNITY DEVELOPMENT

Excellent Housing	YELLOW
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SERVICE: PLANNING & PUBLIC PROTECTION

Former North Wales Hospital Denbigh	YELLOW
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OUTCOME AGREEMENT

The council, like all councils in Wales, has developed a set of five Outcome Agreements with the Welsh Government. The Outcome Agreements set out how we will work towards improving outcomes for local people within the context of the Welsh Government's national priorities. The amount of grant that is awarded is judged according to two components:

1. Standards of corporate governance, as reported by the Auditor General for Wales (worth 30%).
2. Outcomes achieved (worth 70% of the available grant).

There are no statutory recommendations by the Wales Audit Office that apply to Denbighshire, nor is the authority under any statutory intervention. We are therefore expecting full payment of the corporate governance element (30%).

Our self-assessment for 'outcomes achieved' currently suggests the potential for the maximum loss of four points due to some missed targets. However, this was largely due to reasons outside of the council's control, and our assessment to the Welsh Government strongly argues this.

Provisional Overall Score	Self-Assessment
6 out of 10	Acceptable

We expect to receive confirmation shortly of the Welsh Government's assessment, but we remain confident of securing the 8 points required for the full Outcome Agreement grant for 2013/14.

Outcome	Self-Assessment	Provisional Score
1. Growth and sustainable jobs: Improving our infrastructure	Partially successful	1 out of 2
2. Education: Improving school attainment	Partially successful	1 out of 2
3. 21st century health care: Ensuring people receive the help they need to live fulfilled lives	Partially successful	1 out of 2
4. Welsh homes / Supporting People: Improving quality and increasing the supply and choice of housing	Partially successful	1 out of 2
5. Tackling poverty: Poverty and material deprivation	Fully successful	2 out of 2

NATIONAL STRATEGIC INDICATORS

Denbighshire's performance in the statutory indicators is excellent, with 16 in the top quartile (which is more than any other council in Wales).

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NSI	Code	Denbighshire	Quartile	Improvement
1	SCA/019 - Adult Protection Referrals - risk managed (%)	100.00	1	↑
2	SCC/004 - Looked after children with 3 or more placements (%)	10.37	3	↓
3	SCC/041a - Eligible, relevant and former relevant children with pathway plans (%)	90.91	3	↓
4	SCC/011b - Children seen alone by a social worker at initial assessment (%)	52.55	2	↓
5	SCA/001 - Delayed transfers of care, per 1,000 population 75+	0.54	1	↑
6	*SCA/002a - Older people helped to live at home, per 1,000 population 65+	50.34	4	↓
6	SCA/002b - Older people in care homes, per 1,000 population 65+	20.85	3	↑
7	SCC/002 - Looked after children changing school (%)	8.08	1	↓
8	SCC/037 - Average qualification points score for looked after children	163.86	4	↓
9	SCC/033(d) - Former looked after children in contact with the authority at 19 (%)	100.00	1	↔
9	SCC/033(e) - Former looked after children in suitable accommodation at 19 (%)	93.75	2	↑
9	SCC/033(f) - Former looked after children in education, training or employment at 19 (%)	81.25	1	↑
10	**HHA/013 - Homeless prevention (%)	92.98	N/A	↓
11	PSR/002 - Delivering Disabled Facility Grants (average days)	186.86	1	↓

NATIONAL STRATEGIC INDICATORS

12	PLA/006(b) - Additional affordable housing units provided (%)	49.19	1	↑
13	PSR/004 - Vacant private dwellings returned to occupation (%)	17.74	1	↓
14	EDU/003 - Pupils achieving the KS2 CSI (%)	85.97	2	↑
15	EDU/006ii - Pupils receiving a Welsh teacher assessment in Welsh at KS3 (%)	19.94	1	↑
16	EDU/017 - Pupils achieving Level 2 threshold including a GCSE grade A*-C in English or Welsh (1st language) and maths (%)	53.43	3	↓
17	EDU/002i - School leavers with no qualifications (%)	0.24	3	↑
17	EDU/002ii - Looked after school leavers with no qualifications (%)	0.00	1	↔
18	EDU/011 - Average qualification points score	553.24	1	↑
19	EDU/015a - SEN statements issued in 26 wks (inc. exceptions) (%)	100.00	1	↔
19	EDU/015b - SEN statements issued in 26 wks (exc. exceptions) (%)	100.00	1	↔
20	WMT/009(b) - Local Authority collected municipal waste prepared for reuse, recycling and composting (%)	63.21	1	↑
21	WMT/004(b) - Waste sent to landfill (%)	27.24	1	↑
22	STS/006 - Fly tipping incidents cleared within 5 working days (%)	94.88	4	↑
23	THS/007 - Concessionary bus pass holders aged 60+ (%)	80.76	3	↓
24	LCS/002(b) - Visits to sports facilities per 1,000 population	6712.97	4	↑
25	LCL/001(b) - Library use, per 1,000 population	7827.37	1	↑

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* SCA/002a does not take into account Denbighshire's ambition to meet people's need through reablement and community services rather than managed care. Good performance should be low in this indicator. In that case, Denbighshire's performance for 2013/14 has improved and is in the upper quartile.

**Reference to comparative information for HHA/013 has been removed, which is in line with Welsh Government's approach. This indicator should not be compared between local authorities due to doubts about the consistency of data provided.

EXTERNAL REGULATION AND INSPECTION WORK

Like all councils in Wales, our work is scrutinised by external regulators to ensure that we use public money efficiently and effectively to deliver benefits for our communities. The Wales Audit Office (WAO) has an annual programme of audit and assessment work which it undertakes in the council, and the conclusions from all this work are brought together in an Annual Improvement Report. Other regulators undertake further work relating to specific service areas, and the main ones are Her Majesty's Inspectorate for Education and Training in Wales (Estyn), and the Care and Social Services Inspectorate for Wales (CSSIW). A summary of the main conclusions from recent external audit and assessment work is provided below. Please note that there has not been an Estyn inspection of the authority in 2013/14.

WALES AUDIT OFFICE

Each year, the Wales Audit Office reports on how well each council is planning for improvement and delivering their services. The latest Annual Improvement Report for Denbighshire was issued in May 2013, and contained no new recommendations for improvement. Overall, the report concluded that the council made good progress in delivering its improvement programme, however, further improvements were required in a few key services. The council's service performance challenge reviews and other measures to self-evaluate performance are robust; and planning for improvement and arrangements to support improvement are good. The council is likely to make arrangements to secure continuous improvement for 2014-15. The report also contained the following conclusions:

1. The council made good progress in delivering improvements in all of its priority objectives but further improvements are required in a few key services. This conclusion was reached because:
 - The council worked effectively with its business partners to deliver initiatives that support the local economy.
 - The Council has made some progress in improving performance in education, but recognises that further progress is required at key stage 3.
 - The condition of most roads in Denbighshire has improved.
 - The council continues to improve the wellbeing of its most vulnerable citizens.
 - The council has worked effectively to keep Denbighshire's environment attractive, but further work is required to reduce incidents of fly-tipping and improve resident satisfaction.

- The council has helped prevent many people from becoming homeless, but its work to ensure access to affordable housing was less effective.
 - The council has delivered some efficiencies in modernising services, but there has been a lack of progress by the Human Resources service in meeting targets.
2. The council's service performance challenge reviews and other measures to self- evaluate its performance are robust. In particular:
- The council's service performance challenge arrangements are good.
 - The council's performance management arrangements are soundly based.
 - The council has met improvement reporting duties required under the Measure.
 - The council complied with financial reporting requirements.
3. Finally, the council's planning for improvement and its arrangements to support improvement are good. In particular:
- The use of performance standards helps to promote a consistent culture of ambition.
 - The council continues to make good progress in addressing the proposals for improvement identified in the previous Annual Improvement Report.
 - Corporate arrangements are in place to ensure compliance with the council's Welsh Language Scheme;
 - The council has complied with its duties under the Equality Act 2010.
 - Processes for developing the Annual Governance Statement have improved, and the council is taking further action.
 - The council continues to manage its financial position effectively.

PROPOSALS FOR IMPROVEMENT

1. In order to achieve its objective to modernise services the Council should continue its work to address weaknesses in its Corporate Human Resource Service.

Issues with the Council's Human Resource service are acknowledged, as demonstrated by its presence on the Corporate Risk Register. A HR Improvement Plan is being implemented. So far guidance has been developed for annual leave, the performance appraisal system has been reviewed, and Vision Time changes are being worked on, in

accordance with the plan. A strategy for ensuring leadership development is also in development.

2. The Council should ensure that roles and responsibilities are clear for the achievement of the affordable housing objective.

In response to achieving the affordable housing objective, the council has established a Task and Finish Steering Group to consider the supply of Affordable Housing in all its forms, which shall be reported through to Cabinet in February 2015. The recommendations from this steering group will then inform feedback on improvements to the delivery of affordable housing, the definitions, statistics collected and who they are reported to within Welsh Government to make reporting arrangements leaner and smarter.

CARE AND SOCIAL SERVICES INSPECTORATE WALES (CSSIW)

An annual review of Council Social Services performance is undertaken by the Care and Social Services Inspectorate for Wales (CSSIW). The CSSIW annual report provides an overall evaluation of performance and identifies areas of progress and areas for development. The most recent CSSIW report about Denbighshire was published in October 2013, and it contained the following overall conclusions:

1. The council continues to work with an ambitious programme of modernisation, which aims to restructure and shape services and the expectations of citizens. There is evidence of continued progress despite a challenging environment. There is continued strong leadership at departmental and corporate level with effective working relationships with the Lead Member. The use of the Service Performance Challenge approach gives an additional level of internal scrutiny. The director's report provides a coherent narrative that places the council's performance in the context of the modernisation programme, and challenging financial and demographic environments. The modernisation programme is being delivered in the context of achieving efficiency savings and the services are delivering a balanced budget. Both service areas are using savings to "pump prime" further service developments. The Wales Audit Office indicates that the council has ambitious but deliverable plans with effective medium term financial planning.
2. Within Adult Services the evidence indicates that the council's emphasis on early intervention, prevention and reablement has meant that there are fewer people being supported in residential care, and that more

people are able to lead independent lives. Where people do need ongoing support, this is increasingly being provided without recourse to statutory services and within people's own communities. Many people are benefiting from short-term support packages to re-establish their independence and are not requiring any ongoing services. The council recognises that the provision of support to carers needs to improve and there are strategies in place to achieve this. There are some issues, however, in ensuring timely engagement, decision making and action at a strategic level with the local health board. Whilst acknowledging this, the council reports that the commitment to achieving more effective engagement within the Betsi Cadwaladr University Health Board (BCUHB) remains high.

3. In Children's Services Performance against a significant range of national indicators remains amongst the best in Wales. The council provides an effective response to incoming referrals and performs well in fulfilling its responsibilities in relation to children in need and child protection. The council has recognised the need to improve services to young carers and care leavers, and has taken action to achieve this. While the council has maintained and improved performance in a number of indicators relating to Looked After Children we noted that across a number of key indicators performance has deteriorated. This is an area that would benefit from further analysis by the council to understand the reasons underlying the change in performance and to identify what action is required to achieve improvement.
4. CSSIW identified the following potential risks:
 - Continuing ability to influence locality focused strategic planning with the BCUHB.
 - Achieving a smooth succession when the current director retires next year.
5. Overall, there has been a good response to the areas of improvement identified in last year's report. The council has achieved improvement in:
 - Consultation with children and their families in service development and review.
 - Development of commissioning strategies, although not yet fully implemented in practice.

- Improvement in the numbers of core assessments achieved within the required timescale.
 - Increased co-ordination of family support services.
 - Timely reviews of care plans for adults.
 - Improved focus on care leavers and their needs.
 - Improved numbers of annual performance appraisals for staff.
6. In some areas the council has not yet evidenced that they've fully achieved the progress expected. In particular:
- Staff sickness absence which remains high.
 - Improved consistency in the provision of support to families following de-registration from the child protection register.

Where necessary, these matters will remain a focus for CSSIW during the coming year.

7. Finally, CSSIW identified the following areas of good practice:
- Robust internal scrutiny of performance, including "service challenges".
 - Collaborative working with other council departments.
 - Training and supporting service users to provide dignity in care training.
 - Short-listing of volunteers and staff for national awards.
 - Development of market position statements to engage independent and third sector social care organisations in shaping services.

Cynllun Gwaith i'r Dyfodol y Cyngor Sir

Cyfarfod	Eitem (disgrifiad / teitl)	Pwrpas yr adroddiad	Angen penderfyniad gan y Cyngor (oes/nac oes)	Awdur – Aelod arweiniol a swyddog cyswllt
Briffio Cyngor 13 Hydref 2014	GWEITHDY CYLLIDEB			
Briffio Cyngor 20 Hydref 2014	GWEITHDY CYLLIDEB			
4 Tachwedd 2014	Cynllun Lles Sir Ddinbych 2014-2017 (Cynllun Integredig Sengl)	Cefnogi Cynllun Lles Sir Ddinbych (Ail Gynllun Integredig Sengl Sir Ddinbych yn barod ar gyfer ei gyhoeddi ym mis Rhagfyr 2014	Oes	Aelod Arweiniol – Cyng Hugh Evans Liz Grieve, Rheolwr Tîm Partneriaethau a Chymunedau
Briffio Cyngor 17 Tachwedd 2014	1 Rhaglen Moderneiddio'r Gwasanaethau Cymdeithasol a Gwella Lles ar gyfer Pobl a Grwpiau Diamddiffyn	Ystyried briffio	Amh	Cyng Bobby Feeley / Steph O'Donnell

Cynllun Gwaith i'r Dyfodol y Cyngor Sir

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	2.	Polisi Gwirfoddoli (bydd adroddiad ysgrifenedig yn cael ei baratoi)	Cyflwyno polisi gwirfoddoli'r Cyngor i'r Aelodau, a manteision y polisi i'r unigolion sy'n gwirfoddoli ac i'r Cyngor	Nac oes	Cyng. Hugh Irving/Liz Grieve/David Davies
	3	Plant dan ofal	Trosolwg plant dan ofal yn y sir a'r canlyniadau cysylltiedig.	Amh	Cyng Bobby Feeley / Liz Griffin / Rhian Morrle
9 Rhagfyr 2014	1	Cymeradwyo Rheolau Trefn Contractau	Cyflwyno'r Rheolau Trefn Contractau diwygiedig i'w cymeradwyo	Oes	Cyng Julian Thompson-Hill / Paul McGrady / Gary Williams
Briffio Cyngor 12 Rhagfyr 2014		GWEITHDY CYLLIDEB			
Briffio Cyngor 19 Ionawr 2015	1				
3 Chwefror 2015	1	Datganiad Strategaeth Rheoli Trysorlys 2015/2016	Cymeradwyo'r Datganiad Strategaeth Rheoli Trysorlys 2015/2016	Oes	Cyng Julian Thompson-Hill/ Paul McGrady / Richard Weigh I'w ychwanegu

Cynllun Gwaith i'r Dyfodol y Cyngor Sir

					fel adroddiad blynyddol bob mis Chwefror.
	2	Sefydlu Treth y Cyngor	Sefydlu lefel Treth y Cyngor ar gyfer 2015/16	Oes	Cyng. Julian Thompson-Hill/Paul McGrady/Richard Weigh
	3	Cyllideb 2015/16	Sefydlu'r Gyllideb Refeniw ar gyfer 2015/16	Oes	Cyng. Julian Thompson-Hill/Paul McGrady/Richard Weigh
	4	Strategaeth Tai Lleol	Cytuno ar y Strategaeth Tai Lleol	Oes	Cyng Hugh Irving / Peter McHugh / Sue Lewis
	5	Hunan Ariannu'r Cyfrif Refeniw Tai	Ystyried adroddiad ar y Cyfrif Refeniw Tai	I'w gadarnhau	Cyng Hugh Irving / Peter McHugh
24 Chwefror 2014	1.	Cynllun Cyfalaf 2015/16	Cymeradwyo Cynllun Cyfalaf y Cyngor ar gyfer 2015/16	Oes	Cyng. Julian Thompson-Hill/Paul McGrady/Richard Weigh
Briffio Cyngor 16 Mawrth 2015					

Cynllun Gwaith i'r Dyfodol y Cyngor Sir

14 Ebrill 2015					
12 Mai 2015 Cyfarfod Blynyddol	1.	Adroddiad Blynyddol Pwyllgor Archwilio'r Cyngor	Ystyried yr adroddiad blynyddol ar weithgareddau'r pwyllgor archwilio	Nac oes	Cadeiryddion Archwilio ac Is-grŵp/Steve Price/Rhian Evans

Nodyn i swyddogion – Dyddiadau Terfyn Adroddiadau Cyngor Llawn

<i>Cyfarfod</i>	<i>Dyddiad Terfyn</i>	<i>Cyfarfod</i>	<i>Dyddiad Terfyn</i>	<i>Cyfarfod</i>	<i>Dyddiad Terfyn</i>
<i>Medi</i>	26 Awst	<i>Hydref</i>	23 Medi	<i>Tachwedd</i>	21 Hydref

Rhaglen Waith y Cyngor.doc