

COUNTY COUNCIL

Minutes of a meeting of the County Council held in Council Chamber, County Hall, Ruthin LL15 1YN on Tuesday, 7 October 2014 at 10.00 am.

PRESENT

Councillors Raymond Bartley, Brian Blakeley (Chair), Joan Butterfield, Jeanette Chamberlain-Jones, Bill Cowie, Ann Davies, James Davies, Meirick Davies, Richard Davies, Stuart Davies, Hugh Evans, Peter Evans, Bobby Feeley, Carys Guy, Huw Hilditch-Roberts, Martyn Holland, Colin Hughes, Hugh Irving, Alice Jones, Huw Jones, Pat Jones, Gwyneth Kensler (Vice-Chair), Geraint Lloyd-Williams, Jason McLellan, Barry Mellor, Bob Murray, Peter Owen, Merfyn Parry, Paul Penlington, Arwel Roberts, Gareth Sandilands, David Simmons, Barbara Smith, David Smith, Bill Tasker, Julian Thompson-Hill, Joe Welch, Cefyn Williams and Eryl Williams

ALSO PRESENT

Chief Executive (MM), Corporate Director: Economic and Community Ambition (RM), Corporate Director: Social; Services (NS), Head of Legal and Democratic Services and Monitoring Officer (RGW), Head of Communication, Marketing and Leisure (JG), Head of Finance and Assets (PM), Head of Business, Improvement and Modernisation (AS), Democratic Services Manager (SP) and Committee Administrator (CIW).

1 APOLOGIES

Apologies for absence were received from Councillors Ian Armstrong, Rhys Hughes, Margaret McCarroll, Win Mullen-James, Dewi Owens, Cheryl Williams and Huw Williams.

2 DECLARATIONS OF INTEREST

No Members declared any personal or prejudicial interests in any business identified to be considered at the meeting.

3 URGENT MATTERS AS AGREED BY THE CHAIR

No items were raised which in the opinion of the Chair, should be considered at the meeting as a matter of urgency pursuant to Section 100B(4) of the Local Government Act, 1972.

4 CHAIRMAN'S DIARY

A list of civic engagements undertaken for the Council by the Chair and Vice Chair, for the period the 7th September, 2014 to 28th September, 2014 had been circulated with the papers for the meeting.

RESOLVED – that the list of civic engagements undertaken for the Council by the Chair and Vice Chair be received.

5 MINUTES

The minutes of the Council meeting held on the 9th September, 2014 were submitted.

Accuracy:-

6. North Wales Fire and Rescue Authority – Councillor S.A. Davies explained that he had expressed concerns regarding the possibility of having to justify the proposed cuts implemented by the North Wales Fire and Rescue Authority.

Matters arising:-

9. Reforming Local Government – The HLDS responded to a request from Councillor M.LI. Davies and confirmed that voting details could be recorded in the minutes.

12. Budget 2015/16 – 2016/17 – Councillor H. Hilditch–Roberts expressed the view that the style of minutes currently adopted did not always fully reflect individual Members contribution to the discussions which had taken place.

RESOLVED – *that, subject to the above, the minutes of the Council meeting held on the 9th September, 2014 be confirmed as a correct record.*

6 NOVA CENTRE REDEVELOPMENT

A copy of a report by the Head of Communication, Marketing and Leisure (HCML), which sought a decision by Council to approve the recommendation of the Strategic Investment Group to proceed with the redevelopment of the Nova Centre, Prestatyn, had been circulated prior to the meeting. The Chair welcomed representatives of Alliance Leisure Services (ALS) to the meeting.

With the aid of a PowerPoint presentation the HCML introduced the report. He explained that Cabinet had in January, 2014 considered the findings of a due diligence review into Clwyd Leisure Ltd (CLL), and concluded that it would be too great a risk to take over the company. It was decided to cease funding CLL from the 1st April, 2014, due to concerns over the quality and level of service provision, and CLL subsequently ceased trading with immediate effect.

A report to Cabinet in March, 2014 outlined 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 further. Cabinet agreed to recommend that the Nova Centre remained closed pending agreement of the ALS redevelopment proposals in May, 2014.

A feasibility exercise and outline business case for the proposed redevelopment of the Centre had been commissioned for consideration by the Strategic Investment

Group (SIG), and details of the process had been provided. A feasibility and outline business case was presented to the SIG and Cabinet in June, 2014 to secure funding to take the project forward to detailed design. Progression to the next stage, and the awarding of 108k for the detailed design stages in order to establish cost certainty for the project, had been approved. ALS in partnership with Denbighshire completed all detailed surveys and provided the SIG with detailed costs based on a mix of facilities, as agreed in the original feasibility brief, Appendix 1. Members were informed that the facility would be self-sufficient by servicing its own energy costs.

Detailed surveys identified issues which needed to be resolved to ensure the long term sustainability of the building for the term of the business case, based on known income potential, and the Councils financial commitment. Mechanical and electrical plant required replacing, and a roofing survey identified a host of issues. The increase in costs from outline to detail design stage represented a 15% increase in overall development costs. This would be containable within the overall envelope of affordability over the business case term.

It was explained that the development was a major strand of the Council's vision for an improved leisure and tourism offer along the coast, as set out in the Economic Ambition Strategy. The BIG Plan 2011–2014 aimed to achieve a number of outcomes, particularly the desire for people in Denbighshire to have healthy lifestyles.

The costs pre-detailed design had been approximately £3.6 million. The revised costs, due to the roofing and M&E requirements, had increased to £4,217,001. Officers and the AL project team had been through a vigorous 'value engineering process' reviewing the costs and specification to reduce the costs without compromising the whole development. The original business case identified a total of £256,311 to service the overall borrowing required for the development. Due to an increase in capital required for the development, the prudential borrowing costs had increased to an annualised payment of £284,680, representing a total increase of £28,369 per annum. This was confined within the affordability of the project and been fully considered and scrutinised by both the SIG and Coastal Facilities Board. The HCML confirmed that the project was now at cost certainty and pending any requested changes to the scheme risks would be borne by ALS.

A budget forecast had been included in Appendix 2, with a financial commentary in Appendix 3, and a full financial statement from our Finance and Assurance Manager in Appendix 4. The budget forecast indicated an operating loss in year 1 of £68,223, a loss of £6,447 in year 2, and by year 3 a surplus of £11,785. The Centre would have made a £23,440 operational loss over a five year period, over and above the resources available for the running of the facility, however this assumed only realising just over 70% of the overall latent demand.

In the event of the development not proceeding the building was likely to remain in its current condition until further options were explored, and the Centre would cost approximately £71,000 per year to maintain whilst closed. This would take into account NNDR, security, repairs and maintenance, as set out in the options in Appendix 5, page 6 of the business case. If the property was left in this condition

permanently it would cost approximately £355,000 over the next five years. Demolition costs were estimated at approximately £1M, and a detailed summary had been included.

In reply to questions from Members, it was explained that the business case, Appendix 5, had been scrutinised and approved by the SIG investment group and they had sufficient confidence to recommend to Council that the development of the Nova Centre proceed. Prestatyn Town Council, the Coastal Board and Prestatyn Member Area Group had been consulted throughout the development stages. Members expressed their appreciation regarding the depth of the consultation process undertaken. The Equality Impact Assessment had been attached as Appendix 6.

If approved the construction cost of the scheme would be fixed, as set out in the development partner framework. Any deviations from the agreed capital sum would be borne by ALS, unless costs were as a consequence of any additional request that was over and above the agreed scope of works. It was confirmed that options had been discussed with the SIG, and on the basis of how the risk would be managed, they had agreed to recommend for development, pending Council approval.

Councillor H.LI. Jones complimented the work undertaken with ALS. He explained that the Nova Centre project would be the second of three projects which included the recently completed Bowls Centre, Prestatyn, and the Sun Centre, Rhyl. Councillor H.H. Evans referred to the in depth scrutiny process undertaken in progressing the project, which had considered every possible aspect of the scheme. He felt that Denbighshire had led the way in Wales by promoting the provision of leisure services, which in turn could relieve pressure on the Health Service.

Reference was made by Councillor C.H. Williams to the possible loss of the school playing field at Ysgol Gynradd Llandrillo. The HCML informed Members that in terms of small villages and rural areas benefiting from investment, the leisure strategy had been clear. He explained that due to population figures and the difficulty of increasing commercial viability, some areas of the County would need to be funded by areas of the service where expectations had been exceeded.

During the ensuing discussion the HCML provided the following responses to questions submitted, and issues raised by Members:-

- The Ffrith Beach Fun Park lease holder would be included in the discussions relating to the development of the Nova Centre, and the future development of the land between the Ffrith and the Bowls Centre.
- Reference was made to the potential increase in employment in the area, and the boost to the local economy and tourism industry across the coastal area.
- Details were provided regarding the construction timescales.
- The importance of leisure services to the Social Care Agenda was highlight
- With regard to the provision of a water slide at the Nova Centre, it was explained that during the appraisal of the leisure offer and consideration of the mix of facilities along the coastal area, it had been agreed that the fun aquatics element in terms of

leisure waters would be better located in Rhyl, with the facility in Prestatyn focusing more on formal waters.

-The HCML provided details of the framework and contract with ALS. He confirmed that Denbighshire had benefited from a professional framework of services which inform the Council of the services available and market demands.

- An outline of the proposed concessions relating to the retail units was provided by the HCML. He explained that the aim had been to market the Nova Centre as a destination for visitors to Prestatyn and the coastal area. It was confirmed that determining the best possible option in respect of the food and beverage offer, through the restaurant facility, would be critical to the success of the Centre.

- A bilingual service had not previously been provided as the facility had been operated by an arms-length independent company. However, future provision had been addressed. The HCML confirmed that where possible Welsh speaking staff would be employed, but the requirement to appoint accredited staff did provide restrictions.

- In response to a request from Members, the HCML confirmed that an annual evaluation on the progress of the Nova Centre, against the Improvement Plan set for the Leisure Strategy, could be provided.

- Members were informed that it had been set within the framework of the contract that ALS utilise local labour and suppliers where possible.

-The HCML provided details of the flood and storm protection measures for the building, which included improvements to the promenade and sea defense wall.

The Chair and Members thanked the HCML, his staff and ALS for the excellent work undertaken in respect of the project during the limited timescales.

Following further discussion, and on being put to the vote the recommendation in the report was agreed:-

38 votes for and 1 abstention.

RESOLVED – that Council approves the £4.217M refurbishment of the Prestatyn Nova Centre.

7 2013/14 ANNUAL PERFORMANCE REVIEW

A copy of a report by the Corporate Programme Manager (CPM), on the Council's Annual Performance Review for 2013/14, had been circulated prior to the meeting.

Councillor B.A. Smith and the Head of Business, Improvement and Modernisation (AS) introduced the report. It was explained that the Council were required to publish an annual report of its performance by 31st October, and a decision was required to approve the draft 2013-14 Annual Performance Review, Appendix I.

The Council's Corporate Plan 2012-17 set the strategic direction for the Council and its priorities for the five-year period. Details of the Council's intention to deliver the priorities had been set out in Annual Service Plans and the Corporate Plan Annual Delivery Document, and a set of Outcome Agreements with the Welsh Government.

The Annual Performance Report provided a retrospective evaluation of the Council's success in delivering against these Plans during 2013-14, and showed whether the Council had successfully fulfilled its obligation to make arrangements to secure continuous improvement.

The Corporate Improvement Team had developed the report in consultation with other Council services. Performance information had been provided by services, and drawn from the Verto Performance Management System. Consultation had taken place with the SLT, Cabinet and the Performance Scrutiny Committee prior to being submitted to County Council for approval.

The risk of significantly negative reports from external regulators had been identified on the Corporate Risk Register. Failure to publish the Annual Review by the 31st October deadline would be likely to result in statutory recommendations from the Wales Audit Office, with significant implications for the Council's reputation.

The Corporate Plan and the Annual Performance Review were key elements of the Wales Programme for Improvement (2010), which was underpinned by the statutory requirements of the Local Government Act 1999 and Local Government (Wales) Measure 2009.

Councillor E.A. Jones referred to the Bodelwyddan Key Strategic Site and sought an assurance that the allocation of 26 hectares of employment land would be utilised for employment purposes, and not land banked or used for housing at a future date. Councillor B.A. Smith explained that the land in question had been designated as employment land in the LDP, which had been adopted by Council, and any change would require Council approval.

Councillor H.H. Evans confirmed that discussions were ongoing between officers and developers pending the submission of a Planning Application in respect of the Bodelwyddan site. He explained that funding from the Ambition Board, whose priority had been to focus on employment sites, had been allocated to investigate key areas across the County. Councillor E.W. Williams suggested the issue of employment land could be a matter for consideration by the LDP Action Group.

The Chief Executive explained that the employment land at Bodelwyddan had been clearly set out in the LDP, and would be identified in the respective Planning Application. However, he suggested that the issue of employment land, and the respective work being undertaken, could be a matter for consideration by Scrutiny.

Reference was made by the Chief Executive to Council Briefing, where it had been intimated that the Denbighshire would remain committed to delivering the Corporate Plan, and this would be progressed if confirmed. He explained that Council were being requested to receive and endorse the 2013/14 Annual Performance Review, which had previously been considered by Scrutiny. Members were informed that performance would be affected by budget related decisions, and these would require mapping against performance issues. Members were assured that areas experiencing a reduction in performance levels, as a result of budget cuts, would be

clearly identified, and the Improvement Plan would be reviewed to reflect such decisions.

In reply to a question from Councillor J.A. Davies, it was confirmed by Councillor B.A. Smith that the provision of dropped kerbs had been identified as a priority in the Corporate Plan, for implementation over a five year period. Councillor D.I. Smith explained that a survey relating to dropped kerbs was being undertaken and the outcome would be reported to the respective Member Area Groups.

Councillor H.H. Evans referred to the Transport Infrastructure and confirmed that aspects of the Economic and Community Ambition had been withdrawn due to a lack of resources, with the focus now being on areas of impact. He explained that TAIH had been centralised and decisions pertaining to infrastructure development were now a matter for Welsh Government.

The Head of Business, Improvement and Modernisation agreed to review the accuracy of abbreviations used in the Welsh version of the Annual Performance Review document.

Following further discussion, and on being put to the vote, the recommendation in the report was agreed:-

34 votes for and 1 against.

RESOLVED – that Council approve the draft 2013-14 Annual Performance Review to enable translation and publication before 31st October 2014.

8 COUNTY COUNCIL FORWARD WORK PROGRAMME

The Committee confirmed the County Council Forward Work Programme subject to the inclusion of the following reports:-

The HLDS informed Council that an updated copy of the Forward Work Programme had been circulated to Members. He confirmed that Budget Workshops would be held on the 8th, 13th and 20th October, with a reserve date on the 27th October, 2014. He explained that on the 9th December, 2014 Council would consider reports on the Budget, County Hall PFI Agreement and Review on the Polling Districts and Places.

Councillor J. Thompson-Hill explained that the Council Tax Setting, scheduled for the 3rd February, 2015, would be presented to the meeting on the 24th February, 2015.

In response to concern raised by Councillor H. Hilditch-Roberts regarding the need for a coherent policy regarding the communication of information relating to the budget process, the Chief Executive explained that this matter could be discussed at the Budget Workshop meetings.

Councillor R.L. Feeley responded to a question from Councillor J.A. Davies and explained that regular meetings were held between Denbighshire and the Health Board. She confirmed that a date would be sought for the Chief Executive of the Health Board to address Council. Councillor J. Chamberlain-Jones confirmed that Health Board would be attending the next meeting of the Partnerships Scrutiny Committee to provide responses to issues raised by Members.

Councillor J. Butterfield requested that a business item be included in the Forward Work Programme to provide regular updates on the proposed voluntary merger of Denbighshire and Conwy Council's. The HLDS explained that arrangements were being made to convene a special meeting of Council in November, 2014 to discuss the proposed merger, prior to the date for the expression of interest.

In reply to concerns raised by Councillor E.W. Williams that the number of votes recorded on the electronic voting system did not always correspond with the number of Councillors present, the HLDS confirmed that the voting system was checked prior to the commencement of each meeting.

RESOLVED – *that, subject to the above, the Council Forward Work Programme be approved and noted.*

Meeting ended at 12.40 p.m.