

At: Aelodau'r Cyngor Sir

Dyddiad: 18 Chwefror 2015

Rhif Union: 01824712589

ebost: dcc\_admin@denbighshire.gov.uk

Annwyl Gyngorydd

Fe'ch gwahoddir i fynychu cyfarfod y **CYNGOR SIR, DYDD MAWRTH, 24 CHWFROR 2015 am 10.00 am yn SIAMBR Y CYNGOR, NEUADD Y SIR, RHUTHUN LL15 1YN.**

Yn gywir iawn

G Williams

Pennaeth Gwasanaethau Cyfreithiol, AD a Democraidaidd

## **AGENDA**

### **RHAN 1 – GWAHODDIR Y WASG A'R CYHOEDD I FOD YN BRESENNOL AR GYFER Y RHAN HON O'R CYFARFOD**

#### **1 YMDDIHEURIADAU**

#### **2 DATGAN CYSYLLTIAD** (Tudalennau 5 - 6)

Dylai'r Aelodau ddatgan unrhyw gysylltiad 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 COFNODION** (Tudalennau 7 - 12)

Derbyn cofnodion cyfarfod y Cyngor Sir a gynhaliwyd 3 Chwefror 2015 (copi ynghlwm).

#### **5 TRETH Y CYNGOR 2015/16 A MATERION CYSYLLTIEDIG** (Tudalennau 13 - 24)

I ystyried adroddiad ar y cyd gan y Pennaeth Cyllid ac Asedau a'r Pennaeth Refeniw a Budd-daliadau (copi'n amgaeedig), yn ceisio cymeradwyaeth ar gyfer y penderfyniadau angenrheidiol er mwyn gosod y lefelau Treth y Cyngor ar gyfer 2015/16.

**6 CYNLLUN CYFALAF 2014/15 - 2017/18 AC ARGYMHELLION Y GRŴP BUDDSODDI STRATEGOL** (Tudalennau 25 - 54)

I ystyried adroddiad gan y Pennaeth Cyllid ac Asedau (copi'n amgaeedig) yn diweddarau'r aelodau ar elfen 2014/15 y Cynllun Cyfalaf, a gofyn am gymeradwyaeth y prosiectau a nodwyd i'w cynnwys yn y Cynllun Cyfalaf.

**7 DATGANIAD STRATEGAETH RHEOLI'R TRYSORLYS 2015/16 A DANGOSYDDION DARBODUS 2015/16 I 2017/18 AC ADRODDIAD DIWEDDARIAD RHEOLI'R TRYSORLYS** (Tudalennau 55 - 86)

Ystyried adroddiad gan y Pennaeth Cyllid ac Asedau (copi'n amgaeedig) i gymeradwyo Datganiad Strategaeth Rheoli'r Trysorlys 2015/16 a gosod Dangosyddion Darbodus 2015/16, 2016/17 a 2017/18, ac i nodi adroddiad diweddarau Rheoli'r Trysorlys.

**8 AMSERLEN Y PWYLLGOR 2015/16, ADOLYGIAD BLYNYDDOL O GYDBWYSEDD GWLEIDYDDOL, A PHENODI CADEIRYDDION ARCHWILIO** (Tudalennau 87 - 108)

Ystyried adroddiad gan y Rheolwr Gwasanaethau Democraataidd (copi'n amgaeedig) sy'n gofyn am benderfyniadau ar faterion yn ymwneud â'r pwyllgor.

**9 RHAGLEN GWAITH I'R DYFODOL Y CYNGOR SIR** (Tudalennau 109 - 110)

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

**RHAN 2 - MATERION CYFRINACHOL**

Dim eitemau.

**AELODAETH**

**Y Cynghorwyr**

Brian Blakeley (Cadeirydd)

Gwyneth Kensler (Is-Gadeirydd)

Ian Armstrong  
Raymond Bartley  
Joan Butterfield

Pat Jones  
Geraint Lloyd-Williams  
Jason McLellan

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

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

DEDDF LLYWODRAETH LEOL 2000

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:

(Gweler y nodyn isod)\*

Llofnod

Dyddiad

Noder: Rhowch ddigon o fanylion os gwelwch yn dda, e.e. 'Fi yw perchennog y tir sy'n gyfagos i'r cais ar gyfer caniatâd cynllunio a wnaed gan Mr Jones', neu 'Mae fy ngŵr / ngwraig yn un o weithwyr y cwmni sydd wedi gwneud cais am gymorth ariannol'.

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, 3 Chwefror 2015 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, Colin Hughes, Rhys Hughes, Hugh Irving, Alice Jones, Huw Jones, Pat Jones, Gwyneth Kensler (Is-Gadeirydd), Geraint Lloyd-Williams, Jason McLellan, Bob Murray, Peter Owen, Dewi Owens, 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

Prif Weithredwr (MM), Pennaeth Cyllid ac Asedau (PM), Dirprwy Swyddog Monitro / Cyfreithiwr (LJ), a Gweinyddwyr y Pwyllgor (KJ a SLW)

### 1 YMDDIHEURIADAU

Derbyniwyd ymddiheuriadau am absenoldeb oddi wrth y Cyngorwr(wyr) Ian Armstrong, Martyn Holland, Barry Mellor, Win Mullen-James, Merfyn Parry, Bill Tasker a/ac Huw Williams

### 2 DATGAN CYSYLLTIAD

Datganodd y Cyngorwyr Jason McLellan a Meirick Lloyd Davies gysylltiad personol yn Eitem 6 - Cyllideb 2015/16 - 2016/17

### 3 MATERION BRYN FEL Y'U CYTUNWYD GAN Y CADEIRYDD

Dim.

### 4 DYDDIADUR Y CADEIRYDD

Roedd rhestr o ddigwyddiadau dinesig a fynychwyd ar ran y Cyngor gan y Cadeirydd ar gyfer y cyfnod 29.11.2014 a 25.01.2015 wedi'i dosbarthu cyn y cyfarfod.

**PENDERFYNWYD** derbyn a nodi'r rhestr o ymrwymadau dinesig a fynychwyd ar ran y Cyngor gan y Cadeirydd.

## 5 COFNODION

Cyflwynwyd cofnodion cyfarfod y Cyngor a gynhaliwyd ar 17 Tachwedd 2014.

Nododd y Cynghorwyr Joe Welch a Cheryl Williams ill dau eu bod wedi mynychu'r cyfarfod ond nad oedd eu henwau wedi'u cynnwys yn bresennol.

Cyflwynwyd cofnodion cyfarfod y Cyngor a gynhaliwyd ar 9 Rhagfyr 2013.

Holodd y Cynghorydd Huw Hilditch-Roberts a Meirick Lloyd Davies y ffaith nad yw pob Cynghorydd a gyfrannodd yn ystod y trafodaethau wedi eu crybwyll yn y cofnodion. Roedd y ddau Gynghorwr o'r farn y dylai eu sylwadau gael eu cofnodi.

Cadarnhaodd y Dirprwy Swyddog Monitro y byddai'n codi eu pryderon gyda'r Swyddog Monitro a hefyd gyda staff y Pwyllgor.

**PENDERFYNWYD** y dylid yn amodol ar yr uchod, dderbyn a chymeradwyo cofnodion y cyfarfod a gynhaliwyd ar 17 Tachwedd 2014 fel cofnod cywir.

## 6 CYLLIDEB AR GYFER 2015/16

Cyflwynodd yr Aelod Arweiniol dros Gyllid ac Asedau, y Cynghorydd Julian Thompson-Hill, adroddiad ar Gyllideb 2015/16 (Cynigion Terfynol - Cam 3) (a ddosbarthwyd yn flaenorol) i'r aelodau gymeradwyo cam olaf y rhaglen o arbedion cyllidebol a mesurau eraill er mwyn cyflwyno'r gyllideb refeniw ar gyfer 2015/16. Roedd yr adroddiad yn cynnwys lefel arfaethedig o gynnydd i Dreth y Cyngor ac yn defnyddio balansau cyffredinol.

Yn 2015/16, y targed ar gyfer arbedion fyddai £8.3m. Mae dau gam cyntaf y broses gyllideb wedi nodi arbedion o £7.3m ar gyfer 2015/16 gan adael bwlch o £1m.

Eglurodd y Cynghorydd Thompson-Hill y newidiadau rhwng y Setliad Drafft a'r Setliad Terfynol a'r effaith ar y bwlch cyllido. Byddai'r gwahaniaethau yn cyfrannu £473k i'r gofyniad arbed ar gyfer 2015/16.

Fel rhan o gyllideb 2014/15, cytunwyd fel mesur untro i ddefnyddio balansau cyffredinol o £500k i lenwi'r bwlch yng ngofyniad cyllido'r cyngor. Yng ngweithdy cyllideb mis Rhagfyr 2014, cyflwynwyd i'r aelodau gynrig ar gyfer defnydd parhaus o £500k i ariannu'r gyllideb ar gyfer y tair blynedd nesaf a dyma'r aelodau hynny a oedd yn bresennol yn ailadrodd eu barn i roi blaenoriaeth i'r gwaith o gyflawni'r Cynllun Corfforaethol yn y rowndiau cyllideb yn y dyfodol.

Roedd yr aelodau hynny a oedd yn bresennol yng ngweithdy cyllideb mis Rhagfyr 2014 hefyd yn cefnogi yn anffurfiol y cynnydd cyfartalog yn Nhreth y Cyngor o 2.75%. Dyma'r ffigur cynllunio sylfaenol a ddefnyddiwyd yn y Cynllun Ariannol Tymor Canolig.

Ailadroddodd y Cynghorydd David Smith, Aelod Arweiniol dros Tir y Cyhoedd, i aelodau'r Cyngor, yn dilyn cais gan y Cynghorydd Eryl Williams yn y Cabinet, ei fod



wedi ysgrifennu at saith Aelod Cynulliad Gogledd Cymru (ACau). Roedd y Cynghorydd Smith wedi gofyn safbwynt yr ACau ynglŷn â'r effaith y byddai cael gwared ar y cyllid grant sy'n gysylltiedig â Chynllun Benthycu Llywodraeth Leol (LGBI) ar gyfer buddsoddi yn ei gael ar gynnal a chadw ffyrdd. Mae'r cyllid wedi galluogi Awdurdodau Lleol i fuddsoddi symiau sylweddol o gyfalaf i wella isadeiledd priffyrdd a oedd wedi helpu i fynd i'r afael â'r ôl-groniad o ddirywiad. Heb y cyllid, byddai cyflwr y ffyrdd yn dirywio ar raddfa cyflym iawn a fyddai'n cael effaith negyddol ar ddiogelwch ar y ffyrdd a'r economi leol.

Hefyd, gofynnodd y Cynghorydd Smith am safbwynt yr ACau ynghylch dyrannu cyllid ar gyfer ffordd liniaru'r M4. Gofynnwyd am ymatebion erbyn 29 Ionawr. Ar yr un adeg lle cynhaliwyd cyfarfod y Cyngor, roedd y Cynghorydd Smith wedi derbyn pedwar ymateb ysgrifenedig ac un ymateb ar lafar. Roedd ymatebion eto i gyrraedd gan Ken Skates (AC De Clwyd) ac Ann Jones (AC Dyffryn Clwyd).

Cafwyd trafodaeth bellach a chodwyd y pwyntiau canlynol:

- i) Cododd yr Aelodau bryderon ynglŷn â'r effaith ar drigolion Sir Ddinbych oherwydd y toriadau yn y gyllideb. Sicrhaodd y Prif Weithredwr yr aelodau fod Grŵp Archwilio Tasg a Gorffen wedi cael ei sefydlu i graffu ar asesiadau effaith. Mae'r asesiadau effaith hefyd i gynnwys amddifadedd yng Nghymru. Byddai cyfarfod arbennig yn cael ei gynnal ar ddydd Iau 5 Chwefror i weithio drwy'r 20 eitem mwyaf cymhleth yn y gyllideb.
- ii) Mae'r mater 'Cartrefi Gofal' wedi cael ei drafod yn y Cabinet. Unwaith eto, ailadroddodd y Prif Weithredwr bod anghenion y trigolion yn hollbwysig. Oni bai y gellid dod o hyd i ddewis arall addas, ni fyddai Cartrefi Gofal yn cael eu cau.
- iii) Toriadau i gyllidebau ysgolion. Datganodd y Cynghorydd Jason McLellan ddiddordeb yn yr eitem hon gan fod ei fab yn mynychu Ysgol Uwchradd Prestatyn. Oherwydd bod nifer y disgyblion ysgol uwchradd yn dirywio, byddai cyllid i'r ysgolion perthnasol yn gostwng yn unol â hynny. Os yw nifer y disgyblion yn cynyddu yn y dyfodol yna byddai'r arian yn cynyddu hefyd. Ym mis Mawrth 2014, gwnaethpwyd yr holl ysgolion yn ymwybodol o'r toriadau posibl oherwydd niferoedd disgyblion a chyflwynwyd gwybodaeth hefyd i'r Fforwm Cyllideb Ysgolion. Dylai'r cyllidebau fod yn ddigon hylaw ac mae timau yn edrych ar achosion unigol i weithio gyda'r ysgolion. Mae cyllid gan Lywodraeth Cymru i ddarpariaeth chwedched dosbarth Ôl-16 wedi cael ei leihau hefyd.
- iv) Codir tâl am wasanaethau anabledd yn y dyfodol. Byddai'r taliadau yn berthnasol i bobl a fyddai'n gallu fforddio'r taliadau hyn.
- v) Dywedodd y Prif Weithredwr nad oedd wedi derbyn hysbysiad ffurfiol hyd yma gan Lywodraeth Cymru na fyddai'r uno gyda Chyngor Bwrdeistref Sirol Conwy yn mynd yn ei flaen. Derbyniwyd hysbysiad amgen na fyddai'r uno bellach yn mynd rhagddo. Bellach roedd gan Sir Ddinbych strategaeth ariannol dwy flynedd a'r prif ffocws fyddai'r Cynllun Corfforaethol.

Cytunodd yr Aelodau bod y lefel o doriadau wedi bod yn anodd dros ben a'i fod yn bwysig cael proses ar waith er mwyn darparu cyllideb gytbwys.

Cynigiodd y Cynghorydd Julian Thompson-Hill y byddai modd ymdrin â'r pedwar argymhelliad ar wahân. Eiliwyd gan y Cynghorydd Huw Evans.

Gofynnwyd am bleidlais wedi'i chofnodi gan y Cynghorydd Paul Penlington a chefnogwyd hynny gan yr 1/6 gofynnol o aelodau oedd yn bresennol.

Argymhelliad (i) - Bod y Cyngor yn cymeradwyo cynigion y gyllideb ar gyfer 2015/16 fel y dangosir yn atodiad 1 o'r adroddiad.

Pleidleisiodd 22 o aelodau o blaid yr argymhelliad:

Y Cynghorwyr JR Bartley, B Blakeley, WL Cowie, JA Davies, JM Davies, M LI Davies, RJ Davies, SA Davies, PC Duffy, HH Evans, PA Evans, RL Feeley, H Hilditch-Roberts, HC Irving, H LI Jones, PW Owen, D Owens, BA Smith, DI Smith, J Thompson-Hill, JS Welch a EW Williams.

Pleidleisiodd 16 o aelodau yn erbyn yr argymhelliad:

Cynghorwyr J A Butterfield, J Chamberlain Jones, C L Guy, C Hughes, T R Hughes, E A Jones, P M Jones, G Lloyd-Williams, J M McLellan, R M Murray, P Penlington, A Roberts, G Sandilands, D Simmons, C H Williams a C L Williams.

Ataliodd un aelod - y Cynghorydd GM Kensler

Argymhelliad (ii) - Bod y Cyngor yn cymeradwyo'r cynnydd dilynol yn Nhreth y Cyngor, ar gyfartaledd o 2.75% yn 2015/16

Pleidleisiodd 36 o aelodau o blaid yr argymhelliad:

Y Cynghorwyr J R Bartley, J A Butterfield, J Chamberlain Jones, W L Cowie, J A Davies, J M Davies, M LI Davies, R J Davies, SA Davies, P C Duffy, H H Evans, P A Evans, R L Feeley, C L Guy, H Hilditch-Roberts, C Hughes, H C Irving, E A Jones, H LI Jones, P M Jones, G Lloyd-Williams, J M McLellan, R M Murray, P W Owen, D Owens, P Penlington, A Roberts, G Sandilands, D Simmons, B A Smith, D I Smith, J Thompson-Hill, J S Welch, C H Williams, C L Williams, a E W Williams.

Pleidleisiodd un aelod yn erbyn yr argymhelliad:

Y Cynghorydd T R Hughes

Gyda dau aelod yn ymatal:

Y Cynghorwyr B Blakeley a GM Kensler

Yn y fan hon, cytunodd yr aelodau i bleidleisio ar argymhellion (iii) a (iv) trwy godi dwylo yn hytrach na pleidlais wedi'i chofnodi ac roeddent yn unfrydol o blaid yr argymhellion.

**PENDERFYNWYD:**

- (i) *Bod y Cyngor yn cymeradwyo cynigion y gyllideb ar gyfer 2015/16*
- (ii) *Bod y Cyngor yn cymeradwyo'r cynnydd dilynol yn Nhreth y Cyngor, ar gyfartaledd o 2.75% yn 2015/16*
- (iii) *Bod y Cyngor yn cymeradwyo defnyddio £500k o falansau cyffredinol i gefnogi'r gyllideb refeniw am y tair blynedd ariannol nesaf*
- (iv) *Bod y Cyngor yn cymeradwyo'r argymhelliad bod y gwaith o gyflawni'r Cynllun Corfforaethol yn cymryd blaenoriaeth mewn rowndiau gosod cyllideb yn y dyfodol.*

**7 RHAGLEN GWAITH I'R DYFODOL Y CYNGOR SIR**

Cyflwynodd y Dirprwy Swyddog Monitro Raglen Gwaith i'r Dyfodol y Cyngor (dosbarthwyd eisoes).

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

Daeth y cyfarfod i ben am 12pm.

Mae tudalen hwn yn fwriadol wag

<b>Adroddiad i'r:</b>	<b>Cyngor Llawn</b>
<b>Dyddiad y Cyfarfod:</b>	<b>24 Chwefror 2015</b>
<b>Aelod / Swyddog Arweiniol:</b>	<b>Julian Thompson-Hill / Paul McGrady</b>
<b>Awdur yr Adroddiad:</b>	<b>Paul McGrady / Rod Urquhart</b>
<b>Teitl: Cysylltiedig</b>	<b>Treth y Cyngor 2015/2016 a Materion</b>

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## **1. Am beth mae'r adroddiad yn sôn?**

Wrth fabwysiadu penderfyniadau cyfarfod cyllideb y Cyngor ar 3 Chwefror 2015 mae angen i'r Cyngor wneud penderfyniadau pellach mewn ffurf benodol i sicrhau bod Treth y Cyngor a materion cysylltiedig yn gyfreithiol ddilys.

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

Mae angen penderfyniad i osod lefelau Treth y Cyngor ar gyfer 2015/16.

## **3. Beth yw'r Argymhellion?**

3.1 Mae'n ofynnol i'r Cyngor Sir, fel yr Awdurdod Bilio i ystyried yr argymhellion a dderbyniwyd gan Gomisiynydd yr Heddlu a Throseddu Gogledd Cymru a'r Cynghorau Tref/Cymuned a datgan lefelau Treth y Cyngor ar gyfer blwyddyn ariannol 2015/2016.

3.2 Argymhellir bod y symiau a gyfrifwyd gan y Cyngor ar gyfer blwyddyn ariannol 2015/16, yn unol ag Adrannau 32 i 34 (1) o Ddeddf Cyllid Llywodraeth Leol 1992 (y Ddeddf) a'r Rheoliadau Addasu Cyfrifiadau Angenrheidiol (Cymru) 2008 fel yn adran 3 Atodiad A.

3.3 Argymhellir bod y symiau a gyfrifwyd gan y Cyngor ar gyfer blwyddyn ariannol 2015/16, yn unol ag Adrannau 34 (2) i 36 (1) o Ddeddf Cyllid Llywodraeth Leol 1992 (y Ddeddf) fel yn adran 4 Atodiad A.

3.4 Bod symiau Treth y Cyngor ar gyfer y flwyddyn ariannol 2015/16 i bob un o'r categorïau anheddau fel y dangosir yn Atodiad C.

3.5 Bod lefel y disgownt ar gyfer Dosbarth A, B, ac C fel y pennir o dan Reoliadau Treth y Cyngor (Dosbarth Rhagnodedig ar Anheddau) (Cymru) 2004 yn cael ei gosod ar sero ar gyfer y blynyddoedd ariannol 2015/16 a 2016/17 sef tymor y Cyngor hwn gyda'r cafeat bod hyn yn ddibynnol ar ddim newidiadau i Ddeddfwriaeth neu amodau lleol.

#### **4. Manylion yr Adroddiad**

Oherwydd y gofyniad i gymeradwyo'r penderfyniad a'r argymhellion yn y modd a bennwyd, mae Ychwanegiad A yn cynnwys manylion yr adroddiad.

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

Os nad yw'r argymhellion yn cael eu cymeradwyo, ni fydd yr Awdurdod yn gallu codi biliau Treth y Cyngor, felly ni fydd incwm sydd ei angen i ariannu Blaenoriaethau Corfforaethol ar gael.

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

Mae'r gost o godi a dosbarthu gofynion Treth y Cyngor, yn cael ei gwrthbwysu'n rhannol gan hysbysiadau Budd-dal Tai yn uno, y mae'n rhaid eu hanfon yn ôl y gyfraith.

#### **7. Beth yw prif gasgliadau'r Asesiad o Effaith ar Gydraddoldeb (AEC) a gynhaliwyd ar y penderfyniad? Dylai'r templed AEC wedi'i lenwi gael ei atodi fel atodiad i'r adroddiad.**

Ni chynhaliwyd asesiad o'r effaith ar gydraddoldeb oherwydd bod y penderfyniad hwn yn ofyniad cyfreithiol i alluogi'r penderfyniad o ran y Gyllideb.

#### **8. Pa ymgynghoriadau a gynhaliwyd gyda'r Pwyllgorau Archwilio ac eraill?**

Mae lefel Treth y Cyngor yn dod o'r gyllideb a osodwyd gan y Cyngor. Datblygwyd y gyllideb yn ystod heriau gwasanaeth gafodd sylw gan aelodau a swyddogion a thrwy gyfres o weithdai aelodau. Cymeradwyodd y Cyngor llawn y gyllideb ar 3 Chwefror 2015.

#### **9. Datganiad y Prif Swyddog Cyllid**

Mae rhwymedigaeth gyfreithiol ar y Cyngor i osod Treth y Cyngor. Mae'r rheoliadau'n gyfarwyddol o ran sut mae hyn yn cael ei wneud ac mae'r adroddiad hwn yn cwrdd â'r gofynion hynny.

#### **10. Pa risgiau sydd ac a oes unrhyw beth y gallwn ei wneud i'w lleihau?**

Y risg ariannol o beidio â gallu casglu incwm Treth y Cyngor

#### **11. Pŵer i wneud y Penderfyniad**

Deddf Cyllid Llywodraeth Leol 1992 a Rheoliadau Addasu Cyfrifiadau Angenrheidiol (Cymru) 2008

## Appendix A

### 1.0 SETTING THE COUNCIL TAX FOR 2015/16

#### 1.1 Background.

At the Council meeting on the 03 February 2015 members considered and approved Cabinet's budget proposals and resulting impact on Council Tax for next financial year.

The main features of the proposal included:

- A cash reduction in the Council's revenue settlement from Welsh Government of 3.6%.
- An increase in Welsh Government general capital funding of 0.06%.
- The provision of additional resources for the impact of some inflationary pressures.
- Protection of schools.
- A budget gap of £8.3m met by savings of £7.4m, use of balances and increased funding.
- Investment of £0.5m in priority areas.
- Use of £500k general balances

#### 1.2 Section 151 Officer's statement

In accordance with the requirements of the Local Government Act 2003 the observations of the Section 151 Officer on the budget for 2015/16 are required to be presented to members.

##### a) Robustness of Budget Estimates

The budget proposals for 2015/16 contain a level of financial estimates. This is due to the uncertainty around the future impact upon the Council of current economic events. A considered view has been taken on the level of funding that services require and on the amount and timing of savings. The requirement to make £7.4m of savings is clearly a risk to the Council as it follows on from £7.1m of agreed savings made in 2014/15. However, the process has been thorough and robust and proposals have been reviewed several times by Officers and Councillors. The budget depends upon the delivery of the proposed savings which will also be closely monitored and reported regularly to Cabinet.

I consider the budget proposals for 2015/16 to be sensible and robust.

##### b) Adequacy of Reserves

The level of general balances is stable and I consider they are broadly appropriate given the financial risks that the council faces. Adequate general balances are vital to protect the Council from unforeseen problems

or in-year emergencies. The 2015/16 budget has been set using £500k of general balances with agreement to use the same amount for the following two years. This is sustainable as a medium term measure but is not a permanent solution to funding a gap in the budget.

**1.3 In adopting the resolutions of the Council meeting of the 3 February 2015 it will be necessary for the Council to pass certain further resolutions in a particular form so as to ensure that the Council Tax and its associated matters are legally valid. I attach a copy of the required resolutions and request that these be approved.**

1.3 The average percentage increase for Council Tax bills (based on Band D) payable is:

- County Council increase 2.75%
- Town / Community Councils average increase 10.68%
- Police & Crime Commissioner for North Wales increase 3.44%

## **2.0 COUNCIL TAX RESOLUTION**

It is necessary for the County Council, as the Billing Authority, to consider the precepts received from the Police & Crime Commissioner for North Wales *and* the Town/Community Councils and declare the Council Tax levels for the 2015/16 financial year.

### **2.1 TOWN/COMMUNITY COUNCILS – PRECEPTS**

The following precepts have been received:-

	<b>2015/16</b>	<b>2014/15</b>
	£	£
Aberwheeler	2,800	2,300
Betws Gwerfil Goch	2,383	2,322
Bodelwyddan	54,800	54,800
Bodfari	3,075	3,075
Bryneglwys	5,700	5,700
Cefn Meiriadog	3,456	3,456
Clocaenog	3,600	3,600
Corwen	29,000	29,000
Cyffylliog	5,700	5,625
Cynwyd	3,432	3,072
Denbigh	188,499	184,464
Derwen	6,000	6,000
Dyserth	31,200	30,000
Efenechtyd	4,047	4,020
Gwyddelwern	3,488	3,456
Henllan	7,400	6,696
Llanarmon yn Ial	14,500	14,500



Llanbedr D C	5,000	5,000
Llandegla	6,000	6,000
Llandrillo	5,882	5,274
Llandyrnog	10,217	10,066
Llanelidan	3,486	3,375
Llanfair D C	6,000	4,900
Llanferres	8,073	7,995
Llangollen Town	88,845	87,800
Llangynhafal	1,500	1,500
Llanrhaeadr Y C	11,928	11,784
Llantysilio	9,100	8,500
Llanynys	8,088	7,896
Nantglyn	5,000	5,000
Prestatyn	453,765	360,080
Rhuddlan	55,000	50,000
Rhyl (1)	491,346	415,140
Ruthin	124,300	129,225
St. Asaph	56,157	54,210
Trefnant	4,668	4,668
Tremeirchion/Cwm/Waen	9,750	9,750
Total	1,733,185	1,550,249

### 3.0 DENBIGHSHIRE COUNTY COUNCIL/TOWN AND COMMUNITY COUNCILS - INCOME AND EXPENDITURE

It is recommended that the amounts calculated by the Council for the 2015/16 financial year, in accordance with Sections 32 to 34 (1) of the Local Government Finance Act 1992 (the Act) and Alteration of Requisite Calculations (Wales) Regulations 2008 be as follows:-

	£
(a) The aggregate of the amounts which the Council estimates for the items set out in Section 32 (2) (a) to (e) of the Act.	284,935,361
(b) The aggregate of the amounts which the Council estimates for the items set out in Section 32 (3) (a) to (c) of the Act.	98,446,176
(c) The amount by which the aggregate of Section 32 (2) above, exceeds the aggregate of Section 32 (3) above, calculated in accordance with Section 32 (4) of the Act, as its budget requirement for the year.	186,489,185

(d)	The aggregate amount which the Council estimates will be payable for the year into its general fund in respect of redistributed non-domestic rates and revenue support grant less cost of discretionary non-domestic rate reliefs.	140,508,869
(e)	The amount at (c) above less the amount at (d) above, divided by council tax base for the year, 38,738, calculated by the Council in accordance with Section 33 (1) of the Act, (i.e. basic amount Council Tax).	1,186.96
(f)	The aggregate amount of all special items referred to in Section 34 (1) of the Act (Town/Community Council Precepts).	1,733,185
(g)	The amount at (e) above less the result given by dividing the amount at (f) above by the council tax base, calculated by the Council, in accordance with Section 34 (2) of the Act, as the basic amount of its Council Tax for the year for dwellings in those parts of its area to which no special items relate.	1,142.22

#### 4.0 DENBIGHSHIRE COUNTY COUNCIL/TOWN AND COMMUNITY COUNCILS - COUNCIL TAX

It is recommended that the amounts calculated by the Council for the 2015/16 financial year, in accordance with Sections 34 (2) to 36 (1) of the Local Government Finance Act 1992 (the Act) be as follows:-

(a) the amounts calculated in accordance with Sections 34 (2) and (3) of the Act as the basic amounts of its Council Tax for the year for dwellings in part of the Council's area :-

##### COUNCIL TAX 2015/16 BAND 'D'

<u>Community</u>	<u>County Council</u>	<u>Community Precept</u>	<u>Total</u>
	£	£	£
Aberwheeler	1142.22	16.00	1158.22
Betws G G	1142.22	14.71	1156.93
Bodelwyddan	1142.22	64.62	1206.84
Bodfari	1142.22	15.30	1157.52
Bryneglwys	1142.22	32.76	1174.98
Cefn Meiriadog	1142.22	16.95	1159.17
Clocaenog	1142.22	29.96	1172.18
Corwen	1142.22	29.74	1171.96

Cyffylliog	1142.22	25.05	1167.27
Cynwyd	1142.22	13.00	1155.22
Denbigh	1142.22	57.00	1199.22
Derwen	1142.22	26.26	1168.48
Dyserth	1142.22	30.46	1172.68
Efenechtyd	1142.22	13.97	1156.19
Gwyddelwern	1142.22	16.02	1158.24
Henllan	1142.22	19.98	1162.20
Llanarmon yn Ial	1142.22	25.16	1167.38
Llanbedr D C	1142.22	10.60	1152.82
Llandegla	1142.22	20.58	1162.80
Llandrillo	1142.22	19.33	1161.55
Llandyrnog	1142.22	21.21	1163.43
Llanelidan	1142.22	20.94	1163.16
Llanfair D C	1142.22	10.69	1152.91
Llanferres	1142.22	20.24	1162.46
Llangollen Town	1142.22	51.42	1193.64
Llangynhafal	1142.22	4.55	1146.77
Llanrhaeadr Y C	1142.22	23.98	1166.20
Llantysilio	1142.22	35.67	1177.89
Llanynys	1142.22	24.01	1166.23
Nantglyn	1142.22	30.58	1172.80
Prestatyn	1142.22	59.84	1202.06
Rhuddlan	1142.22	35.36	1177.58
Rhyl	1142.22	53.69	1195.91
Ruthin	1142.22	52.38	1194.60
St. Asaph	1142.22	40.18	1182.40
Trefnant	1142.22	7.00	1149.22
Tremeirchion/ Cwm/Waen	1142.22	14.77	1156.99

- (b) The amounts calculated in accordance with Section 36 (1) of the Act as the amounts to be taken into account for the year in respect of dwellings listed in different valuation bands. (Appendix B)

## 5.0 Police & Crime Commissioner for North Wales - PRECEPT

The precept for the Police & Crime Commissioner for North Wales for 2015/16 is £9,120,557

In accordance with Section 40 of the Local Government Finance Act 1992, it is noted that the amounts applicable for the year in respect of dwellings listed in different valuation bands are as follows :-

### **Valuation Bands**

A	B	C	D	E	F	G	H	I
£	£	£	£	£	£	£	£	£
156.96	183.12	209.28	235.44	287.76	340.08	392.40	470.88	549.36

**6.0 AGGREGATE COUNCIL TAX – 2015/16 (including Police & Crime Commissioner for North Wales)**

Having calculated the aggregates in each case of the amounts at 4.0 and 5.0 above in accordance with Section 30 (2) of the Local Government Finance Act 1992, it is

**RECOMMENDED**

That the amounts of Council Tax for the 2015/16 financial year for each of the categories of dwellings be as shown in Appendix C.

**7.0 PRESCRIBED CLASS OF DWELLINGS - THE COUNCIL TAX (PRESCRIBED CLASS OF DWELLINGS) (WALES) REGULATIONS 1998 - SI 1998/105 AS AMENDED BY PRESCRIBED CLASS OF DWELLINGS - THE COUNCIL TAX (PRESCRIBED CLASS OF DWELLINGS) (WALES) (AMENDMENT) REGULATIONS 2004**

7.1 In Wales, Section 12 of the Local Government Finance Act 1992 creates a special class of property (prescribed class of dwellings) which allows a local billing authority to use its discretion in determining the level of discount to be awarded. If a dwelling meets certain criteria, then a billing authority can set the level of discount at either 25% or zero (i.e. no discount) for classes A & B, 50% or zero for class C.

7.2 The Council Tax (Prescribed Class of Dwellings)(Wales) Regulations 1998 as amended 2004, has with effect from 1st April, 2004 designated three classes of prescribed dwellings.

The classes are:-

**Class A.**

- a. A dwelling which is not the sole or main residence of an individual.
- b. Dwelling which is furnished.
- c. Occupation of the dwelling is prohibited by law for a continuous period of at least 28 days in the relevant year.
- d. Dwelling is not a mooring occupied by a boat or pitch occupied by a caravan.
- e. Dwelling is unoccupied and is managed by a personal representative in relation to the administration of a deceased person.

**Class B**

- a. A dwelling which is not the sole or main residence of an individual.
- b. Dwelling which is furnished.

- c. Occupation of the dwelling is not prohibited by law for a continuous period of at least 28 days in the relevant year.
- d. Dwelling is not a mooring occupied by a boat or pitch occupied by a caravan.
- e. Dwelling is unoccupied and is managed by a personal representative in relation to the administration of a deceased person.

#### Class C

- a. A dwelling which is unoccupied.
- b. A dwelling which is substantially unfurnished.

7.3 The difference between the classes A and B is the fact Class B has unrestricted occupation throughout 365 days a year whereas Class A is restricted to a maximum of 11 months occupation in a year. E.g. planning restriction as commonly applied to holiday chalets.

7.4 The main type of property covered by these regulations relate to furnished dwellings and not someone's sole or main residence e.g. second homes.

7.5 Class C was introduced to end the Council Tax discount for chargeable dwellings which are unoccupied and substantially unfurnished for periods greater than 6 months.

This allows the Authority to levy a full charge once the initial 6 month exemption period expires; this benefits Denbighshire residents in that

- a. The property owner would be contributing a full charge
- b. There is a financial incentive to the owner to occupy the property leading to.
  - The potential of increasing accommodation availability
  - The reduction in the number of empty properties in communities

7.6 In the year 2009/2010 the Council resolved not to award a discount to Class A, B or C for the remaining term of the Council with the caveat that this was dependant on, no changes to Legislation or local conditions. The purpose of this resolution enabled consistency in the calculation of the Tax Base, a shorter report and the reduction in the volumes of paper produced.

#### 7.7 **IT IS RECOMMENDED**

That the level of discount for Class A, B, and C as prescribed under the Council Tax (Prescribed Class of Dwellings) (Wales) Regulations 2004 be set at zero for the financial years 2015/16 and 2016/17 being the term of this Council with the caveat that this is dependent on, no changes to Legislation or local conditions.

Mae tudalen hwn yn fwriadol wag

2015/16

## DENBIGHSHIRE COUNCIL COUNCIL

## Appendix B

<u>COUNTY</u>	<u>COMMUNITY</u>	<u>TOTAL</u>	<u>BAND A</u>	<u>BAND B</u>	<u>BAND C</u>	<u>BAND D</u>	<u>BAND E</u>	<u>BAND F</u>	<u>BAND G</u>	<u>BAND H</u>	<u>BAND I</u>	
<u>PRECEPT</u>	<u>PRECEPT</u>											
£	£	£	£	£	£	£	£	£	£	£	£	
ABERWHEELER	1,142.22	16.00	1,158.22	772.15	900.84	1,029.53	1,158.22	1,415.60	1,672.98	1,930.37	2,316.44	2,702.51
BETWS G G	1,142.22	14.71	1,156.93	771.29	899.83	1,028.38	1,156.93	1,414.03	1,671.12	1,928.22	2,313.86	2,699.50
BODELWYDDAN	1,142.22	64.62	1,206.84	804.56	938.65	1,072.74	1,206.84	1,475.02	1,743.21	2,011.39	2,413.67	2,815.95
BODFARI	1,142.22	15.30	1,157.52	771.68	900.30	1,028.91	1,157.52	1,414.75	1,671.98	1,929.21	2,315.05	2,700.89
BRYNEGLWYS	1,142.22	32.76	1,174.98	783.32	913.87	1,044.43	1,174.98	1,436.09	1,697.19	1,958.30	2,349.96	2,741.62
CEFN MEIRIADOG	1,142.22	16.95	1,159.17	772.78	901.58	1,030.37	1,159.17	1,416.76	1,674.36	1,931.95	2,318.34	2,704.73
CLOCAENOG	1,142.22	29.96	1,172.18	781.45	911.69	1,041.94	1,172.18	1,432.66	1,693.15	1,953.63	2,344.36	2,735.08
CORWEN	1,142.22	29.74	1,171.96	781.31	911.52	1,041.74	1,171.96	1,432.39	1,692.83	1,953.27	2,343.92	2,734.57
CYFYLLIOG	1,142.22	25.05	1,167.27	778.18	907.88	1,037.57	1,167.27	1,426.66	1,686.06	1,945.45	2,334.54	2,723.63
CYNWYD	1,142.22	13.00	1,155.22	770.15	898.51	1,026.86	1,155.22	1,411.94	1,668.65	1,925.37	2,310.44	2,695.52
DENBIGH	1,142.22	57.00	1,199.22	799.48	932.73	1,065.97	1,199.22	1,465.71	1,732.21	1,998.70	2,398.44	2,798.18
DERWEN	1,142.22	26.26	1,168.48	778.98	908.81	1,038.65	1,168.48	1,428.14	1,687.80	1,947.46	2,336.95	2,726.44
DYSERTH	1,142.22	30.46	1,172.68	781.78	912.08	1,042.38	1,172.68	1,433.27	1,693.87	1,954.46	2,345.35	2,736.25
EFENECHTYD	1,142.22	13.97	1,156.19	770.80	899.26	1,027.73	1,156.19	1,413.13	1,670.06	1,926.99	2,312.39	2,697.79
GWYDDELWERN	1,142.22	16.02	1,158.24	772.16	900.86	1,029.55	1,158.24	1,415.63	1,673.02	1,930.41	2,316.49	2,702.57
HENLLAN	1,142.22	19.98	1,162.20	774.80	903.93	1,033.07	1,162.20	1,420.47	1,678.73	1,937.00	2,324.40	2,711.80
LLANARMON YN IAL	1,142.22	25.16	1,167.38	778.26	907.97	1,037.67	1,167.38	1,426.80	1,686.22	1,945.64	2,334.77	2,723.90
LLANBEDR D C	1,142.22	10.60	1,152.82	768.54	896.64	1,024.73	1,152.82	1,409.00	1,665.18	1,921.36	2,305.63	2,689.91
LLANDEGLA	1,142.22	20.58	1,162.80	775.20	904.40	1,033.60	1,162.80	1,421.20	1,679.60	1,938.00	2,325.60	2,713.20
LLANDRILLO	1,142.22	19.33	1,161.55	774.36	903.42	1,032.48	1,161.55	1,419.67	1,677.79	1,935.91	2,323.09	2,710.27
LLANDYRNOG	1,142.22	21.21	1,163.43	775.62	904.89	1,034.16	1,163.43	1,421.97	1,680.51	1,939.05	2,326.86	2,714.67
LLANFANELIDAN	1,142.22	20.94	1,163.16	775.44	904.68	1,033.92	1,163.16	1,421.64	1,680.12	1,938.60	2,326.32	2,714.04
LLANFAIR DC	1,142.22	10.69	1,152.91	768.60	896.71	1,024.81	1,152.91	1,409.11	1,665.31	1,921.51	2,305.81	2,690.12
LLANFERRES	1,142.22	20.24	1,162.46	774.97	904.13	1,033.30	1,162.46	1,420.78	1,679.10	1,937.43	2,324.91	2,712.40
LLANGOLLEN TOWN	1,142.22	51.42	1,193.64	795.76	928.39	1,061.02	1,193.64	1,458.90	1,724.15	1,989.41	2,387.29	2,785.17
LLANGYNHAFAL	1,142.22	4.55	1,146.77	764.51	891.93	1,019.35	1,146.77	1,401.60	1,656.44	1,911.28	2,293.53	2,675.79
LLANRHAEADR Y C	1,142.22	23.98	1,166.20	777.47	907.04	1,036.62	1,166.20	1,425.35	1,684.51	1,943.67	2,332.40	2,721.13
LLANTYSILIO	1,142.22	35.67	1,177.89	785.26	916.14	1,047.01	1,177.89	1,439.64	1,701.40	1,963.15	2,355.78	2,748.41
LLANYNYS	1,142.22	24.01	1,166.23	777.49	907.07	1,036.65	1,166.23	1,425.39	1,684.55	1,943.72	2,332.46	2,721.20
NANTGLYN	1,142.22	30.58	1,172.80	781.87	912.18	1,042.49	1,172.80	1,433.42	1,694.04	1,954.67	2,345.60	2,736.53
PRESTATYN	1,142.22	59.84	1,202.06	801.38	934.94	1,068.50	1,202.06	1,469.19	1,736.31	2,003.44	2,404.13	2,804.81
RHUDDLAN	1,142.22	35.36	1,177.58	785.06	915.90	1,046.74	1,177.58	1,439.27	1,700.95	1,962.64	2,355.17	2,747.69
RHYL	1,142.22	53.69	1,195.91	797.27	930.15	1,063.03	1,195.91	1,461.66	1,727.42	1,993.18	2,391.81	2,790.45
RUTHIN	1,142.22	52.38	1,194.60	796.40	929.14	1,061.87	1,194.60	1,460.07	1,725.54	1,991.01	2,389.21	2,787.41
ST ASAPH	1,142.22	40.18	1,182.40	788.27	919.64	1,051.02	1,182.40	1,445.15	1,707.91	1,970.66	2,364.80	2,758.93
TREFNANT	1,142.22	7.00	1,149.22	766.15	893.84	1,021.53	1,149.22	1,404.60	1,659.98	1,915.37	2,298.44	2,681.51
TREMEIRCHION	1,142.22	14.77	1,156.99	771.33	899.88	1,028.44	1,156.99	1,414.10	1,671.21	1,928.32	2,313.99	2,699.65

2015/16

**DENBIGHSHIRE COUNCIL COUNCIL**

**Appendix C**

<b>COUNTY</b>	<b>COMMUNITY</b>	<b>POLICE</b>	<b>TOTAL</b>	<b>BAND A</b>	<b>BAND B</b>	<b>BAND C</b>	<b>BAND D</b>	<b>BAND E</b>	<b>BAND F</b>	<b>BAND G</b>	<b>BAND H</b>	<b>BAND I</b>	
<b>PRECEPT</b>	<b>PRECEPT</b>	<b>PRECEPT</b>											
£	£	£	£	£	£	£	£	£	£	£	£	£	
ABERWHEELER	1,142.22	16.00	235.44	1,393.66	929.11	1,083.96	1,238.81	1,393.66	1,703.36	2,013.06	2,322.77	2,787.32	3,251.87
BETWS G G	1,142.22	14.71	235.44	1,392.37	928.25	1,082.95	1,237.66	1,392.37	1,701.79	2,011.20	2,320.62	2,784.74	3,248.86
BODELWYDDAN	1,142.22	64.62	235.44	1,442.28	961.52	1,121.77	1,282.02	1,442.28	1,762.78	2,083.29	2,403.79	2,884.55	3,365.31
BODFARI	1,142.22	15.30	235.44	1,392.96	928.64	1,083.42	1,238.19	1,392.96	1,702.51	2,012.06	2,321.61	2,785.93	3,250.25
BRYNEGLWYS	1,142.22	32.76	235.44	1,410.42	940.28	1,096.99	1,253.71	1,410.42	1,723.85	2,037.27	2,350.70	2,820.84	3,290.98
CEFN MEIRIADOG	1,142.22	16.95	235.44	1,394.61	929.74	1,084.70	1,239.65	1,394.61	1,704.52	2,014.44	2,324.35	2,789.22	3,254.09
CLOCAENOG	1,142.22	29.96	235.44	1,407.62	938.41	1,094.81	1,251.22	1,407.62	1,720.42	2,033.23	2,346.03	2,815.24	3,284.44
CORWEN	1,142.22	29.74	235.44	1,407.40	938.27	1,094.64	1,251.02	1,407.40	1,720.15	2,032.91	2,345.67	2,814.80	3,283.93
CYFYLLIOG	1,142.22	25.05	235.44	1,402.71	935.14	1,091.00	1,246.85	1,402.71	1,714.42	2,026.14	2,337.85	2,805.42	3,272.99
CYNWYD	1,142.22	13.00	235.44	1,390.66	927.11	1,081.63	1,236.14	1,390.66	1,699.70	2,008.73	2,317.77	2,781.32	3,244.88
DENBIGH	1,142.22	57.00	235.44	1,434.66	956.44	1,115.85	1,275.25	1,434.66	1,753.47	2,072.29	2,391.10	2,869.32	3,347.54
DERWEN	1,142.22	26.26	235.44	1,403.92	935.94	1,091.93	1,247.93	1,403.92	1,715.90	2,027.88	2,339.86	2,807.83	3,275.80
DYSERTH	1,142.22	30.46	235.44	1,408.12	938.74	1,095.20	1,251.66	1,408.12	1,721.03	2,033.95	2,346.86	2,816.23	3,285.61
FFENECHTYD	1,142.22	13.97	235.44	1,391.63	927.76	1,082.38	1,237.01	1,391.63	1,700.89	2,010.14	2,319.39	2,783.27	3,247.15
GWYDDELWERN	1,142.22	16.02	235.44	1,393.68	929.12	1,083.98	1,238.83	1,393.68	1,703.39	2,013.10	2,322.81	2,787.37	3,251.93
HENLLAN	1,142.22	19.98	235.44	1,397.64	931.76	1,087.05	1,242.35	1,397.64	1,708.23	2,018.81	2,329.40	2,795.28	3,261.16
HANARMON YN IAL	1,142.22	25.16	235.44	1,402.82	935.22	1,091.09	1,246.95	1,402.82	1,714.56	2,026.30	2,338.04	2,805.65	3,273.26
HANBEDR D C	1,142.22	10.60	235.44	1,388.26	925.50	1,079.76	1,234.01	1,388.26	1,696.76	2,005.26	2,313.76	2,776.51	3,239.27
HANDEGLA	1,142.22	20.58	235.44	1,398.24	932.16	1,087.52	1,242.88	1,398.24	1,708.96	2,019.68	2,330.40	2,796.48	3,262.56
HANDRILLO	1,142.22	19.33	235.44	1,396.99	931.32	1,086.54	1,241.76	1,396.99	1,707.43	2,017.87	2,328.31	2,793.97	3,259.63
HANDYRNOG	1,142.22	21.21	235.44	1,398.87	932.58	1,088.01	1,243.44	1,398.87	1,709.73	2,020.59	2,331.45	2,797.74	3,264.03
HANELIDAN	1,142.22	20.94	235.44	1,398.60	932.40	1,087.80	1,243.20	1,398.60	1,709.40	2,020.20	2,331.00	2,797.20	3,263.40
HANFAIR DC	1,142.22	10.69	235.44	1,388.35	925.56	1,079.83	1,234.09	1,388.35	1,696.87	2,005.39	2,313.91	2,776.69	3,239.48
HANFERRES	1,142.22	20.24	235.44	1,397.90	931.93	1,087.25	1,242.58	1,397.90	1,708.54	2,019.18	2,329.83	2,795.79	3,261.76
HANGOLLEN TOWN	1,142.22	51.42	235.44	1,429.08	952.72	1,111.51	1,270.30	1,429.08	1,746.66	2,064.23	2,381.81	2,858.17	3,334.53
HANGYNHAFAL	1,142.22	4.55	235.44	1,382.21	921.47	1,075.05	1,228.63	1,382.21	1,689.36	1,996.52	2,303.68	2,764.41	3,225.15
HANRHAEADR Y C	1,142.22	23.98	235.44	1,401.64	934.43	1,090.16	1,245.90	1,401.64	1,713.11	2,024.59	2,336.07	2,803.28	3,270.49
HANTYSILIO	1,142.22	35.67	235.44	1,413.33	942.22	1,099.26	1,256.29	1,413.33	1,727.40	2,041.48	2,355.55	2,826.66	3,297.77
HANYNYS	1,142.22	24.01	235.44	1,401.67	934.45	1,090.19	1,245.93	1,401.67	1,713.15	2,024.63	2,336.12	2,803.34	3,270.56
HANTGLYN	1,142.22	30.58	235.44	1,408.24	938.83	1,095.30	1,251.77	1,408.24	1,721.18	2,034.12	2,347.07	2,816.48	3,285.89
HRESTATYN	1,142.22	59.84	235.44	1,437.50	958.34	1,118.06	1,277.78	1,437.50	1,756.95	2,076.39	2,395.84	2,875.01	3,354.17
HHUDDLAN	1,142.22	35.36	235.44	1,413.02	942.02	1,099.02	1,256.02	1,413.02	1,727.03	2,041.03	2,355.04	2,826.05	3,297.05
HHYL	1,142.22	53.69	235.44	1,431.35	954.23	1,113.27	1,272.31	1,431.35	1,749.42	2,067.50	2,385.58	2,862.69	3,339.81
HUTHIN	1,142.22	52.38	235.44	1,430.04	953.36	1,112.26	1,271.15	1,430.04	1,747.83	2,065.62	2,383.41	2,860.09	3,336.77
HST ASAPH	1,142.22	40.18	235.44	1,417.84	945.23	1,102.76	1,260.30	1,417.84	1,732.91	2,047.99	2,363.06	2,835.68	3,308.29
HSTREFNANT	1,142.22	7.00	235.44	1,384.66	923.11	1,076.96	1,230.81	1,384.66	1,692.36	2,000.06	2,307.77	2,769.32	3,230.87
HSTREMEIRCHION	1,142.22	14.77	235.44	1,392.43	928.29	1,083.00	1,237.72	1,392.43	1,701.86	2,011.29	2,320.72	2,784.87	3,249.01



<b>Adroddiad i'r:</b>	<b>Cyngor</b>
<b>Dyddiad y Cyfarfod:</b>	<b>24 Chwefror 2015</b>
<b>Aelod Arweiniol:</b>	<b>Cynghorydd Julian Thompson-Hill</b>
<b>Awdur yr Adroddiad:</b>	<b>Pennaeth Cyllid ac Asedau</b>
<b>Teitl:</b>	<b>Cynllun Cyfalaf 2014/15 - 2017/18 ac Argymhellion y Grŵp Buddsoddi Strategol</b>

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## **1. Am beth mae'r adroddiad yn sôn?**

- 1.1 Mae'r adroddiad yn rhoi diweddariad i'r aelodau ar elfen 2014/15 y Cynllun Cyfalaf. Hefyd ynghlwm mae argymhellion y Grŵp Buddsoddi Strategol o gynigion Cyfalaf a argymhellir ar gyfer eu cynnwys yn y Cynllun Cyfalaf.

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

- 2.1 Darparu Cynllun Cyfalaf diwygiedig i'r aelodau gan gynnwys diweddariad ar brosiectau mawr a'r cynllun corfforaethol.

Mae'r Atodiadau canlynol wedi cael eu cynnwys:

- Atodiad 1: Crynodeb o gyllid cynllun cyfalaf
- Atodiad 2: Crynodeb o gynllun cyfalaf gan Bennaeth Gwasanaeth
- Atodiad 3: Manylion amcangyfrifon cynllun
- Atodiad 4: Diweddariad ar brosiectau cyfalaf mawr
- Atodiad 5: Manylion argymhellion gan Grŵp Buddsoddi Strategol
- Atodiad 6: Bidiau Cyfalaf a argymhellir i'w cymeradwyo
- Atodiad 7: Darpariaeth ysgolion cynradd Ardal Rhuthun

## **3. Beth yw'r Argymhellion?**

- 3.1 Bod aelodau'n nodi sefyllfa ddiweddaraf elfen 2014/15 y Cynllun Cyfalaf a'r diweddaraf ar brosiectau mawr.

- 3.2 Bod yr aelodau yn cefnogi argymhelliad y Grŵp Buddsoddi Strategol fel y manylir yn Atodiad 5 a'u crynhoi yn Atodiad 6.

- 3.3 Cymeradwyo Cynllun Cyfalaf 2015/16.

- 3.4 Cymeradwyo achosion busnes a dyraniad cyfalaf ar gyfer darpariaeth Cynradd Ardal Rhuthun:

- Amnewid y ddarpariaeth bresennol Ysgol Stryd y Rhos/Ysgol Penbarras ar safle Glasdir.
- Adeilad ysgol newydd ar gyfer Ysgol Carreg Emlyn.
- Adeilad ysgol newydd ar gyfer ysgol ardal Llanfair a Phentrecelyn, yn amodol ar ganlyniad y cynigion trefniadaeth ysgolion.

#### 4. Manylion yr Adroddiad

##### 4.1 Gwariant Cyfalaf 2014/15

Rhoddwyd yr adroddiad diwethaf ar y Cynllun Cyfalaf llawn i'r Cyngor ym mis Medi 2014. Mae diweddariadau misol yn cael eu cyflwyno i'r Cabinet. Mae'r Cynllun Cyfalaf Amcangyfrifedig bellach yn £35.9miliwn. Mae'r Cynllun wedi cael ei ddiweddarau ychydig ers adrodd arno i'r Cabinet ar 17 Chwefror 2015.

##### 4.2 Prif Brosiectau

Mae Atodiad 4 yn rhoi diweddariad ar y prosiectau mawr canlynol:

- Datblygiad Harbwr y Rhyl
- Y Rhyl yn Symud Ymlaen
- Rhaglen Ysgolion yr 21ain Ganrif – Ysgol Gymunedol Bodnant
- Rhaglen Ysgolion yr 21ain Ganrif – Ysgol Newydd y Rhyl
- Datblygiad y Nova
- Datblygiad Arfordirol Gorllewin y Rhyl – Ph 3

##### 4.3 Cynllun Corfforaethol

Mae'r Cynllun Corfforaethol 2012-17 yn nodi uchelgais y Cyngor i sicrhau buddsoddiad cyfalaf sylweddol yn ei flaenoriaethau dros yr ychydig flynyddoedd nesaf, ac mae'r ffigurau diweddaraf yn tynnu sylw at y ffaith y bydd angen i'r Cyngor fuddsoddi oddeutu £119.047miliwn o gyllid cyfalaf.

Bydd cyfran uchel o'r gwaith hwn yn cynnwys cyflwyno pum prosiect o fewn y cynigion Band A ar gyfer Ysgolion yr 21ain Ganrif.

	<b>Cyllid y Cyngor</b> £miliwn	<b>Cyllid Allanol</b> £miliwn
Ysgolion yr 21ain Ganrif (rhaniad 50:50)	22.655	22.655
Ysgolion yr 21ain Ganrif – Ffydd (rhaniad 85:15)	3.572	20.242
Moderneiddio Addysg	16.907	0
Tai Gofal Ychwanegol a Chefndy	7.500	14.000
Priffyrdd	6.600	4.916
<b>Cyfanswm</b>	<b>57.234</b>	<b>61.813</b>

Mae'r Cynllun yn gwneud tybiaethau allweddol ar ffactorau amrywiol, gan gynnwys cyllid gan Lywodraeth Cymru ac adnoddau'r cyngor ei hun, amcangyfrif o gostau ac amseriad y gwaith.

Mae crynodeb o amcangyfrif diweddaraf y Cynllun Corfforaethol yn cael ei ddangos yn Atodiad 1.

#### 4.4 **Derbyniadau Cyfalaf**

Mae'r Cynllun Cyfalaf yn ddibynnol am ran o'i gyllid ar dderbyniadau cyfalaf a gynhyrchir drwy werthu asedau'r Cyngor. Mae'r tabl isod yn dangos y derbyniadau a gyflawnwyd yn 2014/15. Yn ychwanegol, mae yna nifer o warediadau posibl yn cael eu datblygu.

	<b>2014/15 £000</b>
Tir yng nghefn safle HM Stanley, Llanelwy	322
Tir, hen safle Lladd-dy, Rhualt	65
Symudydd Cychod, Harbwr y Foryd	26
<b>CYFANSWM</b>	<b>413</b>

#### 4.5 **Dangosyddion Darbodus**

Pob blwyddyn mae'r Cyngor yn pennu Dangosyddion Darbodus sy'n pennu terfynau darbodus ar ei fenthycy. Dyled y Cyngor ar hyn o bryd yw £151m. Mae hyn o fewn y Ffin Weithredol (£215 miliwn) a Therfyn Awdurdodedig (£220 miliwn) ac mae'n llai na'r rhagolwg Nawdd Cyfalaf Gofynnol (£203.9 miliwn). Mae hyn yn golygu bod y Cyngor yn cadw at y Cod Darbodus Cyllid Cyfalaf ac nid yw'n benthycy mwy na'i anghenion cyfalaf.

Mae'r gymhareb costau ariannu i'r llif refeniw net ar gyfer 2014/15 yn 6.93%. Mae'r gymhareb hon yn arwydd o fforddiadwyedd ac mae'n tynnu sylw at oblygiadau refeniw gwariant cyfalaf presennol ac arfaethedig trwy nodi cyfran o'r gyllideb refeniw sydd ei angen i gwrdd â chostau benthycy.

#### 4.6 **Argymhellion y Grŵp Buddsoddi Strategol (GBS)**

Mae'r Grŵp Buddsoddi Strategol wedi adolygu ceisiadau cyfalaf ac wedi gwneud argymhellion i'w cynnwys yn y Cynllun Cyfalaf o 2015/16 ymlaen. Mae'r rhain wedi eu manylu yn Atodiad 5 a'u crynhoi yn Atodiad 6.

#### 4.7 **Cynigion Adolygiad Ardal Ysgolion Cynradd Rhuthun**

Fel rhan o Gynllun Corfforaethol y Cyngor gwnaeth y Cyngor ymrwymiad, yn ychwanegol i'r cyllid ar gyfer Ysgolion yr 21ain ganrif, y byddwn yn ceisio buddsoddi adnoddau pellach tuag at weithredu'r adolygiadau ardal, gwaith adnewyddu a gwelliannau eraill i'n hysgolion.

Ym mis Gorffennaf 2014, rhoddodd y Cabinet awdurdod i gychwyn astudiaethau dichonoldeb mewn perthynas â'r tri phrosiect, a bydd eu cwblhau yn destun penderfyniadau cyllideb yn y dyfodol.

Yng nghyfarfod y Cabinet ar 13 Ionawr 2015, penderfynwyd argymell i'r Cyngor gymeradwyo'r achosion busnes a'r dyraniadau cyfalaf ar gyfer:-

- Ysgol gynradd newydd ar safle Glasdir yn Rhuthun yn lle'r adeiladau ysgol presennol ar gyfer Ysgol Penbarras ac Ysgol Stryd y Rhos
- Adeilad ysgol newydd yng Nghlocaenog ar gyfer Ysgol Carrog Emlyn yn lle'r adeiladau ysgol presennol yng Nghlocaenog a Chyffylliog
- Adeilad ysgol newydd ar gyfer ysgol ardal i wasanaethu cymunedau Llanfair a Phentrecelyn

Mae crynodeb o'r sail resymegol ar gyfer y prosiectau yn Atodiad 7 ac yn esbonio'r rhesymau am y buddsoddiadau arfaethedig. Yn eu cyfarfod ar 16 Rhagfyr 2014, bu'r Grŵp Buddsoddi Strategol yn ystyried yr Achosion Busnes llawn ar gyfer y prosiectau ac argymell eu cymeradwyaeth.

I gefnogi'r cynigion hyn, yng nghyfarfod y Cabinet rhoddwyd cymeradwyaeth i gychwyn dau gynnig trefniadaeth ysgolion fydd yn cael ei datblygu ochr yn ochr â'r prosiectau buddsoddi yma. Dechreuodd proses o ymgynghori ar y ddau gynnig ar ddechrau Chwefror 2015.

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

Mae prosiectau wedi cael eu hadolygu er mwyn sicrhau eu bod yn bodloni Amcanion Corfforaethol y Cyngor.

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

### **6.1 Goblygiadau o Ran y Gost**

Mae'n angenrheidiol sicrhau bod y Cynllun Cyfalaf yn cael ei ariannu'n llawn gan fod yn rhaid i unrhyw gost ychwanegol, sy'n fwy na chyfanswm y cyllid sydd ar gael, gael ei ariannu o gyllidebau referniw.

### **6.2 Goblygiadau Staffio/TG/Llety**

Mae'n ofynnol llenwi ffurflen Achos Busnes ar gyfer pob prosiect newydd a thrafod goblygiadau penodol yn ystod y cam hwnnw.

### **6.3 Asesiad o Effaith ar Newid Hinsawdd - Lliniaru ac Addasu:**

Mae prosiectau cyfalaf newydd yn destun archwilio gan y Grŵp Buddsoddi Strategol. Bydd pob achos busnes yn dangos, lle bo'n briodol allyriadau tunnell carbon perthnasol cyn ac ar ôl prosiect, gan nodi a yw'r prosiect yn allyriad carbon cadarnhaol, negyddol neu niwtral. Yn ogystal, mae angen sicrhau bod prosiectau cyfalaf newydd

yn ddiogel ar gyfer y dyfodol ac yn gallu addasu i newid yn yr hinsawdd.

**7. Beth yw prif gasgliadau'r Aseiad o Effaith ar Gydraddoldeb a gynhaliwyd ar y penderfyniad?**

Mae pob prosiect newydd yn amodol ar AEG unigol.

**8. Pa ymgynghoriadau a gynhaliwyd gydag Archwilio ac eraill?**

Mae prosiectau'n cael eu paratoi ac yna'n cael eu monitro mewn ymgynghoriad â Phenaethiaid Gwasanaeth. Mae'r ffigurau a ddefnyddir yn yr adroddiadau yn seiliedig ar yr amcangyfrifon diweddaraf sydd ar gael.

Mae pob aelod wedi cael gwybod am y cynigion, gyda chopïau caled o'r ceisiadau wedi eu lleoli yn ystafell yr Aelodau a cheisiadau prosiect ar gael i'w gweld ar Mod.Gov.

**9. Datganiad y Prif Swyddog Cyllid**

Ni ddylai unrhyw brosiect ddechrau heb gael ei gyllido'n llawn yn erbyn cynllun prosiect cadarn a'r prosiect yn cael ei drafod gyda'r Grŵp Buddsoddi Strategol.

Mae angen i Noddwyr Prosiect arfer rheolaeth dynn dros eu gwariant cyfalaf er mwyn sicrhau bod y prosiectau'n gallu aros o fewn eu cyllidebau.

Mae'r Cyngor wedi cymeradwyo Cynllun Corfforaethol uchelgeisiol. Yn sail i fforddiadwyedd y Cynllun mae rhagdybiaethau allweddol ynghylch cyllidebau refeniw ac arian. Mae maint y Cynllun Corfforaethol yn golygu y bydd yn ymestyn dros gyfnod o 5-7 mlynedd ac yn sicr yn golygu wrth iddo ddatblygu, y bydd gwahaniaethau amseru rhwng y rhagdybiaethau a gynlluniwyd a'r rhagdybiaethau gwirioneddol ynghylch y defnydd o arian. Gall hyn olygu y gall cronfeydd wrth gefn a glustnodwyd gynyddu nes y byddant wedi'u hymrwymo. Fodd bynnag mae'n hanfodol cydnabod, os yw adnoddau'n cael eu hailgyfeirio yn ystod oes y Cynllun, y bydd yn rhaid i'r Cyngor benderfynu pa brosiectau a nodwyd yn flaenorol y byddai am eu canslo.

Cost y tri phrosiect cyfalaf ar gyfer adolygiad ardal Rhuthun yw oddeutu £15 miliwn. Gan nad yw'r cynlluniau yn rhan o'r prosiectau Ysgolion yr 21ain Ganrif Band A, bydd rhaid i'r Cyngor ariannu'r holl gostau cyfalaf sy'n gysylltiedig â'r cynigion. Mae buddsoddi ar y raddfa hon yn dod â risgiau ariannol cysylltiedig ac felly mae'n hanfodol rheoli a monitro'r prosiect a'r agweddau ariannol. Dylai'r cynigion gynhyrchu arbedion refeniw y gellir eu hail-fuddsoddi i mewn i raglen fuddsoddi'r Cyngor i ariannu benthyca. Mae cwblhau'r tri phrosiect hefyd yn rhoi potensial i gynhyrchu derbyniadau cyfalaf.

**10. Pa risgiau sydd yna, ac a oes unrhyw beth y gallwn ei wneud i'w lleihau?**

**10.1 Risgiau sy'n gysylltiedig â pheidio cytuno â'r argymhellion**

Byddai risgiau posibl yn cynnwys cynlluniau ddim yn symud ymlaen, colli grant ac amhariad ar wasanaethau.

#### **10.2 Risgiau sy'n gysylltiedig â chytuno â'r argymhellion**

Nid oes unrhyw brosiect cyfalaf heb risg. Fodd bynnag, mae'r holl gynlluniau'n cael eu hadolygu gan y Grŵp Buddsoddi Strategol ac maent hefyd yn destun monitro ac adrodd misol parhaus.

#### **11. Pŵer i wneud y Penderfyniad**

Mae Rhan 1 o Ddeddf Llywodraeth Leol 2003 yn pennu'r trefniadau ar gyfer cyllido cyfalaf o 2004/05 ymlaen.

**Denbighshire County Council - Capital Plan 2014/15 - 2017/18**  
**Position to end January 2015**

**APPENDIX 1**

**General Capital Plan**

**Capital Expenditure**

Total Estimated Payments - General  
 Total Estimated Payments - Corporate Plan  
 Contingency  
 Total

	2014/15	2015/16	2016/17	2017/18
	£000s	£000s	£000s	£000s
Total Estimated Payments - General	23,770	15,554	100	100
Total Estimated Payments - Corporate Plan	11,857	18,656	2,418	394
Contingency	281	700	500	500
<b>Total</b>	<b>35,908</b>	<b>34,910</b>	<b>3,018</b>	<b>994</b>
<b>Capital Financing</b>				
1 External Funding	19,135	12,363	5,021	4,605
2 Receipts and Reserves	5,150	8,312	562	61
3 Prudential Borrowing	11,623	14,235	1,540	433
5 Unallocated Funding	0	0	(4,105)	(4,105)
<b>Total Capital Financing</b>	<b>35,908</b>	<b>34,910</b>	<b>3,018</b>	<b>994</b>

**Capital Financing**

- 1 External Funding
- 2 Receipts and Reserves
- 3 Prudential Borrowing
- 5 Unallocated Funding

**Corporate Plan**

**Approved Capital Expenditure included in above plan**

Cefndy Healthcare Investment  
 Highways Maintenance and bridges  
 Feasibility Study - New Ruthin School  
 Rhyl High School  
 Ysgol Bro Dyfrdwy - Dee Valley West Review  
 Bodnant Community School  
 Ysgol Glan Clwyd  
 Faith Based Secondary

**Estimated Capital Expenditure**

**Total Estimated Payments**

	£000s	£000s	£000s	£000s
Cefndy Healthcare Investment	100	341		
Highways Maintenance and bridges	5,373			
Feasibility Study - New Ruthin School	60			
Rhyl High School	5,103	16,216	1,856	333
Ysgol Bro Dyfrdwy - Dee Valley West Review	119			
Bodnant Community School	620	2,099	562	61
Ysgol Glan Clwyd	465			
Faith Based Secondary	17			
<b>Estimated Capital Expenditure</b>	<b>0</b>	<b>13,876</b>	<b>30,140</b>	<b>28,222</b>
<b>Total Estimated Payments</b>	<b>11,857</b>	<b>32,532</b>	<b>32,558</b>	<b>28,616</b>
<b>Approved Capital Funding included in above plan</b>				
External Funding	5,667	8,099	416	
Receipts and Reserves	2,448	7,209	562	61
Prudential Borrowing	3,742	3,348	1,440	333
<b>Estimated Capital Funding</b>	<b>0</b>	<b>6,522</b>	<b>11,384</b>	<b>16,920</b>
External Funding		6,522	11,384	16,920
Receipts and Reserves	0	4,531	2,701	3,831
Prudential Borrowing		2,823	16,055	7,471
<b>Total Estimated Funding</b>	<b>11,857</b>	<b>32,532</b>	<b>32,558</b>	<b>28,616</b>

**Approved Capital Funding included in above plan**

External Funding  
 Receipts and Reserves  
 Prudential Borrowing

**Estimated Capital Funding**

External Funding  
 Receipts and Reserves  
 Prudential Borrowing

**Total Estimated Funding**

Mae tudalen hwn yn fwiadol wag



<b>Denbighshire County Council - Capital Plan 2014/15 - 2017/18</b>				<b>APPENDIX 2</b>
<b>Position to end January 2015</b>				
	<b>2014/15</b>	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>
	<b>Estimated</b>	<b>Estimated</b>	<b>Estimated</b>	<b>Estimated</b>
<b>HEAD OF SERVICE</b>	<b>Programme</b>	<b>Programme</b>	<b>Programme</b>	<b>Programme</b>
<b>CAPITAL PROGRAMME SUMMARY</b>				
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Housing and Community Development	4,160	549		
Highways and Environmental Services	13,621	6,061		
Customers and Education Support	10,552	20,502	2,418	394
Planning and Public Protection	2,865	1,500		
Communication, Marketing and Leisure	1,837	3,589		
Finance and Assets	1,311	594		
Business Improvement and Modernisation	364	636	100	100
Adult and Business Services	844	758		
School Improvement and Inclusion	73			
Legal, HR and Democratic Services		21		
Contingency	281	700	500	500
<b>TOTAL HEAD OF SERVICE SUMMARY</b>	<b>35,908</b>	<b>34,910</b>	<b>3,018</b>	<b>994</b>

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Denbighshire County Council - Capital Plan 2014/15 - 2017/18		APPENDIX 3		
<b>Position to January 2015</b>				
	<b>2014/15</b>	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>
<b>CAPITAL PROGRAMME</b>	<b>Estimated</b>	<b>Estimated</b>	<b>Estimated</b>	<b>Estimated</b>
<b>DETAILS OF SCHEMES</b>	<b>Programme</b>	<b>Programme</b>	<b>Programme</b>	<b>Programme</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Housing and Community Development</b>				
Rhyl Harbour Development	265	113		
Rhyl Harbour - Harbour Empowerment Order	25	20		
East Parade - DDA Access & Slipway	3			
Bee and Station	71			
Strategic Regeneration Match Funding/Town Plans	315	300		
Business Development Grants	53	20		
North West Wales - Local Investment Fund	102	28		
RDP - Rural Denbighshire Business Creation and Development	21			
Community Projects		68		
Acquisitions of property in Rhyl and associated Public Realm Works	48			
WRHIP -Main Programme Works	3,257			
<b>Total Housing and Community Development</b>	<b>4,160</b>	<b>549</b>	<b>0</b>	<b>0</b>
<b>Highways and Environmental Services</b>				
Playgrounds	39			
North Wales Cycling Centre of Excellence	4			
H & S Works - Schools kitchen equipment	35	30		
Public Conveniences - Refurbishment Programme	28	50		
Brake tester	28			
Highways Maintenance and Other	2,007	2,975		
Highways Maintenance (LGBI funding)	1,927			
Bridges	1,196			
Bridges (LGBI funding)	1,718			
Traffic	310			
Rights of Way	34			
Asset Management		70		
Car Parks	26	50		
Rhyl Promenade - Replacement Railings	275			
Street Lighting	424	335		
Coastal Defence - Inspections and Essential maintenance	234	125		
Coastal Defence - West Rhyl Ph 3	2,722	1,649		
Coastal Floods 2013	571			
Flood Prevention Schemes - Denbigh and others	14			
Flood prevention Scheme - Corwen	737	300		
Glasdir Flood Bund	270			
Local Transport Fund 2014/15 WG	273			
Safe Routes in Communities 2014/15 WG	356			
Local Road Safety	60			
Lon Parcwr Depot - Improvement Works	83	27		
Vehicles, Plant and Equipment	250	450		
<b>Total Highways and Environmental Services</b>	<b>13,621</b>	<b>6,061</b>	<b>0</b>	<b>0</b>

Denbighshire County Council - Capital Plan 2014/15 - 2017/18			APPENDIX 3	
<b>Position to January 2015</b>				
<b>Customers and Education Support</b>				
Schools Capital Maintenance	1,879	1,800		
Furniture and Equipment	58			
DDA Works	14	30		
Remodelling of Design & Technology Workshops in Schools	47			
Traffic Management Schemes	145	255		
Ysgol Emmanuel Café Project	63			
Ysgol Plas Brondyffryn - Entrance Remodelling	170			
Transforming 3-18 Welsh Medium Education in North Denbighshire	1,747	62		
Ysgol Dyffryn Ial, Llandegla - Extension - Dee Valley East Review	42	40		
21st Century Schools	3			
Ysgol Bro Dyfrdwy - Dee Valley West Review	119			
Rhyl New school	5,103	16,216	1,856	333
Bodnant Community School - Re-development	620	2,099	562	61
Ysgol Glan Clwyd - Extension	465			
Feasibility Studies - Ruthin Area Review	50			
New Area School for Llanfair and Pentrecelyn	10			
Faith School	17			
<b>Total Customers and Education Support</b>	<b>10,552</b>	<b>20,502</b>	<b>2,418</b>	<b>394</b>
<b>Planning and Public Protection</b>				
Housing Improvement Grants	1,700	1,500		
Renewal Areas	643			
Maximising ECO - Private Sector Housing	417			
Town and Country Planning - Section 106	105			
<b>Total Planning and Public Protection</b>	<b>2,865</b>	<b>1,500</b>	<b>0</b>	<b>0</b>
<b>Communication, Marketing and Leisure</b>				
Denbigh Youth Enterprise Centre	200			
Denbigh High School - Gymnasium Activity Studio	6			
Denbigh Leisure Centre - All Weather Pitch	200			
Prestatyn Library - Re-location	22			
Prestatyn Nova - Redevelopment	1,109	3,225		
Central Beach - Refurbishment of Public Toilets		108		
Prestatyn, North Wales Bowls Centre - Refurbishment	200			
Rhyl One Stop Shop/Library - Un Sir Ddinbych	100	161		
Scheme Retention - Ruthin Craft Centre		95		
<b>Total Communication, Marketing and Leisure</b>	<b>1,837</b>	<b>3,589</b>	<b>0</b>	<b>0</b>

Denbighshire County Council - Capital Plan 2014/15 - 2017/18			APPENDIX 3	
<b>Position to January 2015</b>				
<b>Finance and Assets</b>				
Agricultural Estates	199	158		
Asbestos	469			
DDA works/Equalities	12			
Office Rationalisation and Relocation	1	8		
Management of Vacant Buildings at Risk		12		
Property Block Allocation	406	400		
Fire Risk Assessment Works - Public Buildings	34			
Asset Energy and Carbon Efficiency Programme	73			
Essential H & S Works (capital receipts)	65			
Emergency Works - Sky Tower	24			
Denbigh Sports Hall - Energy Efficient Lighting	12			
Haul Road, Prestatyn	16	16		
<b>Total Finance and Assets</b>	<b>1,311</b>	<b>594</b>	<b>0</b>	<b>0</b>
<b>Business Improvement and Modernisation</b>				
ICT Strategy - Phase 2	364	636	100	100
<b>Total Business Improvement and Modernisation</b>	<b>364</b>	<b>636</b>	<b>100</b>	<b>100</b>
<b>Adult and Business Services</b>				
Minor Adaptations and Equipment	194	220		
Replace Care.Com (PARIS)		65		
Cefndy Healthcare Investment	100	341		
Cysgod y Gaer - Biomass		132		
Intermediate Care Fund	550			
<b>Total Adult and Business Services</b>	<b>844</b>	<b>758</b>	<b>0</b>	<b>0</b>
<b>School Improvement and Inclusion</b>				
Flying Start - Co-location, Old Youth Centre, Rhyl	73			
<b>Total School Improvement and Inclusion</b>	<b>73</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Legal, HR and Democratic Services</b>				
Legal Estate Improvement project		21		
<b>Total Legal, HR and Democratic Services</b>	<b>0</b>	<b>21</b>	<b>0</b>	<b>0</b>
<b>Contingency</b>	<b>281</b>	<b>700</b>	<b>500</b>	<b>500</b>
<b>Total Capital Plan Services</b>	<b>35,908</b>	<b>34,910</b>	<b>3,018</b>	<b>994</b>

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## Appendix 4 - Major Capital Projects Update

### Rhyl Harbour Development

Total Budget	£10.648m
Expenditure to date	£10.401m
Estimated remaining spend in 2014/15	£ 0.134m
Future Years estimated spend	£ 0.113m
Funding	WG £2.613m; WEFO £6.165m; Sustrans £0.700m; RWE £155k; WREN £69k and DCC £0.946m
Comments	<p><b>Programme</b></p> <p>The replacement barrier at the entrance to the harbour has been manufactured and now needs to be fitted.</p> <p>The contract for the WREN works in the dunes is now in place and the works will commence by mid-February.</p> <p>Work will shortly commence to rectify any remaining defects.</p> <p>The project is being audited by the European Funds Audit Team (EFAT).</p>
Forecast In Year Expenditure 14/15	£0.265m

### Rhyl Going Forward

Total Budget	£14.319m
Expenditure to date	£12.646m
Estimated remaining spend in 14/15	£ 1.673m
Future Years estimated spend	£ Nil
Funding	WG £14.319m
Comments	<p><b>Former Honey Club Site</b></p> <p>This project is no longer under the control of the Council, but officers continue to monitor progress to ensure compliance with the Development Agreement.</p> <p>The tenants of the development are confirmed as Premier Inn, operating a 70 bed hotel with Brewers Fayre at ground floor. There will also be a small retail outlet.</p> <p>The agreement between the developer – Chesham Estates and Premier Inn was signed on Friday 12<sup>th</sup> December 2014. Start on site is anticipated during the second quarter of 2015. Construction is likely to take 12 months.</p> <p><b>West Rhyl Housing Improvement Project</b></p>

	<p><b>Green Space Construction</b> Drainage issues with Welsh Water/Dwr Cymru have now been resolved. The above issue has resulted in a delay to the completion date and handover is now scheduled for 23<sup>rd</sup> March 2015.</p> <p>The project remains within budget.</p> <p>A community planting day is planned and will be arranged in partnership with the Council's Countryside Services.</p> <p><b>Housing Development Gronant Street/Abbey Street</b> Demolition of properties on Gronant Street is 100% complete and demolition on Abbey Street has commenced. Completion is scheduled for 13<sup>th</sup> March 2015 with construction to follow in April/May 2015.</p>
Forecast In Year Expenditure 14/15	£3.305m

#### 21<sup>st</sup> Century Schools Programme – Bodnant Community School Extension and Refurbishment

Total Budget	£3.441m
Expenditure to date	£0.308m
Estimated remaining spend in 14/15	£0.381m
Future Years estimated spend	£2.752m
Funding	WG £1.687m, DCC £1.754
Comments	<p><b>Bodnant Community School</b> This scheme is one of five projects within the Band A proposals for 21<sup>st</sup> Century Schools Programme.</p> <p>The project will build 7 classrooms, a new school hall and supporting facilities on the current Juniors site. This will allow the Infants pupils to move to the Juniors site and the school to operate on a single site. The Infants site will then become surplus to requirements.</p> <p>The contract for the works has recently been awarded to Read Construction, and work is due to start on site on 16 February 2015. The contract period of 70 weeks should see the extension and refurbishment work completed by mid-June 2016.</p> <p>The project should be delivered in readiness for the start of the new school year in September 2016.</p>
Forecast In Year Expenditure 14/15	£0.620m



## 21<sup>st</sup> Century Schools Programme - Rhyl New School

Total Budget	£24.586m
Expenditure to date	£3.252m
Estimated remaining spend in 14/15	£2.927m
Future Years estimated spend	£18.407m
Funding	DCC £12.293m; WG £12.293m
Comments	<p>The project will provide a new school building for Rhyl High School to serve up to 1,200 pupils in mainstream education whilst also housing approximately 45 pupils from Ysgol Tir Morfa, the community special school in Rhyl.</p> <p>Construction works are progressing as planned; work is now underway on the foundations, and the installation of the drains and services.</p> <p>The erection of the steel frame for the building is due to commence in February.</p> <p>Works to replace the existing boundary fence with the new permanent fence will take place over the next two months.</p> <p>The scope of the works to the Leisure Centre is currently being reviewed and costs calculated.</p> <p>The new school is programmed to complete in February/March 2016, at which point the pupils will transfer to the new school, and the existing school buildings will be demolished and the grounds re-instated to school playing fields.</p> <p>The anticipated completion date of the project is August 2016.</p> <p>There is ongoing consultation with key stakeholders which includes the neighbours.</p>
Forecast In Year Expenditure 14/15	£5.103m

## Nova Development

Total Budget	£4.424m
Expenditure to date	£0.011m
Estimated remaining spend in 14/15	£0.989m
Future Years estimated spend	£3.424m
Funding	DCC £4.380m; Other contributions £0.044m
Comments	The refurbishment of Prestatyn Nova Centre commenced on 5 <sup>th</sup> January 2015. This scheme includes

	<p>external environmental improvements to improve the look of the building as well as the creation of a new entrance , reception, 60 station fitness suite, café, retail units, three storey soft play structure, multi-purpose studios and refurbishment of associated toilets and changing areas throughout the complex. The scheme has also been extended to include the complete refurbishment of the public toilet block to the East of the property together with improvements to the promenade area.</p> <p>ISG, the principal building contractor is in the process of carrying out a range of internal and external demolition activities as well as removing redundant plant.</p> <p>The design and layout of both the fitness suite and soft play area have now been agreed. Work is progressing on finalising the staffing structure and recruitment plan. A marketing plan for the site is currently being developed.</p> <p>The project is on schedule to be complete by 3rd August 2015.</p>
Forecast In Year Expenditure 14/15	£1.0m

### West Rhyl Coastal Development Ph 3

Total Budget	£4.469m
Expenditure to date	£0.326m
Estimated remaining spend in 14/15	£2.562m
Future Years estimated spend	£1.581m
Funding	DCC £0.520m; WG/WEFO £3.949m
Comments	<p>This coastal defence scheme is the final phase of works designed to protect 2,700 properties from coastal flooding.</p> <p>A funding package has been agreed with Welsh Government and works are anticipated to take five months. The works compound has now been established and is operational. Dawnus, the contractor have started piling and the first deliveries of redi-rock (concrete blocks) have arrived on site.</p> <p>Funding for amenity/betterment is still unresolved, but a number of avenues are being followed.</p>
Forecast In Year Expenditure 14/15	£2.722m

## Appendix 5

### Summary of Strategic Investment Group Recommendations (Capital Plan 2015/16)

#### 1. Report details

- 1.1 The Welsh Government's capital settlement for 2015/16 is in line with that for 2014/15 and continues the recent poor capital settlements.
- 1.2 With the continued lack of capital investment from the Welsh Government, the Council has no choice but to rely on its own resources to invest in key projects. This means either selling assets to generate receipts or using Prudential Borrowing.
- 1.3 The Council is aiming to dispose of a number of sites over the next three years. The total available funding in 2015/16 includes £590k from assets that are currently proceeding to disposal, and are anticipated to be completed by March 2015 and £1.615m in relation to the sale of commercial sites which are anticipated to be completed during 2015/16. The allocation of these funds to schemes is provisional until the funds are received from disposals.
- 1.4 The available funding for 2015/16 is shown below:

Source	Amount £000
General Capital Grant	1,834
Unhypothecated Supported Borrowing	3,013
Prudential Borrowing - Highways	2,085
Capital Receipts	280
Future Capital Receipts – Disposal of assets on-going	2,205
Unspent Contingency b/f/ Other	293
<b>Total Funds Available 2015/16</b>	<b>9,710</b>

- 1.5 The Capital Plan spends money on two types of project. Firstly there are one-off projects such as a new school or refurbishment of a leisure centre, the second type of expenditure is a 'block allocation'. These are ongoing programmes of work that stretch over several years (and may never be complete) e.g. schools maintenance. Elements of this work may be paid for from repair and maintenance budgets but a significant part is funded through the capital plan.

#### Recommendations of the Strategic Investment Group

- 1.6 The Strategic Investment Group decided to invite bids in line with

previously agreed block allocations from departments. The Strategic Investment Group has reviewed 12 bids over a number of meetings.

1.7 Each bid was submitted with approval of the relevant head of service.

- It is proposed to allocate £1.5m in support of Private Sector Housing Assistance. The funding will be used in the main on the provision of Disabled Facilities Grants.
- An allocation of £220k is recommended for Minor Adaptations, Community Equipment and Telecare. This funding is targeted at enabling the elderly and disabled to remain in their own homes.
- It is proposed to allocate £140k to the Agricultural Estate to support the rationalisation of the estate and address Health and Safety issues. This allocation is provisional, subject to disposal of assets.
- Both the school and non-school capital maintenance bids include provision for essential maintenance such as Asbestos Removal, Fire Risk Assessment Work, DDA etc. It is recommended that £2.075m be allocated to Schools Capital Maintenance Works. Of this, £275k will be provisional, subject to disposal of assets. It is also proposed to allocate £450k to Non schools capital maintenance work. Of this, £50k will be provisional, subject to disposal of assets. It is further recommended that the appropriate Heads of Service determine the precise allocations to the specific works required, in order of priority.
- Highways have received £100k to support prudential borrowing as part of the revenue budget for 2015/16. This will allow approximately £1.75m of capital expenditure. In addition to this, it is proposed to allocate £1m block allocation for structural and other repairs including highway maintenance, street lighting and bridges. Of this, £125k will be provisional, subject to disposal of assets. In addition to this, it is proposed to allocate £125k as match funding to support a grant submission for £375k to the Welsh Government in relation to coastal flood risk improvement works at East Rhyl.
- The Strategic Investment Group considered a proposal for the replacement of all the street lighting lanterns within Denbighshire with new LED lanterns. The proposed programme will cost £2m in total over six years and provide significant savings on energy costs and on-going maintenance costs. The scheme would be funded through the Government Salix funding initiative which provides interest free loans for energy efficient projects and will be repaid using the savings generated. The costings within the bid have been agreed with central finance. Applications for Salix funding are required on an annual basis, and the Strategic Investment Group recommends the submission of an application to take out a Salix loan for year one costs of £335k repayable over 6 years.

- The Strategic Investment Group considered a proposal for funding to deliver a programme of urban regeneration through the supply of modern business accommodation. It is recommended to allocate £1.615m to this initiative, but this will be provisional subject to disposal of commercial sites, anticipated during 2015/16.
  - The Strategic Investment Group recommends maintaining the allocation set aside for any contingencies at £0.5m, in line with 2014/15.
- 1.8 Appendix 6 shows the projects listed with recommended funding for each. Each project that is being recommended for approval is shown under a different column in the appendix:
- PB Highways – £2.085m. This is £1.75m prudential borrowing to be supported from the revenue budget as approved by Council on 3<sup>rd</sup> February 2015, together with proposed £335k application for Salix funding.
  - Council Funds – These are funds such as general grants, capital receipts, and unspent contingency. This funding is for one year only.
- 1.9 The membership of the Strategic Investment Group is as follows:
- Cabinet Member – Finance & Assets
  - Cabinet Member – Economic Development
  - Cabinet Member – Modernising and Performance
  - Representatives from each Scrutiny Committee: Cllrs Alice Jones; Huw Hilditch-Roberts and Gareth Sandilands
  - Corporate Director – Economic and Community Ambition
  - Head of Finance & Assets
  - Manager – Corporate Programme office

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2015/16 Capital Bids - Proposed Allocations										APPENDIX 6
Ref	Project Name	HOS	Total Project Cost	Capital Plan Requirement 2015/16	P B Highways	Council Funds	Subject to Capital Receipts 14/15	Subject to Capital Receipts 15/16	TOTAL 2015/16	Brief Description
			£000	£000	£000	£000	£000	£000	£000	
901	Private Sector Housing Assistance	Graham Boase	2,372	1,700		1,500			1,500	Housing Improvement works to private sector dwellings
902	Minor Adaptations; Community Equipment, Telecare	Phil Gilroy	240	240		220			220	Minor Adaptations and Equipment
903	Agricultural Estate Capital Works	Paul McGrady	1,060	605			140		140	Improvement works for the estate
904	Schools Capital Maintenance Works	Paul McGrady	5,229	5,229		1,800	275		2,075	Works to a range of work streams in schools
905	Non School Public Buildings Capital Maintenance Works	Paul McGrady	11,772	4,272		400	50		450	Works to a range of work streams for Public Buildings
906/907/908/909	Highways works	Steve Parker	3,165	2,924	1,750	875	125		2,750	Improvements to roads and bridges, Street Lighting and Road Safety
910	Sustainable LED Lighting (Salix)	Steve Parker	2,011	335	335 Note 1				335	Application for loan to Salix to replace street lighting lanterns
911	Coastal Flood Risk Improvements	Steve Parker	500	125		125			125	Coastal flood risk improvement works at East Rhyl
912	Strategic Development Sites	Paul McGrady	3,925	1,615				1,615	1,615	Provision of modern business accommodation
	Capital Contingency					500			500	
	<b>TOTALS</b>		<b>30,274</b>	<b>17,045</b>	<b>2,085</b>	<b>5,420</b>	<b>590</b>	<b>1,615</b>	<b>9,710</b>	
	<b>For information Only:</b>									
Note 1	Sustainable LED Lighting (Salix) - Application for loan from Government funded Salix initiative									

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## **Appendix 7 - Summary of Business Cases for Investment in the Ruthin Primary Area**

### **1. Ruthin Town Schools**

1.1 The feasibility study focussed on options for the Glasdir site to the North of Ruthin, the existing Rhos Street / Penbarras campus and the current site of Ysgol Rhewl. The findings indicated the following key points:-

#### Glasdir Site:-

- Size - Capable of accommodating a shared site for a 210 / 315 shared site school, subject to a land swap with Welsh Government.
- Highways – options highlighted which could accommodate likely traffic and drop off arrangements for the shared site school with adequate parking.
- Flooding – Findings of previous studies illustrate that of a number of scenarios for the school site, none of them indicated any significant flooding of the potential school site.

#### Existing Rhos Street / Penbarras site:-

- Existing site – Considerable deficiencies in condition and suitability from existing shared site arrangement, overall size significantly smaller than recommended size area.
- Revised site – Could accommodate a single 210 school; however some existing issues would remain such as insufficient hall size, dining and catering arrangements and parking / parent drop off zones. Accessibility / DDA issues would remain.

#### Ysgol Rhewl Site:-

- Much of the existing building fabric is beyond its expected design life and requires extensive work to bring up to current standards.
- Shortcomings in internal arrangement and large extensions would take away external areas that are already too small to accommodate a 105 place school.

1.2 The Business Case developed based on the findings of this feasibility work provides a range of options for the future ranging from do minimum to the maximum options of providing three new or renovated facilities for each school.

1.3 Based on this evidence the preferred way forward is as follows:-

- To build a new shared school site for Rhos Street and Ysgol Penbarras to accommodate 450 pupils based on a capacity of 180 and 270 for each school.
- To consult on a proposal to close Ysgol Rhewl as of 31st August 2017 with pupils transferring to Rhos Street and Ysgol Penbarras.
- To declare the existing Rhos Street and Ysgol Penbarras site surplus, subject to the completion of the project and to dispose of the asset.

- 1.4 Approximately £8.9million has been allocated for this project. The latest figures provided for standalone schools of the size to accommodate 525 pupils suggested a possible cost of £10.5m based on no shared facilities. The next stage of the project will be to develop further the client's brief with a view to developing shared facilities and to reduce the size of the school to accommodate the smaller pupil numbers to ensure that the costs of the project are reduced.
- 1.5 Discussions have progressed with Welsh Government regarding a land swap between them and Denbighshire to facilitate this development.
- 1.6 Moving forward based on a traditional design and then tender stage the following indicative timescale has been put forward. This would be amended should an alternative route be sought such as design and build. Due to the scale of the contract any contractor would be selected via the North Wales Construction Framework.

Approval from Cabinet / Council of Business Case	December 2014 to February 2015
Securement of Land Agreement with Welsh Government	December 2014 to April 2015
Design Stages	February 2015 to November 2015
Tender Stage	November 2015 to February 2016
Construction Stage	March 2016 to July 2017
Handover	July 2017

## 2. Ysgol Carreg Emlyn - Clocaenog and Cyffylliog area

- 2.1 The new area school named Ysgol Carreg Emlyn to serve the communities of Clocaenog, Cyffylliog and Derwen was created as of September 2014 to replace the former schools of Ysgol Clocaenog and Ysgol Cyffylliog. Due to an imbalance of demand at the sites the Governing Body agreed in consultation with Denbighshire, an interim arrangement so that the Cyffylliog site provides foundation phase education and the Clocaenog site provides Key Stage 2 education. This arrangement has led to additional transport costs.
- 2.2 The feasibility study focussed on options for the Clocaenog area and the findings indicated the following key points:-

### Existing Clocaenog Site:-

- Shortfalls of adequately sized teaching spaces, no school hall, and no separate staff, Headteacher and administration areas.
- The current site is unable to be expanded due to the natural borders of the road and the river and the slopes around the school.

### Alternative Sites:-

- At least 2 sites in the village capable of accommodating a 105 Primary school.

- Both sites currently in private ownership, no Denbighshire owned land suitable for development purposes.

2.3 Based on this evidence the preferred way forward is as follows:-

- To build a new school to accommodate 91 FT pupils in the village of Clocaenog.
- To declare the existing Clocaenog and Cyffylliog sites surplus subject to the completion of the project and to dispose of the asset.

2.4 At this stage £2.8million has been allocated for this project. The next stage of the project will be to develop further the client's brief, to undertake further survey works to confirm the preferred site and to commence discussions with the relevant land agents to purchase the land required.

2.5 Moving forward based on a traditional design and then tender stage the following indicative timescale has been put forward. As the contract value will be less than £4.3m this project will be outside of the remit of the North Wales Construction Framework.

Approval from Cabinet / Council of Business Case	December 2014 to February 2015
Land Suitability and Securement of Land Agreement to purchase land	December 2014 to May 2015
Design Stages	June 2015 to May 2016
Tender Stage	June 2016 to Aug 2016
Construction Stage	September 2016 to September 2017
Handover	October 2017

### 3. Area School for Llanfair / Pentrecelyn

3.1 The feasibility study focussed on options for the villages of Llanfair and Pentrecelyn. This focussed on the existing sites, and land identified in the village of Llanfair. The findings indicated the following key points:-

Ysgol Llanfair Site:-

- Size – Not sufficient to accommodate an extension.
- Highways –significant limitations around parking and drop off areas for existing pupils.

Ysgol Pentrecelyn Site:-

- Size - Could accommodate a larger school following acquisition of additional land.
- Highways – As school site is outside of settlement with no suitable footway it is likely that all pupils would qualify for home to school transport.

Alternative Sites

- At least 2 sites in the village capable of accommodating a 140 Primary school.
  - All sites currently in private ownership, no Denbighshire owned land suitable for development purposes.
- 3.2 The Business Case developed based on the findings of this feasibility work provides a range of options for the future ranging from do minimum to the maximum option of providing a larger school in the region of 180 pupils.
- 3.3 Discussions held to date with Planning have highlighted that capacity issues exist in relation to the Welsh Water Sewerage Works which serve the village. A meeting is being sought with Welsh Water to ascertain when the required improvements works are scheduled to take place. This could impact on the timescales for the project should these works be not identified early in Welsh Water's Asset Management Plan.
- 3.4 Based on this evidence the preferred way forward is as follows:-
- To progress proposals to amalgamate the existing schools of Ysgol Llanfair and Ysgol Pentrecelyn as an area school based initially on their existing sites.
  - To commence the design process for a new school to accommodate 140 FT pupils in the village of Llanfair, with progression to construction stage being dependent upon securing the necessary school organisation proposals.
  - To declare the existing Pentrecelyn site surplus subject to the completion of the project and to dispose of the asset.
  - To declare the playing fields at Ysgol Llanfair surplus subject to the completion of the project and seek to dispose of the site for residential purposes to offset the potential loss of development land in the village arising from the new school.
- 3.5 In tandem with the capital project a school organisation proposal to close Ysgol Llanfair and Ysgol Pentrecelyn as of the 31<sup>st</sup> August 2016 and to open a new area school based on the existing sites as of 1<sup>st</sup> September 2016 is currently being progressed. This work will be progressed in parallel with further development of the client's brief, to undertake further survey works to confirm the preferred site and to commence discussions with the relevant land agents to purchase the land required. At this stage £3.4 million has been allocated for this project. This represents an increase in the sum reported to Members in July and reflects the requirement to purchase land from the private sector.
- 3.6 Moving forward based on a traditional design and then tender stage the following indicative timescale has been put forward. As the contract value will be less than £4.3m this project will be outside of the remit of the North Wales Construction Framework.

Approval from Cabinet / Council of Business Case	December 2014 to February 2015
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Land Suitability and Securement of Land Agreement to purchase land	December 2014 to July2015
Design Stages	July 2015 to June 2016
Tender Stage	July 2016 to Sep 2016
Construction Stage	October 2016 to October 2017
Handover	November 2017

Mae tudalen hwn yn fwriadol wag

<b>Adroddiad i'r:</b>	Y Cyngor
<b>Dyddiad y Cyfarfod:</b>	24 Chwefror 2015
<b>Aelod Arweiniol / Swyddog:</b>	Y Cyng. Julian Thompson-Hill
<b>Awdur yr Adroddiad:</b>	Pennaeth Cyllid ac Asedau
<b>Teitl:</b>	<b>1. Datganiad Strategaeth Rheoli'r Trysorlys (DSRhT) 2015/16 a Dangosyddion Darbodus 2015/16 i 2017/18 (Atodiad 1)</b> <b>2. Adroddiad Rheoli'r Trysorlys (RhT) – Diweddariad 2014/15 (Atodiad 2)</b>

## **1 Am beth mae'r adroddiad yn ymwneud ag o?**

- 1.1 Mae'r DSRhT (Atodiad 1) yn dangos sut y bydd y Cyngor yn rheoli ei fuddsoddiadau a'i fenthyciadau ar gyfer y flwyddyn i ddod a sefydlu'r polisiâu y mae'r swyddogaeth RhT yn gweithredu o fewn iddynt. Mae'r adroddiad hefyd yn amlinellu effaith debygol y Cynllun Corfforaethol ar y strategaeth hon ac ar y Dangosyddion Darbodus. Roedd Adroddiad Diweddariad RhT (Atodiad 2) yn manylu ar weithgarwch RhT y Cyngor yn ystod 2014/15.

## **2 Beth yw'r rheswm dros lunio'r adroddiad hwn?**

- 2.1 Mae Cod Ymarfer Sefydliad Siartredig Cyllid Cyhoeddus a Chyfrifyddiaeth ar Reoli Trysorlys ("Cod RhT CIPFA") yn gofyn i'r Cyngor gymeradwyo'r DSRhT a'r Dangosyddion Darbodus yn flynyddol. Felly mae angen penderfyniad er mwyn cymeradwyo'r argymhellion isod.

## **3 Beth yw'r Argymhellion?**

- 3.1 Bod y Cyngor yn cymeradwyo'r DSRhT ar gyfer 2015/16 (Atodiad 1).
- 3.2 Bod y Cyngor yn cymeradwyo gosod y Dangosyddion Darbodus ar gyfer 2015/16, 2016/17 a 2017/18 (Atodiad 1 Anecs A).
- 3.3 Bod y Cyngor yn cymeradwyo'r Datganiad Darparu Lleiafswm Refeniw (Atodiad 1 Adran 6).
- 3.4 Bod yr aelodau'n nodi'r adroddiad diweddarau RhT (Atodiad 2).

## **4 Manylion yr Adroddiad**

### **Cefndir**

- 4.1 Mae RhT yn golygu edrych ar ôl arian y Cyngor sy'n rhan hanfodol o waith y Cyngor oherwydd bod oddeutu £0.5bn yn mynd drwy gyfrif banc y Cyngor bob blwyddyn.

- 4.2 Ar unrhyw un adeg, mae gan y Cyngor o leiaf £20m mewn arian parod, felly mae angen i ni wneud yn siŵr ein bod yn cyflawni'r gyfradd ddychwelyd orau bosibl heb beryglu'r arian, a dyna pam yr ydym yn buddsoddi arian gyda nifer o sefydliadau ariannol.

Wrth fuddsoddi, blaenoriaethau'r Cyngor yw:

- cadw arian yn ddiogel (diogelwch);
- gwneud yn siŵr ein bod yn cael yr arian yn ôl pan fyddwn ei angen (hylifedd);
- gwneud yn siŵr ein bod yn cael cyfradd iawn ar enillion (arenillion)

### **DSRhT 2015/16**

- 4.3 Mae'r DSRhT ar gyfer 2014/15 wedi'i nodi yn Atodiad 1. Mae'r adroddiad hwn yn cynnwys Dangosyddion Darbodus sy'n gosod cyfyngiadau ar weithgaredd RhT y Cyngor ac yn dangos bod benthyca'r Cyngor yn fforddiadwy.

### **Dangosyddion Darbodus**

- 4.4 Mae dangosyddion Cronfa'r Cyngor yn seiliedig ar y bidiau cyfalaf arfaethedig diweddaraf a dyraniadau bloc.
- 4.5 Mae'r dangosyddion Cyfrif Refeniw Tai wedi cael eu cyfrifo yn seiliedig ar yr amcangyfrifon diweddaraf o'r Cynllun Busnes Stoc Tai.
- 4.6 Mae'r Dangosyddion Darbodus unigol a argymhellwyd i'w cymeradwyo wedi'u nodi yn Atodiad A Anecs A.

### **Gadael Cynllun y Cymhorthdal Cyfrif Refeniw Tai (CCRT)**

- 4.7 Mae Llywodraeth Cymru wedi cwblhau ei thrafodaethau a Thrysorlys Ei Mawrhydi ynghylch diwygio system gymhorthdal y CRT yng Nghymru. Bydd arnom angen benthyca £40m ar 02/04/15 i brynu ein hunain allan o'r cynllun cymhorthdal i ddod yn hunangyllidol. Mae effaith hyn wedi'i hymgorffori yn dangosyddion darbodus y CRT a cheir rhagor o fanylion yn Atodiad 1 Adran 8.

### **Newidiadau i'r Strategaeth Fuddsoddi**

- 4.8 Mae adroddiad diweddariad RhT (Atodiad 2) yn amlygu'r newidiadau a weithredwyd yn ein strategaeth fuddsoddi (gweler Atodiad 1 Adran 3) o ganlyniad i risg mechnïo a fydd yn golygu na fydd banciau yn gallu dibynnu ar gefnogaeth y llywodraeth os ydynt yn mynd i drafferth a bydd yn ofynnol iddynt fechnïo eu hunain allan drwy gymryd cyfran o adneuron buddsoddwyr i gynyddu eu cyfalaf.
- 4.9 Mae'r newidiadau hyn yn golygu symud i ffwrdd o adneuron banc confensiynol i fuddsoddiadau diogel megis cytundebau cildroi ail-brynu (REPOs) a bondiau a gwmpesir.

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



5.1 Mae strategaeth RhT effeithlon yn galluogi'r Cyngor i leihau ei gostau benthyca a rhyddhau cyllid ar gyfer ei flaenoriaethau buddsoddi.

## **6 Faint fydd hyn yn ei gostio a sut bydd yn effeithio ar wasanaethau eraill?**

6.1 Nid oes unrhyw oblygiadau cost yn codi o ganlyniad i bennu Dangosyddion Darbodus. Pwynt y Strategaeth RhT yw cael yr elw gorau o fewn fframwaith risg wedi'i rheoli'n briodol.

## **7 Beth yw prif gasgliadau'r Asesiad o Effaith ar Gydraddoldeb a gwblhawyd ar gyfer y penderfyniad?**

7.1 Nid yw hyn yn ofynnol fel rhan o'r adroddiad hwn.

## **8 Pa ymgynghoriadau sydd wedi eu cynnal?**

8.1 Mae Cynllun Cyfalaf y Cyngor a'r Gyllideb Refeniw wedi eu paratoi mewn ymgynghoriad â Phenaethiaid Gwasanaeth, Cyfarwyddwyr Corfforaethol, Pwyllgorau Archwilio, y Cabinet a'r Cyngor.

8.2 Bydd y Cynllun Busnes Stoc Tai, cyllidebau cyfalaf a refeniw a cael eu cyflwyno i aelodau. Yn ogystal, ymgynghorir â Ffederasiwn Tenantiaid a Phreswylwyr Sir Ddinbych ynghylch y cynigion.

8.3 Adolygwyd y Datganiad Strategaeth gan y Pwyllgor Llywodraethu Corfforaethol ar 28 Ionawr 2015.

8.3 Mae'r Cyngor wedi ymgynghori â'i ymgynghorwyr RhT, Arlingclose Ltd.

## **9 Datganiad y Prif Swyddog Cyllid**

9.1 Mae a wnelo Rheoli Trysorlys ag edrych ar ôl symiau sylweddol o arian parod, felly mae'n rhan hanfodol o waith y Cyngor. Mae'n gofyn am strategaeth gadarn a rheolaethau priodol i ddiogelu arian y Cyngor, i sicrhau ein bod yn derbyn adenillion ar fuddsoddiad ac ein bod yn rheoli dyled yn effeithiol ac yn ddoeth.

9.2 Mabwysiadodd y Cyngor God Ymarfer diwygiedig CIPFA ar RhT (11 Tachwedd) yn ei gyfarfod ar 28 Chwefror 2012. Mae'n ofyniad yn y Cod hwnnw i'r Cyngor gymeradwyo DSRhT pob blwyddyn ariannol.

9.3 Mae'r Cyngor wedi cymeradwyo Cynllun Corfforaethol uchelgeisiol a allai weld £124m yn cael ei fuddsoddi mewn cyflawni ei flaenoriaethau dros y pum mlynedd nesaf. Mae'n hanfodol bod gan y Cyngor swyddogaeth RhT cadarn ac effeithiol sy'n sail i'r buddsoddiad hwn a'r holl weithgareddau eraill.

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

10.1 Mae RhT yn ei hanfod yn beryglus fel yr amlinellwyd yn y Datganiad Strategaeth. Mae gan y Cyngor bolisi rheoli risg ond mae'n amhosib dileu'r risgiau hyn yn gyfan gwbl.

## **11 Pŵer i wneud y Penderfyniad**

- 11.1 Mae Deddf Llywodraeth Leol 2003 yn pennu'r gofyniad i awdurdodau lleol bennu Dangosyddion Darbodus a'i gwneud yn ofynnol i'r Cyngor gydymffurfio â Chod Darbodus Cyllid Cyfalaf ar Gyfer Awdurdodau Lleol sydd wedi cael ei gynhyrchu gan Sefydliad Siartredig Cyllid Cyhoeddus a Chyfrifyddiaeth (CIPFA).

**Denbighshire County Council**

**Treasury Management Strategy Statement  
and Investment Strategy 2015/16 to 2017/18**

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**Annexes**

- A. Prudential Indicators
- B. Interest Rate Outlook

**Glossary**

# Treasury Management Strategy Statement and Investment Strategy 2015/16 to 2017/18

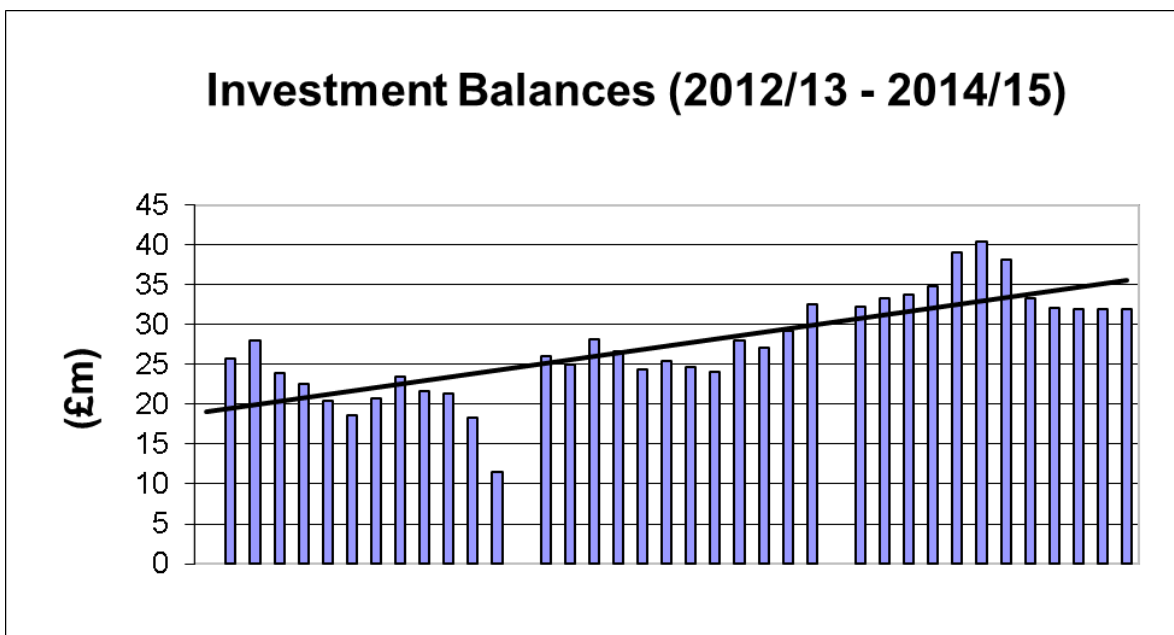
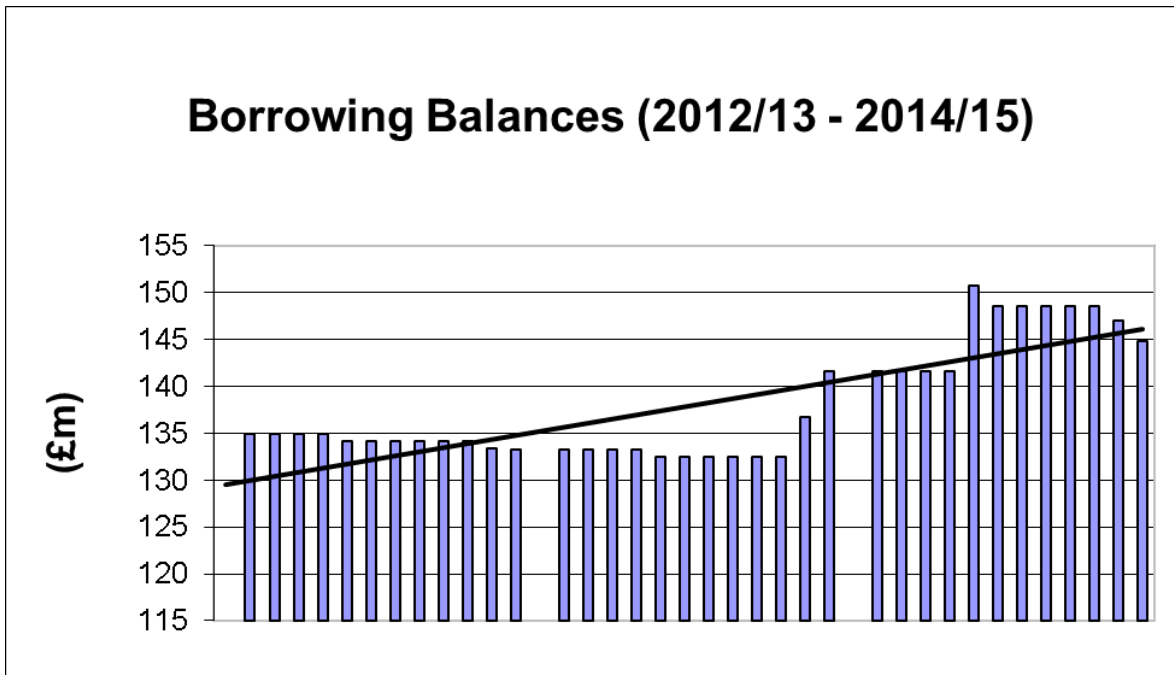
## 1 Background

- 1.1 The Council is responsible for its Treasury Management decisions and activity which involves looking after the Council's cash. This is a vital part of the Council's work because approximately £0.5bn passes through the Council's bank account every year.
- 1.2 On 28 February 2012 the Authority adopted the Chartered Institute of Public Finance and Accountancy's *Treasury Management in the Public Services: Code of Practice 2011 Edition* (the CIPFA Code) which requires the Authority to approve a treasury management strategy statement (TMSS) before the start of each financial year.
- 1.3 In addition, the Welsh Government (WG) issued revised *Guidance on Local Authority Investments* in March 2010 that requires the Authority to approve an investment strategy before the start of each financial year.
- 1.4 This report fulfils the Authority's legal obligation under the *Local Government Act 2003* to have regard to both the CIPFA Code and the WG Guidance.
- 1.5 The purpose of the TMSS is to set the:
  - Treasury Management Strategy for 2015/16
  - Annual Investment Strategy for 2015/16
  - Prudential Indicators for 2015/16, 2016/17 and 2017/18 (**Annex A**)
  - Minimum Revenue Provision (MRP) Statement

## 2 Treasury Position

- 2.1 The levels of the Council's borrowing and investment balances over the last three years are shown in the graphs below. The first chart shows the Council's borrowing has increased over the course of the last twelve months as we have begun to undertake external borrowing from the Public Works Loan Board (PWLB). The second chart shows a corresponding increase in the amount of money we have to invest over the same period as the loan proceeds are temporarily held as investments.

**Treasury Management Strategy Statement  
and Investment Strategy 2015/16 to 2017/18**



**3 Investment Strategy**

- 3.1 Both the CIPFA Code and the WG Guidance require the Authority to invest its funds prudently, and to have regard to the security and liquidity of its investments before seeking the highest rate of return, or yield. The Authority’s objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income.
  
- 3.2 Given the increasing risk and continued low returns from short-term unsecured bank investments, the Authority will aim to diversify into more secure investments such as reverse repurchase agreements (REPOs) and

## Treasury Management Strategy Statement and Investment Strategy 2015/16 to 2017/18

covered bonds from April 2015 as detailed in paragraph 3.4 below. All of the Authority's surplus cash is currently invested in short-term unsecured bank deposits. This diversification will therefore represent a substantial change in strategy over the coming year.

- 3.3 This action is being taken because of a lower likelihood that the UK and other governments will support failing banks in the future. As the Banking Reform Act 2014 is implemented in the UK from January 2015, banks will no longer be able to rely on government bail-outs if they get into difficulty. They will be required instead to bail themselves out by taking a proportion of investors' deposits to build up their capital. This new risk has been termed 'bail-in' risk and is potentially a greater risk to investors than the 'bail-out' risk of the past.
- 3.4 The Authority may invest its surplus funds with any of the counterparty types in table 1 below, subject to the cash limits (per counterparty) and the time limits shown.

**Table 1: Approved Investment Counterparties and Limits**

<b>Credit Rating</b>	<b>Banks / Building Societies Unsecured</b>	<b>Banks / Building Societies Secured</b>	<b>Government / Local Authorities</b>	<b>Corporates</b>	<b>Registered Providers</b>
UK Govt	n/a	n/a	£Unlimited 50 years	n/a	n/a
AAA	£5m 5 years	£10m 20 years	£8m 50 years	£5m 20 years	£5m 20 years
AA+	£5m 5 years	£10m 10 years	£8m 25 years	£5m 10 years	£5m 10 years
AA	£5m 4 years	£10m 5 years	£8m 15 years	£5m 5 years	£5m 10 years
AA-	£5m 3 years	£10m 4 years	£8m 10 years	£5m 4 years	£5m 10 years
A+	£5m 2 years	£10m 3 years	£8m 5 years	£5m 3 years	£5m 5 years
A	£5m 13 months	£10m 2 years	£8m 5 years	£5m 2 years	£5m 5 years
A-	£5m 6 months	£10m 13 months	£8m 5 years	£5m 13 months	£5m 5 years
BBB+	£5m 100 days	£10m 6 months	£8m 2 years	£5m 6 months	£5m 2 years
BBB or BBB-	£5m next day only	£10m 100 days	n/a	n/a	n/a
None	£1m 6 months	n/a	£8m 25 years	£5m 5 years	£5m 5 years
Pooled funds	£8m per fund				

## Treasury Management Strategy Statement and Investment Strategy 2015/16 to 2017/18

**Credit Rating:** Investment decisions are made by reference to the lowest published long-term credit rating from Fitch, Moody's or Standard & Poor's. Where available, the credit rating relevant to the specific investment or class of investment is used, otherwise the counterparty credit rating is used.

**Banks Unsecured:** Accounts, deposits, certificates of deposit and senior unsecured bonds with banks and building societies, other than multilateral development banks. These investments are subject to the risk of credit loss via a bail-in should the regulator determine that the bank is failing or likely to fail. Unsecured investment with banks rated BBB or BBB- are restricted to overnight deposits at the Authority's current account bank [Natwest Bank Plc].

**Banks Secured:** Covered bonds, reverse repurchase agreements (REPOs) and other collateralised arrangements with banks and building societies. These investments are secured on the bank's assets, which limits the potential losses in the unlikely event of insolvency, and means that they are exempt from bail-in.

**Government:** Loans, bonds and bills issued or guaranteed by national governments, regional and local authorities and multilateral development banks. These investments are not subject to bail-in, and there is an insignificant risk of insolvency. Investments with the UK Central Government may be made in unlimited amounts for up to 50 years.

**Corporates:** Loans, bonds and commercial paper issued by companies other than banks and registered providers. These investments are not subject to bail-in, but are exposed to the risk of the company going insolvent. Loans to unrated companies will only be made as part of a diversified pool in order to spread the risk widely.

**Registered Providers:** Loans and bonds issued by, guaranteed by or secured on the assets of Registered Providers of Social Housing, formerly known as Housing Associations. These bodies are tightly regulated by the Welsh Government and, as providers of public services, they retain a high likelihood of receiving government support if needed.

**Pooled Funds:** Shares in diversified investment vehicles consisting of any of the above investment types, plus equity shares and property. These funds have the advantage of providing wide diversification of investment risks, coupled with the services of a professional fund manager in return for a fee. Money Market Funds that offer same-day liquidity and aim for a constant net asset value will be used as an alternative to instant access bank accounts.

- 3.5 In March 2014 Moody's downgraded the long-term ratings of RBS and Natwest Bank to Baa1. As this rating is below the Authority's minimum credit criterion of A-, RBS was withdrawn from the counterparty list for further investment. Natwest is the Council's banker and will continue to be

## Treasury Management Strategy Statement and Investment Strategy 2015/16 to 2017/18

used for operational and liquidity purposes by transferring cash in and out of the instant access account as required.

- 3.6 For a group of banks under the same ownership, the banking group limit is equal to the individual bank limit.
- 3.7 Credit ratings are obtained and monitored by the Authority's treasury advisers, who will notify changes in ratings as they occur. Where an entity has its credit rating downgraded so that it fails to meet the approved investment criteria then:
- no new investments will be made,
  - any existing investments that can be recalled or sold at no cost will be, and
  - full consideration will be given to the recall or sale of all other existing investments with the affected counterparty.
- 3.8 The Authority understands that credit ratings are good, but not perfect, predictors of investment default. Full regard will therefore be given to other available information on the credit quality of the organisations in which it invests, including credit default swap prices (the cost of banks insuring themselves against default), financial statements, information on potential government support and reports in the quality financial press. No investments will be made with an organisation if there are substantive doubts about its credit quality, even though it may meet the credit rating criteria.
- 3.9 When deteriorating financial market conditions affect the creditworthiness of all organisations, as happened in 2008 and 2011, this is not generally reflected in credit ratings, but can be seen in other market measures. In these circumstances, the Authority will restrict its investments to those organisations of higher credit quality and reduce the maximum duration of its investments to maintain the required level of security. If these restrictions mean that insufficient commercial organisations of high credit quality are available to invest the Authority's cash balances, then the surplus will be deposited with the UK Government, via the Debt Management Office or invested in government treasury bills for example, or with other local authorities. This will cause a reduction in the level of investment income earned, but will protect the principal sum invested.

The reduction in investment income which the Council has suffered over the last five years is illustrated in Table 2 below:

**Table 2: Investment Income**

2008/09 Interest £000	2009/10 Interest £000	2010/11 Interest £000	2011/12 Interest £000	2012/13 Interest £000	2013/14 Interest £000
2,219	635	398	408	239	265



## Treasury Management Strategy Statement and Investment Strategy 2015/16 to 2017/18

3.10 **Specified Investments:** The WG Guidance defines specified investments as those:

- denominated in pound sterling,
- due to be repaid within 12 months of arrangement,
- not defined as capital expenditure by legislation, and
- invested with one of:
  - the UK Government,
  - a UK local authority, parish council or community council, or
  - a body or investment scheme of “high credit quality”.

The Authority defines “high credit quality” organisations as those having a credit rating of A- or higher that are domiciled in the UK or a foreign country with a sovereign rating of AA+ or higher.

3.11 **Non-specified Investments:** Any investment not meeting the definition of a specified investment is classed as non-specified. The Authority does not intend to make any investments denominated in foreign currencies. Non-specified investments will therefore be limited to long-term investments, i.e. those that are due to mature 12 months or longer from the date of arrangement; those that are defined as capital expenditure by legislation, such as shares in money market funds and other pooled funds; and investments with bodies and schemes not meeting the definition of high credit quality. Limits on non-specified investments are shown in table 3 below.

**Table 3: Non-Specified Investment Limits**

	<b>Cash limit</b>
Total long-term investments	£10m
Total shares in money market funds	£10m
Total shares in other pooled funds	£10m
Total investments without credit ratings or rated below A-	£60m
Total investments in foreign countries rated below AA+	£10m
Total non-specified investments	£100m

## 4 **Borrowing Strategy**

4.1 Borrowing strategies continue to be influenced by the relationship between investment and borrowing rates. The interest rate forecast provided in **Annex B** indicates that an acute difference between investment and borrowing rates is expected to continue. This difference creates a “cost of carry” for any new longer term borrowing where the proceeds are temporarily held as investments because of the difference between what is paid on the borrowing and what is earned on the investment.

## **Treasury Management Strategy Statement and Investment Strategy 2015/16 to 2017/18**

- 4.2 In view of this, the strategy which has been in place for some time now has been to reduce our investment balances and rely on internal borrowing as much as possible instead of external borrowing from the Public Works Loan Board (PWLB). This has been sustainable because the level of the Council's balances and reserves has been sufficient to avoid the need for external borrowing.
- 4.3 However, as the Corporate Plan has been progressing, we have started to undertake new borrowing to take advantage of the lower rates which are available currently before the expected rise in interest rates. We borrowed £20m during 2014 on an Equal Instalment of Principal (EIP) basis at rates of 3.5% or lower. Although this will create a cost of carry in the short term while the proceeds are temporarily held as investments, we will save in the long term because of the anticipated increase in borrowing rates which will result in higher interest costs if we delay.
- 4.4 We will continue to monitor the level of internal borrowing in relation to the level of the Council's reserves and balances throughout the year with a view to externalising borrowing if required. Capital expenditure levels, market conditions and interest rate levels will also be monitored throughout the year to ensure that external borrowing is undertaken at the right time if required.
- 4.5 While the Council can borrow from a number of banks, it normally only borrows from the Public Works Loan Board (PWLB) which is a Government body that lends to public sector organisations.

The approved sources of borrowing are listed below:

- PWLB and its successor body
- any institution approved for investments
- any other bank or building society authorised to operate in the UK
- UK public and private sector pension funds (except Clwyd Pension Fund)
- capital market bond investors
- Local Capital Finance Company and other special purpose companies created to enable local authority bond issues

### **5 Debt Rescheduling**

- 5.1 The Council is able to pay off loans earlier than we have to and to replace them with cheaper loans in order to save money or to reduce the risk to the Council. Sometimes, we will replace these loans and sometimes not, depending on market conditions and interest rates.
- 5.2 The lower interest rate environment and changes in the rules regarding the premature repayment of PWLB loans has adversely affected the scope to undertake meaningful debt rescheduling although occasional opportunities arise.

## **Treasury Management Strategy Statement and Investment Strategy 2015/16 to 2017/18**

### **6 Minimum Revenue Provision (MRP) Statement**

- 6.1 The Council sets aside money each year to repay debt and this is known as the Minimum Revenue Provision (MRP). In 2015/16, this will be £9.9m.
- 6.2 There are four different methods of calculating MRP and the Council needs to say each year which methods it will use. This is known as the MRP Statement.
- 6.3 The MRP Statement will be submitted to Council before the start of the 2015/16 financial year. If it is ever proposed to vary the terms of the original MRP Statement during the year, a revised statement will be put to Council at that time.

#### **6.4 MRP Statement**

The Council will apply the Regulatory Method for supported capital expenditure which means that MRP is charged at 4% of the Council's Capital Financing Requirement (CFR).

The Council will apply the Asset Life Method for unsupported capital expenditure which means that MRP is determined by the life of the asset for which the borrowing is undertaken.

The different methods of calculation will affect how much money the Council sets aside for debt repayment. The above statement means that where the Welsh Government gives us the money to repay debt we will repay it at 4% of whatever is outstanding. Where we borrow through Prudential Borrowing we will charge an amount that lets us repay the debt over the expected life of the asset.

- 6.5 Adopting International Financial Reporting Standards (IFRS) has resulted in leases and Private Finance Initiative (PFI) schemes coming on the balance sheet. This affects how much it appears the Council has borrowed but this is effectively covered by grant payments. MRP in respect of leases and PFI schemes brought on the balance sheet under IFRS will match the annual principal repayment for the associated deferred liability. This is a technical accounting adjustment which is cost neutral for the Council.
- 6.6 MRP on housing assets funded through Prudential Borrowing is charged at 5% of the HRA's CFR. MRP on all other items such as the buy-out (see Section 8) and new builds is charged at 2% of the HRA's CFR.

### **7 Reporting Treasury Management Activity**

- 7.1 The Section 151 Officer (Head of Finance & Assets) will report to the Corporate Governance Committee on treasury management activity / performance as follows:

## **Treasury Management Strategy Statement and Investment Strategy 2015/16 to 2017/18**

(a) The Treasury Management Strategy Statement and Prudential Indicators will be submitted to the committee in January each year prior to approval by Council.

(b) Two treasury management updates will be submitted to the committee in January and September each year.

(c) An annual report on treasury activity will be submitted to the committee in September each year for the preceding year prior to approval by Cabinet.

A treasury update showing the latest investment and borrowing position will be included in the monthly Revenue Monitoring report and borrowing will also be reported on in the Capital Plan to Council.

### **8 Housing Revenue Account Subsidy (HRAS) Reform**

#### **8.1 Background**

After lengthy negotiations the Welsh Government and HM Treasury have reached an agreement that will allow the eleven Authorities in Wales with council housing stock to exit from the Housing Revenue Account (HRA) subsidy system and become self-financing from April 2015. The agreement has two parts: firstly authorities will be required to buy their way out of the current HRA subsidy system with a one off payment that is referred to as the "Settlement figure" and secondly Authorities will be subject to a cap on HRA borrowing. The introduction of self-financing from April 2015 will give authorities the resources, incentives and opportunity to provide good quality, well managed council homes and plan for the long term with certainty.

#### **8.2 The Settlement Figure**

The eleven landlord Authorities currently make annual HRA negative subsidy payments to HM Treasury. The settlement will effectively buy Authorities out of the requirement to make these payments from April 2015. HM Treasury requires that the settlement is 'fiscally neutral over the long term'. This will require eleven Authorities to take out loans from the PWLB to fund their share of the settlement figure. Under the terms of the agreement with the Treasury the agreed £40million interest will be converted to a total settlement value using the PWLB 30 year maturity rate. Originally it was proposed that the settlement figure would depend on the interest rate for PWLB loans at 31 March 2015. Due to the fluctuations in rates, a revised proposal was discussed by HM Treasury in early February. The exact details are being confirmed but it is likely that the settlement figure will be £40m for Denbighshire. These new arrangements will increase HRA resources for every Authority as the annual negative subsidy payments which currently total £73 million for the eleven Authorities will be replaced nationally with £40million of interest payments on PWLB loans. After Minimum Revenue Provision (MRP) payments are taken into account, the eleven Authorities are expected to be better off each year. Denbighshire will pay £3.3m in 2014/15 over to the Welsh Government however under the new system the estimated amount for interest is £1.7m resulting in £1.6m being retained locally. However, MRP payments will be set aside in

## **Treasury Management Strategy Statement and Investment Strategy 2015/16 to 2017/18**

accordance with Section 6 above and is likely to be around £800k per annum, meaning the Council would benefit by approximately £800k. The Council will also retain the benefit of rent increases in future years.

### **8.3 Interest Rate Risk**

The original estimated settlement figure for Denbighshire was £39m as set out in a national consultation paper and was based on the 30 year maturity rate as at 12 March 2013 of 4.35%. The movement in rates between October and January meant that the original settlement figure could have ranged from £39m to £55m or more. The revised proposals from HM Treasury have proposed a fixed settlement amount of £40m. However the interest rate cannot be fixed so will still be dependent on the rates at 31 March 2015. To alleviate the issue, HM Treasury propose to add an adjustment factor to stabilise the rates. Discussions are still taking place to look at the implications of the revised proposal.

### **8.4 Borrowing Limits**

The Council's current debt is £148m but this will increase to nearly £200m when we borrow to buy ourselves out of the subsidy scheme to become self-financing. The borrowing limits shown in the Prudential Indicators were amended in 2014/15 to cover this borrowing as it was originally thought the transaction would occur in 2014/15.

### **8.5 Borrowing Cap**

The HRA exit agreement with HM Treasury will impose an aggregate HRA borrowing cap on the eleven Authorities in Wales. The HRA Borrowing limit will include existing borrowing, investment to bring council owned homes up to the Welsh Housing Quality Standard (WHQS) by 2020, cost of the settlement figure and the remaining will be available to fund local investment priorities. In Denbighshire's case, WHQS has been achieved so the allowance is to ensure there is sufficient headroom for the Standard to be maintained. The ceiling for all Wales limit of indebtedness has been set at £1,850 billion with the level of indebtedness for Denbighshire being set as £91,881,180 but this is based on the original settlement figure of £39m so will be subject to change. Imposition of an HRA borrowing cap on Welsh Authorities requires UK Government legislation and this is being put in place via the Wales Bill which is progressing through the UK Parliamentary process. However it is uncertain whether the legislation and necessary arrangements will be in place before April 2015. This will make it necessary for the eleven authorities to sign individual voluntary agreements with Welsh Government, agreeing to their individual borrowing cap. The proposed agreement was approved by County Council on 9 December.

The final detail of the agreement and the financial consequences are still being negotiated at a national level. Council finance representatives are part of these negotiations. It is assumed at this stage that the nature of the

## **Treasury Management Strategy Statement and Investment Strategy 2015/16 to 2017/18**

agreement and financial implications are in line overall with what was taken to Council on 9<sup>th</sup> December. A verbal update can be provided to Council where the latest position will be explained.

### **8.6 Debt Pools**

As part of the new Local Authority Self Financing System alternative approaches to the treatment of HRA debt within an Authority's Loan Pool have been suggested. Local Authorities have three options to account for HRA debt. The first is to split the debt between County Fund and HRA debt pools. The second is to adopt a three pool approach and the third is to retain a one pool approach. The approach is being reviewed however the preferred option is to retain a one pool approach but to ensure that costs are apportioned equitably between the CF and HRA. This is the approach that is adopted with the Council's borrowing in general because although we borrow for a number of capital purposes such as Highways and Education, it is not possible to match individual loans to specific schemes.

## **9 Other items**

### **9.1 Investment Training**

#### **9.1.1 Member Training**

The CIPFA Code of Practice on Treasury Management requires the Section 151 Officer to ensure that all members tasked with treasury management responsibilities, including scrutiny of the treasury management function, receive appropriate training relevant to their needs and understand fully their roles and responsibilities.

The Council has nominated the Corporate Governance Committee as the committee which has responsibility for scrutiny of the treasury management function. Annual training requirements will be agreed with the Corporate Governance Committee.

#### **9.1.2 Staff Training**

Staff attend training courses, seminars and conferences provided by Arlingclose and CIPFA. There is a team of three members of staff who cover TM duties on a rota basis to ensure that their knowledge is kept up to date. These members of staff are also members of professional accountancy bodies including the Chartered Institute of Public Finance and Accountancy (CIPFA) and the Association of Accounting Technicians (AAT).

### **9.2 Treasury Management Advisers**

The Council uses Arlingclose Ltd as Treasury Management Advisers and receives the following services:

## **Treasury Management Strategy Statement and Investment Strategy 2015/16 to 2017/18**

- Credit advice
- Investment advice
- Borrowing advice
- Technical accounting advice
- Economic & interest rate forecasts
- Workshops and training events

The Council maintains the quality of the service with its advisers by holding quarterly strategy meetings and tendering every 5 years. Following a recent tendering exercise, the contract was renewed with Arlingclose from 01 January 2014 for three years with an option to extend for a further two year period.

### **9.3 Investment of Money Borrowed in Advance of Need**

The Authority may, from time to time, borrow in advance of need, where this is expected to provide the best long term value for money. Since amounts borrowed will be invested until spent, the Authority is aware that it will be exposed to the risk of loss of the borrowed sums, and the risk that investment and borrowing interest rates may change in the intervening period. These risks will be managed as part of the Authority's overall management of its treasury risks.

The total amount borrowed will not exceed the authorised borrowing limit of £260 million. The maximum period between borrowing and expenditure is expected to be three years, although the Authority is not required to link particular loans with particular items of expenditure.

### **9.4 Policy on Use of Financial Derivatives**

In the absence of any legal power to do so, the Authority will not use standalone financial derivatives (such as swaps, forwards, futures and options). Derivatives embedded into loans and investments, including pooled funds, may be used, and the risks that they present will be managed in line with the overall treasury risk management strategy.

### **9.5 Abolition of the PWLB**

The Department of Communities and Local Government (CLG) has confirmed that HM Treasury (HMT) will be taking the necessary legislative steps to abolish the PWLB in the coming months. The CLG has stated that it will have no impact on existing loans held by local authorities or the government's policy on local authority borrowing. Despite its abolition, HMT has confirmed that its lending functions will continue unaffected albeit under a different body so that local authorities will continue to access borrowing at rates which offer good value for money.

# Treasury Management Strategy Statement and Investment Strategy 2015/16 to 2017/18

## ANNEX A

### PRUDENTIAL INDICATORS 2015/16 TO 2017/18

#### 1 Background

- 1.1 The indicators are calculated to demonstrate that the Council's borrowing is affordable and are underpinned by the following regulations. There is a requirement under the Local Government Act 2003 for local authorities to have regard to CIPFA's Prudential Code for Capital Finance in Local Authorities (the "CIPFA Prudential Code") when setting and reviewing their Prudential Indicators.

#### 2 Gross Debt and the Capital Financing Requirement

- 2.1 This is a key indicator of prudence. In order to ensure that over the medium term debt will only be for a capital purpose, the Council should ensure that debt does not, except in the short term, exceed the total of the capital financing requirement in the preceding year plus the estimates of any additional increases to the capital financing requirement for the current and next two financial years.
- 2.2 The Section 151 Officer reports that the Council had no difficulty meeting this requirement in 2014/15 to date nor are there any difficulties envisaged in future years. This view takes into account current commitments, existing plans and the proposals in the approved budget.

#### 3 Estimates of Capital Expenditure

- 3.1 This indicator is set to ensure that the level of proposed capital expenditure remains within sustainable limits and, in particular, to consider the impact on Council Tax and in the case of the HRA, housing rent levels.

Capital Expenditure	2014/15 Approved £000	2014/15 Revised £000	2015/16 Estimate £000	2016/17 Estimate £000	2017/18 Estimate £000
Council Fund	23,903	24,051	16,254	4,705	4,705
Corporate Plan – Approved	2,246	11,857	18,656	2,418	394
Corporate Plan – Proposed	11,649	0	12,226	30,140	28,222
HRA	6,178	5,382	47,059	9,154	9,563
<b>Total</b>	<b>43,976</b>	<b>41,290</b>	<b>94,195</b>	<b>46,417</b>	<b>42,884</b>

The Corporate Plan has been divided in the table above between those elements which have been approved and those which are proposed at this stage. The indicators below incorporate both elements of the Corporate Plan.



## Treasury Management Strategy Statement and Investment Strategy 2015/16 to 2017/18

3.2 Capital expenditure will be financed as follows:

<b>Capital Financing</b>	<b>2014/15 Approved £000</b>	<b>2014/15 Revised £000</b>	<b>2015/16 Estimate £000</b>	<b>2016/17 Estimate £000</b>	<b>2017/18 Estimate £000</b>
<b>Council Fund</b>					
Capital Receipts		1,743	296		
Grants & Contributions	9,015	13,708	3,720	1,742	1,742
Revenue Contributions & Reserves	729	949	807		
Supported Borrowing	5,702	3,003	4,701	2,863	2,863
Prudential Borrowing	8,457	4,648	6,730	100	100
	<b>23,903</b>	<b>24,051</b>	<b>16,254</b>	<b>4,705</b>	<b>4,705</b>
<b>Corporate Plan</b>					
Capital Receipts					
Grants & Contributions	2,834	2,275	10,464	12,362	16,981
Revenue Contributions & Reserves	1,976	2,458	11,740	2,701	3,831
Supported Borrowing	100	149			
Prudential Borrowing	8,985	6,975	8,678	17,495	7,804
	<b>13,895</b>	<b>11,857</b>	<b>30,882</b>	<b>32,558</b>	<b>28,616</b>
<b>Total</b>	<b>37,798</b>	<b>35,908</b>	<b>47,136</b>	<b>37,263</b>	<b>33,321</b>
<b>HRA</b>					
Capital Receipts	38	42	22	23	24
Grants & Contributions	2,400	2,400	2,400	2,400	2,400
Revenue Contributions & Reserves	943	743	2,673	2,140	2,346
Supported Borrowing			39,176		
Prudential Borrowing	2,797	2,197	2,788	4,591	4,793
<b>Total</b>	<b>6,178</b>	<b>5,382</b>	<b>47,059</b>	<b>9,154</b>	<b>9,563</b>

#### 4 Ratio of Financing Costs to Net Revenue Stream

4.1 This is an indicator of affordability and highlights the revenue implications of existing and proposed capital expenditure by identifying the proportion of the revenue budget required to meet borrowing costs. It shows how much of its budget the Council uses to repay debt and interest.

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4.2 The ratio is based on costs net of investment income.

Ratio of Financing Costs to Net Revenue Stream	2014/15 Approved £000	2014/15 Revised £000	2015/16 Estimate £000	2016/17 Estimate £000	2017/18 Estimate £000
Financing Costs	13,002	13,330	13,268	13,508	13,689
Net Revenue Stream	187,683	188,183	184,756	180,518	176,547
<b>Council Fund Ratio</b>	<b>6.93%</b>	<b>7.08%</b>	<b>7.18%</b>	<b>7.48%</b>	<b>7.75%</b>
Financing Costs	3,249	3,205	4,916	6,013	6,323
Net Revenue Stream	13,260	13,080	13,609	14,423	15,082
<b>HRA Ratio</b>	<b>24.50%</b>	<b>24.50%</b>	<b>36.12%</b>	<b>41.69%</b>	<b>41.92%</b>

Note that the HRA ratio has increased because of the increased borrowing costs which will be incurred to buy ourselves out of the subsidy system but as a result of this buy-out, subsidy payments will no longer be due so the Council will benefit overall. The estimated subsidy payment in 2014/15 is £3.3m so the increase in financing costs should be considered alongside the removal of the requirement to pay the subsidy.

## 5 Capital Financing Requirement

5.1 The Capital Plan relies on various sources of finance i.e. grants, contributions and capital receipts. Once these are used up, we need to rely on borrowing and the Capital Financing Requirement (CFR) is the amount we need to borrow. Our borrowing shouldn't therefore go above the CFR. The Council's CFR and borrowing levels are compared in the table below for the current and future years.

Capital Financing Requirement	31/03/15 Approved £000	31/03/15 Revised £000	31/03/16 Estimate £000	31/03/17 Estimate £000	31/03/18 Estimate £000
Council Fund	161,803	152,757	165,601	178,279	180,760
HRA	31,705	29,760	69,054	70,837	72,593
PFI	10,437	10,437	10,058	9,627	9,183
<b>Total CFR</b>	<b>203,945</b>	<b>192,954</b>	<b>244,713</b>	<b>258,743</b>	<b>262,536</b>
<b>Total Debt</b>	<b>161,598</b>	<b>154,773</b>	<b>213,194</b>	<b>233,803</b>	<b>245,830</b>

## 6 Incremental Impact of Capital Investment Decisions

6.1 This indicator shows how much of the Council Tax income is spent on paying debt interest.

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Incremental Impact of Capital Investment Decisions	2014/15 Approved £	2015/16 Estimate £	2016/17 Estimate £	2017/18 Estimate £
Increase in Band D Council Tax due to:				
Prudential Borrowing	3.47	5.49	2.63	2.63
Capital Receipts	0.00	0.11	0.00	0.00
Reserves	0.55	3.17	0.00	0.00
<b>Total</b>	<b>4.02</b>	<b>8.77</b>	<b>2.63</b>	<b>2.63</b>
Average Weekly Housing Rents	1.01	0.95	1.00	1.00

6.2 This indicator shows the equivalent impact on Council Tax of the decision to undertake Prudential Borrowing as well as the investment interest lost by using capital receipts and reserves to part fund the Capital Plan. The impact of supported borrowing has not been included because it is assumed that the Council would always spend its supported borrowing to fund its Capital Plan.

6.3 The increases in council house rents reflect the additional costs of financing the borrowing to be undertaken each year as part of the Housing Stock Business Plan with the aim to attain the Welsh Housing Quality Standard. The indicator illustrates the impact of each year's capital expenditure and new borrowing on weekly rents.

### 7 **Authorised Limit & Operational Boundary for External Debt**

7.1 The Council has an integrated treasury management strategy and manages its treasury position in accordance with its approved strategy and practice. Overall borrowing will therefore arise as a consequence of all the financial transactions of the Council and not just those arising from capital spending reflected in the CFR.

7.2 The **Authorised Limit** sets the maximum level of external borrowing. It is measured on a daily basis against all external borrowing items on the Balance Sheet i.e. long and short term borrowing, overdrawn bank balances and long term liabilities. This Prudential Indicator separately identifies borrowing from other long term liabilities such as finance leases. It is consistent with the Council's existing commitments, its proposals for capital expenditure and financing and its approved treasury management policy statement and practices. This is reported as a part of the Capital Monitoring Report.

7.3 The Authorised Limit has been set on the estimate of the most likely, prudent but not worst case scenario with sufficient headroom over and above this to allow for unusual cash movements.

7.4 The Authorised Limit is the statutory limit determined under Section 3(1) of the Local Government Act 2003 (referred to in the legislation as the

## Treasury Management Strategy Statement and Investment Strategy 2015/16 to 2017/18

Affordable Limit) and if it is breached, it would be reported to the next Council meeting.

Authorised Limit for External Debt	2014/15 Approved £000	2014/15 Revised £000	2015/16 Estimate £000	2016/17 Estimate £000	2017/18 Estimate £000
Borrowing	220,000	220,000	260,000	280,000	290,000

The Welsh Government has concluded negotiations with HM Treasury regarding the reform of the HRA subsidy system in Wales. We will need to borrow £40m on 02/04/15 to buy ourselves out of the subsidy scheme to become self-financing so the borrowing limits shown above include an additional £40m from 2014/15 to cover this borrowing.

- 7.5 The **Operational Boundary** links directly to the Council's estimates of the CFR and estimates of other cash flow requirements. This indicator is based on the same estimates as the Authorised Limit reflecting the most likely, prudent but not worst case scenario but without the additional headroom included within the Authorised Limit.

Operational Boundary for External Debt	2014/15 Approved £000	2014/15 Revised £000	2015/16 Estimate £000	2016/17 Estimate £000	2017/18 Estimate £000
Borrowing	215,000	215,000	255,000	275,000	285,000

### 8 Adoption of the CIPFA Treasury Management Code

- 8.1 This indicator demonstrates that the Council has adopted the principles of best practice. The Council adopted the original Code in March 2002. A revised Code was issued in November 2009 and another in November 2011. One of the recommendations is that the Code is adopted by Council.

Adoption of the CIPFA Code of Practice in Treasury Management
The Council approved the adoption of the revised CIPFA Treasury Management Code (Nov 2011) at its meeting on 28 February 2012.

### 9 Upper Limits for Fixed Interest Rate Exposure and Variable Interest Rate Exposure

- 9.1 These indicators allow the Council to manage the extent to which it is exposed to changes in interest rates. This Council calculates these limits on a net interest paid basis (i.e. interest paid on fixed rate debt net of interest received on fixed rate investments).
- 9.2 The upper limit for variable rate exposure has been set to ensure that the Council is not exposed to interest rate rises which could adversely impact on the revenue budget. The limit allows for the use of variable rate debt to offset exposure to changes in short-term rates on investments.

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	2014/15 Approved %	2015/16 Estimate %	2016/17 Estimate %	2017/18 Estimate %
<b>Upper Limit for Fixed Interest Rate Exposure</b>	100	100	100	100
<b>Upper Limit for Variable Rate Exposure</b>	40	40	40	40

9.3 The limits above provide the necessary flexibility within which decisions will be made for drawing down new loans on a fixed or variable rate basis; the decisions will ultimately be determined by expectations of anticipated interest rate movements as set out in the Council's treasury management strategy.

### 10 Maturity Structure of Fixed Rate borrowing

10.1 This indicator highlights the existence of any large concentrations of fixed rate debt needing to be replaced at times of uncertainty over interest rates and is designed to protect against excessive exposures to interest rate changes in any one period, in particular in the course of the next ten years.

10.2 It is calculated as the amount of projected borrowing that is fixed rate maturing in each period as a percentage of total projected borrowing that is fixed rate. The maturity of borrowing is determined by reference to the earliest date on which the lender can require payment.

<b>Maturity structure of fixed rate borrowing</b>	<b>Actual %</b>	<b>Lower Limit %</b>	<b>Upper Limit %</b>
under 12 months	1.68	0	30
12 months and within 24 months	2.05	0	30
24 months and within 5 years	4.75	0	30
5 years and within 10 years	6.25	0	30
10 years and above	85.27	50	100

### 11 Credit Risk

11.1 The Council considers security, liquidity and yield, in that order, when making investment decisions.

11.2 Credit ratings remain an important element of assessing credit risk, but they are not a sole feature in the Council's assessment of counterparty credit risk.

11.3 The Council also considers alternative assessments of credit strength, and information on corporate developments of and market sentiment towards counterparties. The following key tools are used to assess credit risk:

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- Published credit ratings of the financial institution (minimum A- or equivalent) and its sovereign (minimum AA+ or equivalent for non-UK sovereigns);
- Sovereign support mechanisms;
- Credit default swaps (where quoted);
- Share prices (where available);
- Economic fundamentals, such as a country's net debt as a percentage of its GDP;
- Corporate developments, news, articles, markets sentiment and momentum;
- Subjective overlay.

11.4 The only indicators with prescriptive values are credit ratings. Other indicators of creditworthiness are considered in relative rather than absolute terms.

**12 Upper Limit for total principal sums invested over 364 days**

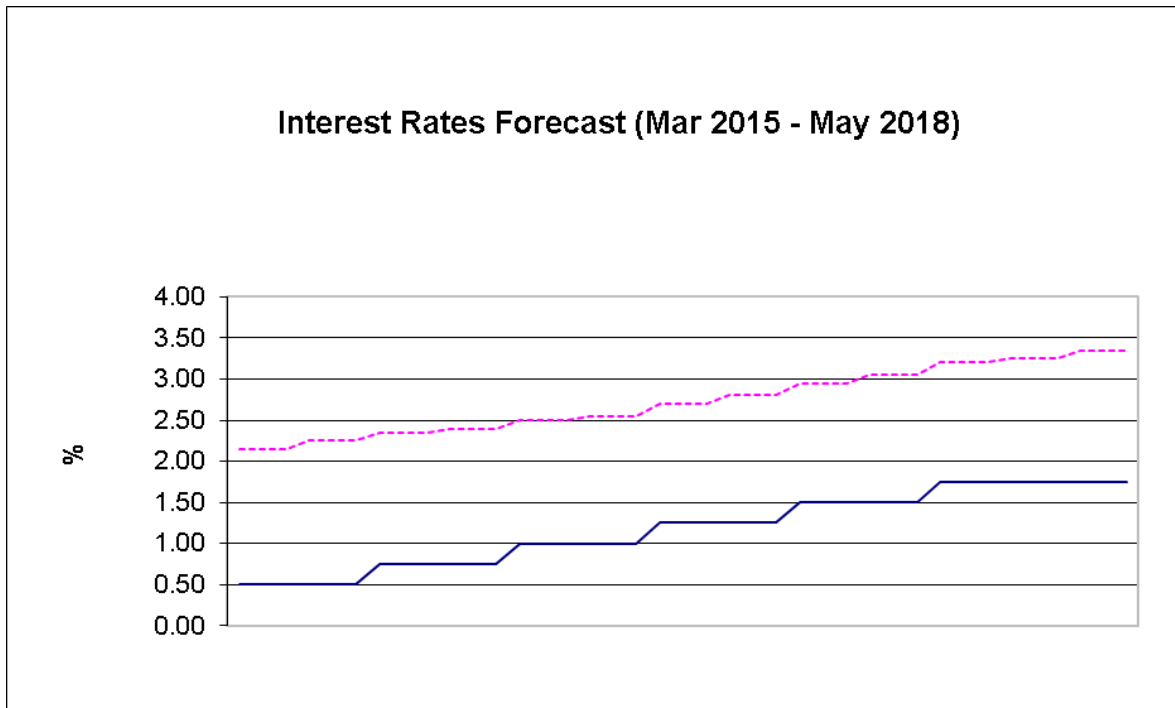
12.1 The purpose of this limit is to contain exposure to the possibility of loss that may arise as a result of the Council having to seek early repayment of the sums invested.

<b>Upper Limit for total principal sums invested over 364 days</b>	<b>2014/15 Approved £m</b>	<b>2015/16 Estimate £m</b>	<b>2016/17 Estimate £m</b>	<b>2017/18 Estimate £m</b>
	10.00	10.00	10.00	10.00

INTEREST RATES FORECAST

The graph below shows the interest rate forecast for the Official UK Bank Rate and the 50 year GILT rate from March 2015 to May 2018. The Official Bank Rate influences the rate at which the Council can invest. The GILT rate is the rate at which the Government borrows money and therefore this affects the rate at which we can borrow from the PWLB which is approximately 1% above GILT rates.

As the graph shows, it's much more expensive to borrow than to invest at the moment with the Official UK Bank Rate expected to increase gradually over the period. The graph illustrates that the difference between investment and borrowing rates is approximately 3%. This means that the cost of carry referred to in paragraph 4.1 in **Appendix 1** is approximately £30,000 for every £1m borrowed because the Council could borrow for 50 years at a rate of approximately 3.5% but could only invest at a rate of approximately 0.5%.



— Official Bank Rate  
- - - 50-yr GILT Rate

## Treasury Management Strategy Statement and Investment Strategy 2015/16 to 2017/18

### GLOSSARY - Useful guide to Treasury Management Terms and Acronyms

<b>BANK OF ENGLAND</b>	UK's Central Bank
<b>BANK RATE</b>	Bank of England Interest Rate (also known as Base Rate)
<b>CPI</b>	Consumer Price Index – a measure of the increase in prices
<b>RPI</b>	Retail Price Index – a measure of the increase in prices
<b>DMO</b>	Debt Management Office – issuer of gilts on behalf of HM Treasury
<b>FSA</b>	Financial Services Authority - the UK financial watchdog
<b>GDP</b>	Gross Domestic Product – a measure of financial output of the UK
<b>LIBID</b>	London Interbank Bid Rate - International rate that banks lend to other banks
<b>LIBOR</b>	London Interbank Offer Rate – International rate that banks borrow from other banks (the most widely used benchmark or reference for short term interest rates)
<b>PWLB</b>	Public Works Loan Board – a Government department that lends money to Public Sector Organisations
<b>MPC</b>	Monetary Policy Committee - the committee of the Bank of England that sets the Bank Rate
<b>LONG TERM RATES</b>	More than 12 months duration
<b>SHORT TERM RATES</b>	Less than 12 months duration
<b>BOND (GENERAL)</b>	An investment in which an investor loans money to a public or private company that borrows the funds for a defined period of time at a fixed interest rate
<b>GOVERNMENT BOND</b>	A type of bond issued by a national government generally with a promise to pay periodic interest payments and to repay the face value on the maturity date
<b>CORPORATE BOND</b>	A type of bond issued by a corporation to raise money in order to expand its business



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<b>COVERED BOND</b>	A corporate bond issued by a financial institution but with an extra layer of protection for investors whereby the investor has recourse to a pool of assets that secures or “covers” the bond if the financial institution becomes insolvent
<b>GILT</b>	A bond that is issued by the British government which is classed as a low risk investment as the capital investment is guaranteed by the government
<b>REPO</b>	A repurchase agreement involving the selling of a security (usually bonds or gilts) with the agreement to buy it back at a higher price at a specific future date For the party selling the security (and agreeing to repurchase it in the future) it is a REPO For the party on the other end of the transaction e.g. the local authority (buying the security and agreeing to sell in the future) it is a reverse REPO
<b>FTSE 100</b>	Financial Times Stock Exchange 100 - An index composed of the 100 largest companies listed on the London Stock Exchange which provides a good indication of the performance of major UK companies

Mae tudalen hwn yn fwriadol wag

### Treasury Management (TM) Update Report

#### 1 Changes in the external environment

##### Economic Outlook

- 1.1 Over the past few weeks we have seen sharp movements in market signals driven by deteriorating global growth prospects, especially in the Eurozone. Many of the international leading economic indicators have started to flash warnings of a period of instability ahead.
- 1.2 There is political uncertainty following the outcome of the presidential election in Greece which could increase the prospects of a Greek exit from the Eurozone. The collapse in crude oil prices is also continuing and the combined effect of these factors is causing volatility in stock markets around the world.

#### 2 Investment Strategy

- 2.1 As a result of the increased risks, we felt it was prudent to make a number of amendments to our strategy as highlighted below. These amendments were approved by full Council in November 2014.

##### Bank Deposits

- 2.2 Conventional bank deposits will become riskier during 2015/16 because of a lower likelihood that the UK and other governments will support failing banks in the future. As the Banking Reform Act 2014 is implemented in the UK from January 2015, banks will no longer be able to rely on government bail-outs if they get into difficulty. They will be required instead to bail themselves out by taking a proportion of investors' deposits to build up their capital. This new risk has been termed 'bail-in' risk and is potentially a greater risk to investors than the 'bail-out' risk of the past.
- 2.3 There are many investors such as companies and charities which will be protected but local authorities' deposits will not be eligible for protection because public authorities have much better access to credit than citizens.
- 2.4 As a result of the removal of government support, there is a risk of major UK banks being downgraded to the "BBB" category which was lower than DCC's acceptable minimum credit rating of "A-". This meant that we amended our Treasury Management Strategy Statement (TMSS) to allow investment in lower rated banks to ensure that we can continue to invest in the major UK banks should they be downgraded.

- 2.5** It was also prudent to reduce our duration limits for unsecured bank and building society investments from 1 year to 6 months in most cases. The only exception to this was the Barclays Bank limit which was reduced further to 100 days.

### **Reverse Repurchase Agreements (REPOs)**

- 2.6** These involve the purchase of a security (usually bonds, gilts or other government securities) tied to an agreement to sell it back later at a pre-determined date and price. REPOs provide protection through the ownership of collateral in the form of securities which is significantly more secure than investing in unsecured bank deposits. (The glossary in Appendix 1 provides definitions of the various treasury terms used)
- 2.7** These are therefore secured investments with banks which are exempt from bail-in risk so they offer a safer alternative at similar rates to unsecured bank deposits. We amended the TMSS to include REPOS in the list of approved investment instruments.
- 2.8** It is likely that we will begin to use these investments from April 2015 and the minimum investment amount is likely to be £10m.

### **Covered Bonds**

- 2.8** These are also secured investments with banks which are exempt from bail-in risk and they offer a secure option for our long term investments. We amended the TMSS to include the word 'securities' within the table on Approved Investment Counterparties to ensure that we could use covered bonds.
- 2.9** The Council has also been investing with the UK Government's Debt Management Office and other local authorities and this option has been used when safe limits have been reached with financial institutions.

## **3 Borrowing Strategy**

- 3.1** Following the loans we undertook in February / March 2014, it was anticipated that rates would increase. The rates remained low however and we took advantage of this in August by taking out a new loan for £10m at a rate of 3.5% over a 23.5 year period on an Equal Instalment of Principal (EIP) basis.
- 3.2** This action was taken as the Corporate Plan is now progressing so we will be using our reserves. Borrowing rates are expected to rise at some point so we will continue to monitor interest rates throughout the year to ensure that we undertake further borrowing if required at the most advantageous time.

- 3.3** Although this will create a cost of carry while the proceeds are temporarily held as investments, we will save in the long term because of the anticipated increase in borrowing rates which will result in higher interest costs. For example, a 1% increase in the rates would cost us approximately £1.2m more in interest based on the example above of a £10m loan over a 23.5 year period.

## **4 Controls**

### **4.1 Prudential Indicators**

The Council sets prudential indicators which set boundaries within which our treasury management activity operates. The indicators are calculated to demonstrate that the Council's borrowing is affordable and include measures that show the impact of capital and borrowing decisions over the medium term. The Council has remained within all of its borrowing and investment limits for 2014/15 agreed by Council in February 2014. The Council has not deviated from the Capital related indicators either.

### **4.2 Audit Reviews**

Following a positive internal audit review in February 2014, the next audit review will be undertaken in February 2015.

## **5 Future**

### **5.1 Housing Revenue Account Subsidy Reform**

The Welsh Government has concluded negotiations with HM Treasury regarding the reform of the HRA subsidy system in Wales. We will need to borrow £40m on 02/04/15 to buy ourselves out of the subsidy scheme to become self-financing.

### **5.2 TM Strategy for next six months**

As stated above, we will be borrowing £40m on 02/04/15 for the HRA buy-out. As the Corporate Plan is progressing, we will continue to review our cash position to ensure that we undertake further borrowing if required. The Council will also monitor market conditions and interest rate levels to ensure that external borrowing is undertaken at the optimal time in line with our TM strategy.

### **5.3 Private Finance Initiative (PFI)**

The Council has a PFI scheme which is shown on the Balance Sheet at a value of £10m. We are currently reviewing the TM implications of the scheme.

#### **5.4 Reports**

The next reports will be the annual TM Report 2014/15 and the TM Update Report 2015/16 which will be reported to the Corporate Governance Committee in September.

<b>Adroddiad i'r:</b>	<b>Cyngor</b>
<b>Dyddiad y Cyfarfod:</b>	<b>24 Chwefror 2015</b>
<b>Swyddog Arweiniol:</b>	<b>Rheolwr Gwasanaethau Democrataidd</b>
<b>Awdur yr Adroddiad:</b>	<b>Rheolwr Gwasanaethau Democrataidd</b>
<b>Teitl:</b>	<b>Amserlen y Pwyllgor 2015 / 16, Adolygiad Blynyddol o Gydbwysedd Gwleidyddol, a Phenodi Cadeiryddion Archwilio</b>

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## 1. Am beth mae'r adroddiad yn sôn?

Mae'r adroddiad hwn yn cynnwys gwybodaeth ac yn gofyn am benderfyniadau ar faterion yn ymwneud â'r pwyllgor.

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

Mae'n ofynnol i'r Cyngor gymeradwyo amserlen ar gyfer 2015/16 er mwyn galluogi cadarnhau manau cyfarfod ac adnoddau, cyhoeddi'r amserlen a llenwi dyddiaduron yr Aelodau. Gan fod y flwyddyn ddinesig newydd yn dechrau ym mis Mai, mae hefyd yn briodol i'r Cyngor ystyried newidiadau mewn cydbwysedd gwleidyddol a bod yn ymwybodol o sut mae trefniadau cadeirio Archwilio yn gweithio.

## 3. Beth yw'r Argymhellion?

- (i) bOBod y Cyngor yn cymeradwyo'r amserlen ddrafft.
- (ii) Bod y Cyngor yn ailbenodi'r cadeirydd ac aelodaeth bresennol y Pwyllgor Gwasanaethau Democrataidd ar gyfer blwyddyn ddinesig 2015 / 2016, yn amodol ar unrhyw newid a nodir gan y Grwpiau.

## 4. Manylion yr Adroddiad

### 4.1 Amserlen y Pwyllgor

Mae'r flwyddyn ddinesig newydd yn dechrau gyda Chyfarfod Blynyddol y Cyngor ym mis Mai, pan fydd yr amserlen bresennol o gyfarfodydd y pwyllgor yn dod i ben. Mae'r amserlen ddrafft ar gyfer cyfarfodydd yn amgaaedig yn atodiad 1 a hefyd yn cynnwys esboniad fesul pwyllgor o'r ffactorau y tu ôl i nodi dyddiadau addas ar gyfer bob cyfarfod.

Ffactor pwysig newydd yw'r penderfyniad gan yr aelodau drwy'r broses gweithdai *Rhyddid a Hyblygrwydd /* cyllideb, sy'n gofyn i bob pwyllgor gynnal 1 cyfarfod yn llai bob blwyddyn i arbed costau. Mae'r wybodaeth ychwanegol a geir yn Atodiad 1 yn rhestru sut y gwnaethpwyd hyn. Dylid nodi, bod busnes brys yn codi ar brydiau sydd angen pwyllgor i gynnal cyfarfod arbennig, a bydd cyfarfodydd arbennig yn dal i gael eu cynnal lle bo'r angen.

Wrth gymeradwyo'r amserlen gyfredol, gofynnodd yr aelodau am estyniad i'r amserlen yn y dyfodol, a fyddai'n arwain at amserlen 18 mis. Mae'r tabl cyntaf yn Atodiad 1 yn cynnwys yr amserlen ar gyfer blwyddyn ddinesig 2015/16, tra bod yr ail yn ymdrin â'r cyfnod Mai 2015 hyd at fis Rhagfyr 2016.

#### **4.2 Adolygiad Blynyddol o Gydbwysedd Gwleidyddol**

Mae'n ofynnol i'r Cyngor ystyried o leiaf bob blwyddyn sut mae aelodaeth ei bwyllgorau yn gysylltiedig â chydbwysedd gwleidyddol y Grwpiau. Mae newidiadau i aelodaeth pwyllgorau a chryfder y grwpiau gwleidyddol yn golygu nad yw pob pwyllgor yn wleidyddol gytbwys ar hyn o bryd, ac mae'r rhain yn cael eu dangos yn atodiad 2.

Adeg ysgrifennu'r adroddiad hwn, mae'r argymhellion yn atodiad 2 yn berthnasol. Mae'r aelodaeth wirioneddol o bob pwyllgor i'w gweld yn atodiad 3 er gwybodaeth.

Mae marwolaeth ddiweddar y Cynghorydd Margaret McCarroll wedi lleihau maint y Grŵp Llafur o 18 i 17 aelod. Nid yw'r gostyngiad hwn yn effeithio ar gyfrifiadau cydbwysedd gwleidyddol unrhyw bwyllgor ac eithrio'r Pwyllgor Cynllunio, lle byddai'r Grŵp Llafur â'r hawl i gael 11 sedd yn hytrach na 12, a byddai'r Grŵp Annibynnol yn ennill sedd.

Awgrymir y dylid cadw'r aelodaeth gyfredol a'r cydbwysedd gwleidyddol, hyd nes y cynhelir isetholiad De Orllewin y Rhyl ar 19 Mai 2015, ac ar ôl hynny fe weithredir unrhyw newidiadau mewn cydbwysedd gwleidyddol.

#### **4.3 Pwyllgor Gwasanaethau Democrataidd**

Mae Adran 11 Mesur Llywodraeth Leol (Cymru) 2011 yn ei gwneud yn ofynnol i'r Cyngor benodi pwyllgor i adolygu a yw darpariaeth yr awdurdod yn ddigonol o ran staff, gofod ac adnoddau eraill i gyflawni swyddogaethau gwasanaethau democrataidd, a llunio adroddiadau a gwneud argymhellion i'r awdurdod mewn perthynas â darpariaeth o'r fath.

Rhaid i aelodau'r Pwyllgor Gwasanaethau Democrataidd gael eu penodi gan y Cyngor Llawn. Ni fydd unrhyw aelodau'n cael eu cyfethol. Dan y Mesur, ni all mwy nac un aelod o'r Cabinet eistedd ar y Pwyllgor (ac ni all fod yr Arweinydd), ond ym mis Mai 2012, penderfynodd y Cyngor y byddai'r aelodaeth yn cynnwys 11 cynghorydd, ac ni fyddai'n cynnwys unrhyw aelodau o'r Cabinet.

Rhaid cael cydbwysedd gwleidyddol ar y Pwyllgor a rhaid i'r Cyngor benodi ei gadeirydd na all fod yn aelod o un o'r grwpiau gwleidyddol a gynrychiolir ar y Cabinet. Yn Sir Ddinbych, mae hyn yn golygu y bydd y cadeirydd yn aelod o'r grŵp Llafur. Y grŵp Llafur sydd wedi enwebu'r cadeirydd presennol, y Cynghorydd Barry Mellor.

Mae aelodau presennol y Pwyllgor Gwasanaethau Democrataidd i'w gweld yn atodiad 3.

#### **4.4 Penodi Cadeiryddion y Pwyllgorau Archwilio**



Yn ôl â'r egwyddorion ar gyfer dyrannu cadeiryddion Archwilio ym Mesur Llywodraeth Leol (Cymru) 2011 bydd gan y Grwpiau a gynrychiolir yn y Cabinet (Annibynnol, y Ceidwadwyr a Phlaid Cymru) hawl i gadeirio 1 o'r 3 pwyllgor archwilio, a bydd y grwpiau hynny'n penderfynu ymysg ei gilydd pa un o'u haelodau cymwys fydd yn gadeirydd. Mae gan Grŵp Llafur, fel yr unig grŵp nad oes ganddo aelodau ar y Cabinet, hawl i benodi 2 o'r cadeiryddion archwilio.

Nid yw'r Mesur na'r canllawiau statudol cysylltiedig yn gwneud darpariaethau ar gyfer newid neu ail-benodi cadeiryddion archwilio, ac eithrio pan fo cyfansoddiad gwleidyddol y Cabinet yn newid neu lle mae swydd cadeirydd archwilio yn wag am ryw reswm. Felly mae penodi cadeiryddion ar gyfer y flwyddyn ddinesig newydd yn fater i'r grwpiau gwleidyddol ei ystyried ac i roi gwybod am unrhyw newidiadau.

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

Mae'r penderfyniadau a'r wybodaeth sy'n deillio o'r adroddiad hwn yn ganolog i weithrediad y systemau democrataidd a phwyllgor sy'n elfennau hanfodol o drefniadau llywodraethu'r Cyngor ac yn cyfrannu at flaenoriaethau corfforaethol y Cyngor.

#### **6. Faint fydd yn ei gostio a sut bydd yn effeithio ar wasanaethau eraill?**

Mae'r costau o gynnal system bwyllgor yn cael eu cyflenwi o fewn cyllidebau presennol, ond mae'r Cyngor wedi gwneud ymrwymiad drwy ei broses *Rhyddid a Hyblygrwydd* i leihau nifer cyfarfodydd y pwyllgor i arbed y costau cysylltiedig. Gall gwasanaethau ar draws y Cyngor gyfrannu at y cyfarfodydd a gynhwysir yn yr amserlen, fel arfer trwy gyfrannu gwybodaeth, adroddiadau ac amser swyddogion.

#### **7. Pa ymgynghori a wnaed â'r Pwyllgorau Archwilio ac eraill, ac a gynhaliwyd Sgriniad i Asesu Effaith ar Gydraddoldeb?**

Mae'r amserlen flynyddol yn broses sefydledig ac yn diwallu nodau'r Ddeddf Cydraddoldeb. Y prif 'ddefnyddwyr gwasanaeth' yw'r aelodau pwyllgorau a swyddogion cefnogi er bod y wasg a'r cyhoedd hefyd yn gallu mynychu rhan fwyaf o gyfarfodydd. Mae diddordeb unigolion neu grwpiau yn debygol o ddibynnu ar y pwnc dan sylw.

Cafodd arolwg o gynghorwyr ei gynnal yn 2012 ar amseriad a lleoliad cyfarfodydd ac mae'r canlyniadau wedi eu cymryd i ystyriaeth. Mae'r Cyngor yn defnyddio'r ystafelloedd cyfarfod mwyaf addas pryd bynnag y bo modd (o ran mynediad, parcio, cyfleusterau toiled, cludiant cyhoeddus).

#### **8. Datganiad y Prif Swyddog Cyllid**

Nid oes unrhyw gostau ychwanegol yn deillio o'r argymhelliad yn yr adroddiad hwn. Bydd lleihau nifer y cyfarfodydd yn helpu i ddarparu'r arbedion effeithlonrwydd y cytunwyd arnynt yn y broses gyllideb.

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

Byddai methiant i gadarnhau amserlen cyfarfodydd newydd a materion eraill sy'n gysylltiedig â phwyllgorau yn yr adroddiad hwn yn niweidiol i drefniadau llywodraethu'r Cyngor.

**10. Pŵer i wneud y Penderfyniad**

Atodlen 12 o Ddeddf Llywodraeth Leol 1972; Deddf Llywodraeth Leol a Thai 1989; Mesur Llywodraeth Leol (Cymru) 2011.

COMMITTEE TIMETABLE 2015 / 2016 MUNICIPAL YEAR

APPENDIX 1

Tudalen 91

Committee	May	June	July	August	Sept	Oct	Nov	Dec	Jan	Feb	March	April	
COUNTY COUNCIL 10 a.m.	12 Annual Meeting		7	<b>SUMMER RECESS</b>	8	20		1	26	23		12	
COUNCIL BRIEFING 2 p.m.		1					2				7		
BUDGET WORKSHOPS 10 a.m.		19					26		14				
CABINET 10 a.m.	26	30	28			29	27	24	15	12	16	29	26
CABINET BRIEFING 2 p.m.	11	8	6			7	12	9		4	1	14	4
PLANNING <sup>See note 1</sup> 9.30 a.m.	13	17	15			16	14	11	9	20	17	16	20
PERFORMANCE SCRUTINY 9.30 a.m.		11	16			24			10	28		17	28
COMMUNITIES SCRUTINY 9.30 a.m.	28		9			10		5	17		4	24	
PARTNERSHIPS SCRUTINY 9.30 a.m.		25	30				8	26		14	25		14
CORPORATE GOVERNANCE 9.30 a.m.	20		27			28		18		27		23	27
LICENSING <sup>See note 2</sup> 9.30 a.m.		10				23			2			9	
LICC 2.p.m.		24					7				10		

Committee	May	June	July	August	Sept	Oct	Nov	Dec	Jan	Feb	March	April
SACRE 10 a.m.		29				21				12		
STANDARDS 10 a.m.	22				18			4			4	
DEMOCRATIC SERVICES COMMITTEE 10 a.m.			3						22			
CORPORATE HEALTH, S & W <small>See note 3</small> 10 a.m.	1		24			30				5		

## Notes

- 1) The schedule of Planning Committee meetings in 2015 / 16 to be reduced by 1 meeting in line with the requirements of the Freedoms and Flexibilities process. The affected meeting is likely to be in the January 2016 – April 2016 period.
- 2) The Freedoms and Flexibilities reduction of one meeting has not been applied because the Licensing Committee performs a quasi-judicial function directly affecting individual members of the public and a reduction from 4 to 3 meetings may not be feasible or desirable. It is proposed that the Committee will first discuss the implications of reducing the number of committee meetings.
- 3) A reduction from 4 to 3 meetings has not yet been applied to the Corporate Health, Safety and Welfare Committee as its membership includes representatives of the unions and the committee's constitution states that it will meet every 3 months. It is suggested that the frequency of meetings necessary to undertake its role be discussed with the committee prior to any changes being made to the committee's constitution and schedule of meetings.

**Other Meetings**

<b>Committee</b>	<b>May</b>	<b>June</b>	<b>July</b>	<b>August</b>	<b>Sept</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>	<b>Jan</b>	<b>Feb</b>	<b>March</b>	<b>April</b>
<b>Conwy &amp; Denbighshire Joint Adoption Panel</b>	15	19	10	21	18	16	20	18				
<b>Fostering Panel</b>	13	10	8	12	9	14	11	9				
<b>Member Area Groups</b>												
<b>Denbigh 2 p.m.</b>		15			7		2	21		15		11
<b>Rhyl 3 p.m.</b>		17			9		4		6	17		13
<b>Prestatyn &amp; Meliden 6 p.m.</b>	14		2		17		12		14		3	28
<b>Elwy 2 p.m.</b>	1	26				2	27		22		18	
<b>Ruthin 10 a.m.</b>	18		6		21		16		11		7	25
<b>Dee Valley 2 p.m.</b>	6	22			28		23		18		14	
<b>Corporate Parenting Panel</b>												

**EXTENDED COMMITTEE TIMETABLE UNTIL THE END OF 2016**

Tudalen 94

Committee	May 2016	June	July	August	Sept	Oct	Nov	Dec
COUNTY COUNCIL 10 a.m.	10 Annual Meeting		5	<b>SUMMER RECESS</b>	6	18		6
COUNCIL BRIEFING 2 p.m.		6					14	
BUDGET WORKSHOPS 10 a.m.								
CABINET 10 a.m.	24	28	26		27	25	29	13
CABINET BRIEFING 2 p.m.	9	13	4		5	10	7	
PLANNING 9.30 a.m.	18	22	27		14	12	16	14
PERFORMANCE SCRUTINY 9.30 a.m.		9	14		29			8
COMMUNITIES SCRUTINY 9.30 a.m.	12	30			8	27		15
PARTNERSHIPS SCRUTINY 9.30 a.m.	26		7			6	24	
CORPORATE GOVERNANCE 9.30 a.m.		15	13		21		23	
LICENSING 9.30 a.m.		8			22			7
LICC 2.p.m.		29				5		

Committee	May 2016	June	July	August	Sept	Oct	Nov	Dec
SACRE 10 a.m.		20				19		
STANDARDS 10 a.m.		24			16			2
DEMOCRATIC SERVICES COMMITTEE 10 a.m.	20							
CORPORATE HEALTH, S & W 10 a.m.	27		22			28		

## **Timetabling Information**

### **Council / Council Briefings / Member Budget Workshops**

Taken together, meetings of full Council, Council Briefing and the Budget Workshops undertake a considerable amount of business and represent a substantial commitment on members and officers' time. The 2014/15 timetable had monthly Council meetings except for January and March, with two meetings in February; one to agree the budget and the second to set the council tax levels. The early February meeting has been moved to the end of January as the Council has to approve its Council Tax Reduction Scheme before the end of January each year and this can be taken alongside the approval of the budget for the next financial year. A Council meeting will be held at the end of February to set the council tax levels. In total the new timetable has 8 Council meetings for the 2015/16 municipal year with the meeting dates set to complement decisions that will be required of Council during the year.

Council meetings consider business that requires formal approval by full Council with other issues of interest to all members being directed towards Council Briefing sessions. There are 3 Council Briefing sessions scheduled to take place during those months without a formal Council meeting. If required, those Briefing session dates could be utilised for a formal Council meeting after the requisite notice having been given.

In addition, all-member budget workshops have been initially scheduled for June, October and December 2015.

### **Cabinet**

Dates for Cabinet meetings have again been scheduled for the end of a month where possible. The reason for this is that Cabinet considers an important budget monitoring report at each meeting, which covers the previous month. Collection of the budget information, report preparation, and publication can result in these reports being 'late'. Holding the Cabinet meetings at the end of a month will allow these reports to be circulated on time. As a consequence, some Cabinet meetings do fall during school holidays.

The Cabinet meeting schedule has previously included two September meetings; one at the beginning of the month to deal with any urgent business arising during the August recess, and one at the end of September. In 2014, the early September meeting was not needed and it is therefore proposed to delete that meeting from the schedule to meet the Council's aim of reducing costs by holding fewer meetings.

Mid-month Cabinet meetings have been included for December 2015 and 2016 to avoid the Christmas period; for January 2016 to make recommendations on the



budget to Council and in February 2015 as a result of the Council meeting at the end of February which will set the Council Tax levels.

### Scrutiny Committees

The timetable for the scrutiny committee meetings has been developed to include meetings at times when information for known business of the committee in question will be available, and otherwise to ensure a reasonable spread of meetings throughout the year.

In accordance with the reduction of 1 meeting per committee required under the Freedoms and Flexibilities budget process the number of formal scrutiny committees has been reduced from 8 per committee to 7. Despite this the work for scrutiny is likely to increase over the next 12 months as new task and finish group work is progressed, particularly for the cross-committee Budget Cuts Impact Task and Finish Group.

### Performance Scrutiny Committee

Meetings of the Partnerships Scrutiny Committee have been scheduled for school term time only as this committee will normally consider matters relating to education and schools to which the 5 co-opted voting members would be invited to attend as education scrutiny members. Certain meetings of the Performance Scrutiny Committee have been scheduled to attend to the following business:

- January (verified school examination results); April (Corporate Risk Register); June (Director of Social Services' Annual Report and the quarter 4 Corporate Plan performance report); September (provisional school examination results); December (quarter 2 Corporate Plan performance report and the Corporate Risk Register)

### Communities and Partnerships Scrutiny Committees

Seven meetings each have been arranged for the 2015 / 16 municipal year with a further four or five meetings scheduled in the extended May 2016 to December 2016 timetable – part of the 2016 / 2017 municipal year timetable which will include 7 meetings of each of the 3 scrutiny committees for the whole year.

The Scrutiny Co-ordinator has reviewed and agreed the draft timetable.

### Planning Committee

Planning officers have agreed the proposed schedule for Planning Committee meetings which is designed to ensure that the committee meetings and associated post-committee work (issuing decision certificated, etc.) are complementary.

The Committee needs to reduce its number of meetings by one. To allow time for the possible introduction of a smaller committee and revised scheme of delegation that

would allow fewer meetings without harming the 8 week decision making performance requirements, it is suggested that a meeting between January 2016 and May 2016 be deleted. This has not been applied to the timetable at this time as it is dependent on further work and decisions on the Planning Committee's arrangements.

### Corporate Governance Committee

The Corporate Governance Committee is also the Council's Audit Committee and the proposed schedule takes into account when the committee will be required to consider treasury management performance, Internal Audit annual reports and assurance plans, the annual governance statement and to approve the statement of accounts.

The 2015 and 2016 July meetings are scheduled for later in the month than was the case for 2014 so that members have more time to consider the draft Statement of Accounts before the Committee meets.

The July 2015 meeting is scheduled for a Monday (rather than the usual Wednesday). This is to avoid a clash of meetings that would prevent the desired level of support to the committee being available from Internal Audit.

The September 2015 meeting will also be held on a Monday (28 September) to allow time for the Statement of Accounts to be finalised and presented to the Committee for approval. Although the Committee normally meets on a Wednesday, the previous Wednesday would be too soon and the following Wednesday too late. The Committee has delegated authority to approve the Statement of Accounts.

### Standards Committee

The 2015/2016 timetable has a reduction of 1 meeting from 5 to 4 which accords with members' expectations for committees to reduce the number of their meetings. The previous and current levels of business for the Standards Committee indicate that quarterly meetings will be sufficient but if the workload indicates that other meetings are required, these will be arranged accordingly.

### Licensing Committee

Four Wednesday meetings have been scheduled for 2015/16 in accordance with existing timetabling arrangements. The Freedoms and Flexibilities reduction of one meeting has not been applied because the Licensing Committee performs a quasi-judicial function directly affecting individual members of the public and a reduction from 4 to 3 meetings may not be feasible or desirable. It is proposed that the Committee will first discuss the implications of reducing the number of committee meetings.

The September 2016 meeting has been arranged for a Thursday (22 September) to achieve a more even distribution of meetings that month.

Licensing sub-committee meetings are arranged as and when required.

#### Corporate Health, Safety and Welfare Committee

Meetings of the CHSW Committee have been scheduled for approximately 1 month after the end of the previous quarter to allow the committee to review quarterly health and safety reports.

A reduction from 4 to 3 meetings has not yet been applied to this committee as its membership includes representatives of the unions and the committee's constitution states that it will meet every 3 months. It is suggested that the frequency of meetings necessary to undertake its role be discussed with the committee prior to any changes being made to the committee's constitution and schedule of meetings.

#### Local Joint Consultative Committee (LJCC)

The LJCC is a consultative committee bringing together elected members with trade union representatives. In accordance with the initiative to reduce meetings where possible, the number of LJCC meetings has been reduced from 4 to 3 per council year, though it is recognised that additional, special meetings might have to be arranged if issues arise that require negotiation at the LJCC level.

The LJCC meetings have been scheduled to be held before meetings of Council to allow formal feedback from the LJCC to be taken to full Council.

This timetable has been discussed with the unions.

#### Standing Advisory Council for Religious Education (SACRE)

The membership of this statutory committee includes representatives from Denbighshire County Council, religious denominations and teacher associations. As with the current year, the new schedule proposes to hold their 3 termly meetings on different days of the week (a Monday, Wednesday and Friday) to lessen the impact on teacher representatives caused by taking time out of school on the same week-day for each meeting.

SACRE has requested that meetings be held in either Rhyl or Prestatyn as the majority of members live in the north of the county.

#### Democratic Services Committee

This committee must meet at least once every calendar year and is able to review the level of support for democratic services, committees and associated matters. Two Friday meetings have been scheduled for the 2015 /16 municipal year in July and January. Extra meetings can be added if necessary.

## Cabinet Briefing

This is an informal but important meeting for Cabinet members and meetings are proposed for the first Monday of a month where possible to complement the cycle of Cabinet meetings which will usually be at the end of the month.

An early September meeting of Cabinet Briefing is proposed for both 2015 and 2016 as the Cabinet schedule now only has one formal meeting in September instead of two but there are no Cabinet Briefing meetings scheduled in December of 2015 or 2016 because formal Cabinet meets mid-month. This results in the same number of Cabinet Briefing meetings in 2015/16 as were scheduled for 2014/15.

### Political Balance Position at January 2015

The tables below summarise the position for each of the committees. The third column headed *Political Balance* shows the actual number of seats each Group is entitled to have on the committee.

Changes to committee memberships can occur at any time and the Groups are encouraged to ensure that each committee has a full contingent of members throughout the year. A general review of the political balance of the committees is undertaken annually to re-balance committees for the start of the new municipal year in May. This year the Annual Meeting of Council was held on the 13 May 2014.

Cabinet	Current Membership	Political Balance
Labour	0	3
Independent	4	2
Conservative	2	1 or 2*
Plaid Cymru	2	1 or 2*
<p>Comments: The political balance requirements have been achieved for the groups participating in the executive.</p> <p>In the event of a political group with 5 or more members declining to take up their seats on the Cabinet the Leader may appoint councillors to fill the vacancies and the rules of political balance do not apply to the filling of those vacancies. No further actions required.</p> <p>*With 8 members each both the Conservative and Plaid Cymru Groups have the same political balance weighting, so in respect of political balance, either could take a second seat on the committee.</p>		

Corporate Governance Committee	Current Membership	Political Balance
Labour	2	2
Independent	2	2
Conservative	1	1
Plaid Cymru	1	1
<p>Comments: The membership of the Corporate Governance Committee is 6 councillors of whom one shall be the Vice Chair of the Council, politically balanced.</p> <p><b>Action: No action required.</b></p>		

Communities Scrutiny Committee	Current Membership	Political Balance
Labour	4	4
Independent	3	3
Conservative	2	2
Plaid Cymru	2	2
Comments: This committee is politically balanced.		
<b>Actions: None required.</b>		

Partnerships Scrutiny Committee	Current Membership	Political Balance
Labour	4	4
Independent	3	3
Conservative	2	2
Plaid Cymru	1	2
Comments: Plaid Cymru have a vacant seat and Cllr Margaret McCarroll's seat has been filled by Cllr Joan Butterfield.		
<b>Actions: Plaid Cymru to nominate 1 member</b>		

Performance Scrutiny Committee	Current Membership	Political Balance
Labour	4	4
Independent	1	3
Conservative	2	2
Plaid Cymru	2	2
Comments: There are currently 2 vacancies for Independent Group member on this committee.		
<b>Action: Independent Group to nominate 2 members.</b>		

Planning Committee	Current Membership	Political Balance
Labour	11	11
Independent	8	9
Conservative	5	5
Plaid Cymru	5	5
Comments: The Labour Group has reduced from 18 members to 17 as a result of the death of Councillor McCarroll. Applying this new balance to the Planning Committee results in Labour's entitlement reducing from 12 seats to 11 and the Independent's rising from 8 to 9. However, it is suggested that the current membership and balance be retained, pending the result of the by-election on the 19 March for the vacant Rhyl South West seat.		
<b>Actions: Review the political balance and allocate the vacant seat on the Planning Committee following the result of the Rhyl South West by-election</b>		

Licensing Committee	Current Membership	Political Balance
Labour	4	4
Independent	3	3
Conservative	2	2
Plaid Cymru	2	2
Comments: This committee is politically balanced.		
<b>Actions: None required.</b>		

Democratic Services Committee	Current Membership	Political Balance
Labour	4	4
Independent	3	3
Conservative	2	2
Plaid Cymru	2	2
Comments: The Chair and members of this committee are appointed by Council based on a politically balanced allocation. Subject to any changes the groups wish to make to the membership of this committee, Council will be asked to re-appoint the existing members.		
<b>Actions: Council to re-appoint the existing members subject to any changes notified by the groups.</b>		

Local Joint Consultative Committee (LJCC)	Current Membership	Political Balance
Labour	2	2
Independent	2	2
Conservative	1	1
Plaid Cymru	1	1
Comments: This committee is politically balanced.		
<b>Actions: None required.</b>		

Corporate Health, Safety and Welfare Committee	Current Membership	Political Balance
Labour	2	3
Independent	2	2
Conservative	2	1 or 2*
Plaid Cymru	2	1 or 2*
Comments: Labour are currently 1 member below their entitlement of 3 members on the committee. Both the Conservative and Plaid Cymru Groups have an additional member – see note*.		
<b>Actions: (i) Labour to appoint 1 additional member (ii) Following this, either the Conservative or Plaid Cymru Group to then withdraw 1 member.</b>		

\*With 8 members each both the Conservative and Plaid Cymru Groups have the same political balance weighting so either (but only one of them) could take a second seat on the committee.

Standing Advisory Council for Religious Education (SACRE)	Current Membership	Political Balance
Labour	1	3
Independent	1	2
Conservative	2	1 or 2*
Plaid Cymru	1	1 or 2*
<p>Comments: The Independents are entitled to 1 extra seat whilst Labour have 2 vacant seats</p> <p><b>Action: Labour Group to appoint 2 members and the Independent Group to appoint 1 member.</b></p> <p>*With 8 members each both the Conservative and Plaid Cymru Groups have the same political balance weighting so one of them would be entitled to take 2 seats</p>		

Appeals and complaints Committee	Current Membership	Political Balance
Labour	4	4
Independent	3	3
Conservative	2	2
Plaid Cymru	2	2
<p>Comments: This 'committee' provides a pool of members for appeals and complaints work. It is currently balanced.</p> <p><b>Actions: None required.</b></p>		





COMMITTEES/PANELS				
CORPORATE HEALTH & SAFETY (8)	L.J.C.C. (6)	SACRE (8)	PLANNING (30)	
Davies, Richard	Butterfield, Joan	Davies, Ann	Armstrong, Ian	
Davies, Stuart	Davies, Meirick Lloyd (Ch)	Owens, Dewi	Bartley, Raymond (chair)	
Jones, Alice	Hilditch-Roberts, Huw	Roberts, Arwel (vice chair)	Butterfield, Joan	
Jones, Huw	Holland, Martyn	Tasker, Bill	Chamberlain-Jones, Jeanette	
Lloyd-Williams, Geraint	Hughes, Colin	Welch, Joe	Cowie, Bill	
Mullen-James, Win (Ch)	Smith, Barbara (LM for HR)		Davies, Ann	
Owen, Peter			Davies, Meirick Lloyd	
Thompson-Hill, Julian			Davies, Richard	
			Davies, Stuart	
			Evans, Peter	
			Hilditch-Roberts, Huw	
			Hughes, Rhys	
			Jones, Alice	
			Jones, Pat	
			Mellor, Barry	
			Mullen-James, Win (vice chair)	
			Murray, Bob	
			Owen, Peter	
			Owens, Dewi	
			Parry, Merfyn	
			Penlington, Paul	
			Roberts, Arwel	
			Simmons, David	
			Tasker, Bill	
			Thompson-Hill - Julian	
			Welch, Joe	
			Williams, Cefyn	
			Williams, Cheryl	
			Williams, Huw	



**POLITICAL GROUPS AND GROUP LEADERS - JUNE 2012**

**Labour (17)**

Armstrong, Ian  
Blakekey, Brian  
Butterfield, Joan (Leader)  
Chamberlain-Jones, Jeanette  
Guy-Davies, Carys  
Hughes, Colin  
Jones, Pat  
Lloyd-Williams, Geraint  
McLellan, Jason  
Mellor, Barry  
Mullen-James, Win  
Murray, Bob  
Penlington, Paul  
Sandilands, Gareth  
Simmons, David  
Tasker, Bill  
Williams, Cheryl

**Independent (13)**

Bartley, Ray  
Cowie, Bill  
Davies, Richard  
Davies, Stuart  
Duffy, Peter  
Evans, Hugh  
Evans, Peter  
Feeley, Bobby  
Hilditch-Roberts, Huw  
Parry, Merfyn  
Smith, Barbara  
Smith, David  
Welch, Joe (Leader)

**Conservative (8)**

Davies, Ann  
Davies, James  
Holland, Martyn (Leader)  
Irving, Hugh  
Owen, Peter  
Owens, Dewi  
Thompson-Hill - Julian  
Williams, Huw

**Plaid Cymru (8)**

Davies, Meirick Lloyd  
Hughes, Rhys  
Jones, Alice  
Jones, Huw  
Kensler, Gwyneth (Leader)  
Roberts, Arwel  
Williams, Cefyn  
Williams, Eryl

**Non-aligned (0)**

RHAGLEN GWAITH I'R DYFODOL Y CYNGOR

Cyfarfod	Eitem (disgrifiad / teitl)		Pwrpas yr Adroddiad	Angen penderfyniad gan y Cyngor (oes/nac oes)	Aelod Arweiniol a Swyddog Cyswllt
<b>Briffio'r Cyngor 16 Mawrth, 2015</b>	1	Strategaeth Cyllideb Refeniw a Chyfalaf BIPBC	Trevor Purt (BIPBC) i fynychu	Amh.	Y Cynghorydd Bobby Feely / Nicola Stubbins
	2	Gweithdy Dementia	Cyflwyniad i aelodau ar ddementia	Amh.	Y Cynghorydd Bobby Feeley / Nicola Stubbins
	3	Cefnogi Annibyniaeth yn Sir Ddinbych	Cyflwyniad gan y Gwasanaethau Oedolion	Amh.	Y Cynghorydd Bobby Feeley / Phil Gilroy
<b>14 Ebrill 2015</b>	1	Ailddatblygu Ysgol Glan Clwyd	Ystyried yr achos busnes llawn ar gyfer y cynllun	Oes	Y Cynghorydd Eryl Williams / Peter Clayton
	2	Polisi Tâl	Cymeradwyo'r Polisi Tâl	Oes	Y Cynghorydd Barbara Smith / Catrin E. Roberts
	3	Adroddiad Blynyddol Llywodraethu Corfforaethol	Derbyn Adroddiad Blynyddol Llywodraethu Corfforaethol		Y Cynghorydd Jason McLellan / Gary Williams
<b>Briffio'r Cyngor 14 Ebrill 2015</b>	1	Cyflwyniad anffurfiol o ddrafft y Strategaeth Dai Leol	Cytuno ar y Strategaeth Dai Lleol	Amh.	Y Cynghorydd Hugh Irving / Graham Boase / Angela Loftus
	2	Strategaeth Uchelgais Economaidd a Chymunedol Sir Ddinbych – Blwyddyn yn Ddiweddarach	Diweddariad ar y cynydd ymarferol a wnaed i ddatblygu'r economi lleol yn ystod 2013/14 a golwg ymlaen ar y gwaith a gynlluniwyd ar gyfer 2015.	Amh.	Y Cynghorydd Hugh Evans / Rebecca Maxwell / Mike Horricks
<b>12 Mai 2015 Cyfarfod</b>	1	Adroddiad Blynyddol Pwyllgorau Archwilio'r Cyngor	Ystyried yr Adroddiad Blynyddol	Nac oes	Grŵp Cadeiryddion ac Is-gadeiryddion Craffu / Steve

RHAGLEN GWAITH I'R DYFODOL Y CYNGOR

<b>Blynyddol</b>					Price / Rhian Evans
	2	Strategaeth Dai Leol	Cytuno ar y Strategaeth Dai Leol	Oes	Y Cyngorydd Hugh Irving / Graham Boase / Angela Loftus
	3	Dogfen Gyflenwi Flynyddol ar Gyfer y Cynllun Corfforaethol	Aelodau i gymeradwyo fersiwn terfynol y Ddogfen Gyflenwi	Ydw	Y Cyngorydd Barbara Smith/ Alan Smith

Materion ar gyfer Amserlen 2015 / 2016

Cyfarfod	Eitem (disgrifiad / teitl)		Pwrpas yr Adroddiad	Angen penderfyniad gan y Cyngor (oes/nac oes)	Aelod Arweiniol a Swyddog Cyswllt
<b>Briffio'r Cyngor</b>	1	Plant sy'n Derbyn Gofal	Cyflwyniad gan y Gwasanaethau Plant	Amh.	Y Cyngorydd Bobby Feeley / Rhian Morlle / Liz Griffin
	2	Spectrwm	Cefyn Campbell (Spectrwm) i fynychu	Amh.	Y Cyngorydd Huw Jones

Tudalen 110

**Nodyn i swyddogion - Dyddiadau Cau Adroddiad Cyngor Llawn**

<i>Cyfarfod</i>	<i>Dyddiad cau</i>	<i>Cyfarfod</i>	<i>Dyddiad cau</i>	<i>Cyfarfod</i>	<i>Dyddiad cau</i>
<b>24 Chwefror</b>	<b>9 Chwefror</b>	<b>Ebrill</b>	<b>27 Mawrth</b>	<b>Mai</b>	<b>24 Ebrill</b>

Diweddarwyd 10/02/2015 - SP

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