

CABINET

Minutes of a meeting of the Cabinet held in Conference Room 1a, County Hall, Ruthin on Tuesday, 13 January 2015 at 10.00 am.

PRESENT

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

Observers: Councillors Ray Bartley, Bill Cowie, Meirick Davies, Richard Davies, Huw Hilditch-Roberts, Martyn Holland, Gwyneth Kensler and Huw Williams

ALSO PRESENT

Chief Executive (MM); Corporate Director Economic and Community Ambition (RM); Heads of Service: Legal, HR and Democratic Services (GW), Finance and Assets (PM); Customers and Education Support (JW); Education (KE); Revenues and Benefits (RU); Chief Accountant (RW); Economic and Business Development Manager (TB); Programme Manager Modernising Education (JC), and Committee Administrator (KEJ)

TRIBUTE - COUNCILLOR MARGARET MCCARROLL

The Leader paid tribute to Councillor Margaret McCarroll who sadly died on 4 January after a short illness. He referred to Councillor McCarroll's commitment and valuable contribution as a councillor representing Rhyl South West ward and conveyed the Council's condolences to her family, saying that she would be sadly missed by Denbighshire colleagues. Councillor Eryl Williams also offered condolences to the Leader who had recently lost his mother-in-law. Members and officers stood in silent tribute.

1 APOLOGIES

Councillor Barbara Smith, Lead Member for Modernising and Performance

2 DECLARATION OF INTERESTS

Councillor Bobby Feeley – Personal – Agenda Item 5 – Governor Rhos Street
Councillor David Smith – Personal – Agenda Item 5 – Grandchild in Penbarras
Councillor Huw Williams – Personal – Agenda Item 5 – Child in Penbarras
Councillor Huw Hilditch-Roberts – Personal – Agenda Item 5 – LEA Governor Penbarras / parent

3 URGENT MATTERS

No urgent matters had been raised.

4 MINUTES

The minutes of the Cabinet meeting held on 16 December 2014 were submitted.

***RESOLVED** that the minutes of the meeting held on 16 December 2014 be approved as a correct record and signed by the Leader.*

5 MODERNISING EDUCATION PROGRAMME - RUTHIN PRIMARY AREA

Councillor Eryl Williams presented the report seeking Cabinet approval to commence consultation on school organisation proposals arising from the Ruthin area review and to recommend to Council approval of investment for three primary school projects in the area.

Cabinet members had familiarised themselves with all schools subject to the Ruthin area review and were fully aware of the needs and requirements of each of those schools. It was emphasised that no decision had been made regarding the proposals and approval was sought to start that consultation process. In terms of the financial commitment to school projects, Councillor Julian Thompson advised that following review of the business cases, the Strategic Investment Group had recommended approval. He clarified that the projects were not part of the 21st Century Schools funded projects but the Council had sufficient in-house capital to deliver them. Councillor Eryl Williams added that although there was no reliance on external funding he was hopeful 21st Century Schools funding could be secured.

The rationale behind the reorganisation of primary schools in Ruthin had been detailed within the report and Cabinet discussed with officers the report recommendations in order to progress the next stage of the school organisation proposals. Main discussion points on the recommendations included –

- **Consultation on the proposed closure of Ysgol Llanfair DC and Ysgol Pentrecelyn and opening of a new Category 2 Voluntary Controlled school**

Cabinet was advised of the general support for an area school to replace the two schools, particularly given the state of the existing buildings. The contentious issue in this proposal was the language categorisation of the new school but the intention was not to start debate at this time but to commence consultation and report back to a future meeting. It was noted that parents and other interested parties had already raised concerns and assurances were provided that all issues raised would be discussed and carefully considered during the consultation process before a decision was taken. The Leader had met with representatives from both schools and reported upon the strong feelings around the categorisation issue and different viewpoints held. He was keen for a new school to best benefit the children and area in the future. Reference was made to the review of the language categorisation of the county's schools and officers provided assurances that the categorisation of all schools was monitored through the Welsh in Education Strategic Group. Councillor Meirick Davies felt strongly that the consultation should involve the opening of a new Category 1 school as opposed to Category 2. Councillor Eryl Williams accepted that view but responded that the arguments in terms of

categorisation would be the same and all issues would be considered during the consultation process. Assurances were sought that pupils would not be disadvantaged by a subsequent change to the language categorisation and officers highlighted that Welsh Medium stream pupils in Category 2 schools were required to achieve the same outcomes as pupils in Category 1 schools.

- **Consultation on the proposed closure of Ysgol Rhewl with pupils transferring to Ysgol Penbarras or Rhos Street**

The rationale behind the proposal was reiterated based on the long term sustainability of Ysgol Rhewl. Some reservations were expressed over whether the proposed school at Glasdir could accommodate additional pupils given the proposed number of school places. Officers explained the calculations for pupil numbers together with other considerations including surplus capacity – there was flexibility within the process at this stage which would allow pupil projections to be revised depending upon other outcomes such as those relating to Ysgol Rhewl and Ysgol Llanbedr which would allow the school to be sized appropriately for the area. Councillor Huw Williams submitted apologies from Councillor Merfyn Parry and shared the views of Ysgol Rhewl Governors who would campaign against school closure. Officers advised that the Headteacher had been notified informally ahead of the Cabinet meeting and all other issues should be raised as part of the consultation process. In terms of surplus places it would not be appropriate to apply different criteria to school projects not subject to 21st century schools funding. Councillor Martyn Holland highlighted the importance of communication and officers reported upon the extent of the consultation in this regard in order to provide an open and transparent process.

- **To recommend to Council the approval of the business cases and capital allocation for three primary school projects in the Ruthin area**

Councillor Eryl Williams highlighted the importance of allocating specific funding at this stage in order to provide greater certainty and reflect the Council's commitment to the school building projects if the proposals were approved.

(i) Glasdir Site (relocation of Rhos Street/Ysgol Penbarras) – Officers clarified the proposal for two schools on a shared site at Glasdir and reported upon discussions with school representatives regarding their requirements which would be accommodated as far as possible given the project's financial constraints and addressed as part of the detailed design stage. Local Members welcomed the proposals for the two schools at the Glasdir site but raised a number of issues requiring consideration, predominately around the use of shared facilities and traffic management, highlighting that input from school representatives was paramount when considering their future requirements. Officers acknowledged that the correct building design was crucial, reporting on work undertaken to manage the schools' expectations and requirements to deliver efficiencies to benefit both schools within the financial and time constraints for the project. Any capital receipts generated upon completion of the school projects would be retained corporately. Further assurances were provided that the number of school places would be appropriately revised following the outcomes of other reviews relating to Ysgol Rhewl and Ysgol

Llanbedr. It was also accepted that planning permission for the Glasdir site had lapsed but officers were in touch with Planning Officers and confident that with the right design securing planning permission would not be an issue.

(ii) Ysgol Carreg Emlyn – Members were advised that the report contained indicative timescales for the proposed new school building but it was likely that the project could commence at an earlier stage if approved because there was no requirement to submit statutory notice of the proposal.

(iii) Llanfair and Pentrecleyn Area School – The proposal for a new school building for the Llanfair and Pentrecleyn area had been discussed as part of the first recommendation.

In moving the recommendations Councillor Eryl Williams thanked members for their contributions to debate.

RESOLVED that Cabinet –

- (a) *approve proceeding to formal consultation for the proposed closure of Ysgol Llanfair DC and Ysgol Pentrecleyn as of the 31 August 2016 and to open a new Category 2 Voluntary Controlled school based on the existing sites on the 1 September 2016;*
- (b) *approve proceeding to formal consultation for the proposed closure of Ysgol Rhewl as of 31 August 2017 with pupils transferring to either Ysgol Penbarras or Rhos Street to coincide with the opening of the new school buildings, and*
- (c) *recommend to Council the approval of the business cases and capital allocation for*
 - 1. *the replacement of the existing Rhos Street/Ysgol Penbarras provision at the Glasdir Site*
 - 2. *a new school building for Ysgol Carreg Emlyn*
 - 3. *a new school building for the Llanfair and Pentrecleyn area school, subject to the outcome of the school organisation proposals.*

At this juncture (11.30 a.m.) the meeting adjourned for a refreshment break.

6 BUDGET 2015/16 (FINAL PROPOSALS - PHASE 3)

Councillor Julian Thompson-Hill presented the final phase of a programme of budget savings and other measures for recommendation to Council in order to deliver the revenue budget for 2015/16. The report also included a proposed level of increase to Council Tax and use of general balances.

Councillor Thompson-Hill referred to the outcomes of the budget workshops which had informed the budget proposals and he outlined the latest budget position. He elaborated on the proposals for 2015/16 and resulting 2.75% average increase in the level of Council Tax together with the rationale behind the proposal to use

general balances to fund the budget over the next three years. In light of members' commitment to delivering the Corporate Plan it was also recommended that this take priority in future budget setting rounds.

During consideration of the report the following issues were discussed –

- Councillor Eryl Williams felt there was a strong possibility that 21st Century Schools funding could be secured for the proposed school building projects in the Ruthin area which would release funding to deal with other budget pressures
- the outcome of the consultation on the future of in-house social care services would not affect the 2015/16 budget but savings from that process were due in 2016/17 – the spend profile for extra care projects for future years had been detailed in the Corporate Plan summary (Appendix 4 to the report)
- reference was made to the work of the Caravan Sites Strategy Working Group in terms of the potential to raise council tax revenue for future years
- Councillor Eryl Williams felt that indicative figures for capital receipts arising from completed school projects should be included within the Corporate Plan, particularly in terms of transparency – the difficulty of this approach was explained in terms of the amounts and availability of those receipts and there was little merit in pre-allocating receipts which had caused problems in the past
- Councillor David Smith reiterated his previous concerns that significantly less was being spent on highway maintenance which may not be enough to maintain the quality of the county's roads or achieve the Corporate Plan outcome for highways. Members shared those concerns and discussed the cuts to the highway budget and loss of external funding and whether highways should be given priority for funding in the event of slippage in the Corporate Plan or availability of capital receipts. Councillor Eryl Williams referred to the Cabinet resolution 10(c) of the last meeting and asked that responses from Assembly Members be included in the Budget report to Council
- reference was made to historical reasons why Denbighshire's council tax level was one of the highest in Wales and it was agreed that the Budget report to Council would include a comparison of council tax levels to show Denbighshire's ranking overall – the different methods of aligning council tax levels between Denbighshire and Conwy if a merger was to proceed was also explained.

The Leader referred to the open and transparent budget process and advised that education and social services had been protected despite the difficult financial climate and reaffirmed his commitment to delivery of the Corporate Plan. He also felt it was important to consider the impact of the budget cuts on the Council's performance.

RESOLVED that Cabinet –

- supports the budget proposals for 2015/16 as shown in Appendix 1 to the report and recommends accordingly to full Council;*
- recommends to Council the resulting Council Tax increase of an average of 2.75% in 2015/16;*

- (c) *recommends to Council that £500k of general balances are used to support the revenue budget for the next three financial years;*
- (d) *recommends to Council that the delivery of the Corporate Plan takes priority in future budget setting rounds, and*
- (e) *reference to the responses from Assembly Members in North Wales regarding their position on the reduction in highway funding for Denbighshire and the allocation of funding for the M4 improvements be included in the Budget 2015/16 report to Council.*

7 TOWN AND AREA PLANS

Councillor Hugh Evans presented a joint report with Councillor Huw Jones detailing actions taken since the review of Town and Area Plans (TAPs) and the way forward. He was pleased the review had supported the principle of TAPs and accepted the review findings, highlighting the need for an operational framework and alignment of TAPs with other strategies and plans. Details of the work of the TAPs Champion Working Group had been included within the report and Councillor Evans elaborated upon the current funding position and the proposed approach for future funding allocations. Councillor Huw Jones reported upon his role as a TAP Champion and the approach he had taken in the Dee Valley Area and he offered to help other TAP Champions replicate that approach to support the TAPs process.

Cabinet noted the conclusions of the review and subsequent actions in response, including the reassessment of projects which had resulted in a recommendation to de-commit funding. Members took the opportunity to comment on the development and delivery of TAPs in their particular areas and also considered the proposed approach for future funding allocations, including the project assessment criteria.

During debate the following issues were raised –

- reservations were expressed regarding the lack of weighting between the different categories of assessment criteria, particularly with regard to future revenue implications – it was mostly agreed that the criteria be revised to ensure that only revenue neutral projects should proceed
- whilst support was expressed for the new process the need to ensure delivery of those projects already approved was highlighted and officers confirmed that to help expedite that process projects would be embedded into the relevant service business plans
- assurances were sought regarding the monitoring process of match funding elements of particular projects and their likelihood of success and it was suggested that this element could be reflected in the assessment criteria – officers reported upon measures to maximise external funding but acknowledged some subjectivity in scoring that project element, however assurances were provided that projects remained under constant review; it was also agreed that the TAP Champions Group would undertake a six monthly review of projects and if there was no confidence that the project would be delivered the funding would be de-committed and made available for other TAPs projects

- the need for greater interaction between TAP Champions, Member Area Groups (MAGs) and Town/Community Councils and fostering a holistic approach to delivering the TAPs was highlighted – the Leader referred to the best practice approach taken by Councillor Huw Jones as a TAP Champion which could be replicated across other areas and his expectation that TAPs was a standing agenda item at meetings of MAGs and Town/Community Councils with TAPs Champions providing an update at each meeting
- Councillor Meirick Davies reported upon his concerns over the de-committing of funding for two projects in his ward area and the need for improved communication in that regard, he also felt that a specific form should be provided for project funding applications – officers confirmed a form was being prepared for this purpose which would be circulated as soon as possible.

RESOLVED that Cabinet –

- approve the Town and Area Plans Policy Statement;*
- endorse the Town and Area Plans Champions Group’s assessment of projects formally approved by Cabinet but not yet started;*
- de-commit the funding allocation to those projects assessed as not meeting the criteria;*
- endorse the preparation of revised list of Town and Area Plan priority projects and the proposed process for allocating funding to these projects as detailed within the report, and*
- that the projects assessment criteria set out in Appendix 3 to the report, should for future projects, ensure that only projects which are revenue neutral should proceed.*

Councillor Eryl Williams voted against resolution (e) above.

8 CORPORATE DEBT POLICY

Councillor Julian Thompson-Hill presented the Corporate Debt Policy to Cabinet for approval.

The rationale behind the new policy was explained in order to achieve the best chance of recouping the Council’s debts by providing a holistic approach to dealing with customers who owed multiple debt types. An initial three month pilot had been suggested to assess the policy’s effectiveness before full rollout. Officers confirmed that if the policy was approved it would continue to be operated when the commercial partnership was formed to deliver the Revenues and Benefits Service.

RESOLVED that Cabinet approve the Corporate Debt Policy as shown in Appendix A to the report.

9 FINANCE REPORT

Councillor Julian Thompson-Hill presented the report detailing the latest financial position and progress against the agreed budget strategy. He provided a summary of the Council's financial position as follows –

- a net under spend on the revenue budget of £309k was forecast for service and corporate budgets
- savings of £7.1m were agreed as part of the budget and at this stage 90% had been achieved with 10% in progress
- highlighted other key variances from budgets or savings targets relating to individual service areas, and
- a general update on the Housing Revenue Account, Housing Capital Plan and the Capital Plan (including the Corporate Plan element).

RESOLVED that Cabinet notes the budgets set for 2014/15 and progress against the agreed budget strategy.

10 CABINET FORWARD WORK PROGRAMME

Councillor Hugh Evans presented the Cabinet Forward Work Programme for consideration. Members noted that the consultation responses to the proposed change of designation of Ysgol Esgob Morgan and the Ruthin area review proposals would be submitted to the March and May meetings respectively.

RESOLVED that Cabinet's Forward Work Programme be noted.

EXCLUSION OF PRESS AND PUBLIC

RESOLVED that under Section 100A of the Local Government Act 1972, the Press and Public be excluded from the meeting for the following items of business on the grounds that it involved the likely disclosure of exempt information as defined in Paragraph 14 of Part 4 of Schedule 12A of the Local Government Act 1972

11 HOUSING BENEFIT AND COUNCIL TAX REDUCTION SCHEME RISK BASED VERIFICATION POLICY

Councillor Julian Thompson-Hill presented the revised Risk Based Verification Policy for approval.

Members noted the amendments needed to the current policy in respect of new claims and changes in circumstances for Housing Benefit and Council Tax Reduction and it was –

RESOLVED that Cabinet approve the revised 'Risk Based Verification' Policy as shown in Appendix A to the report.

The meeting concluded at 1.35 p.m.