

To: Members of the Cabinet

Date: 24 October 2018

Direct Dial: 01824712568

e-mail: [democratic@denbighshire.gov.uk](mailto:democratic@denbighshire.gov.uk)

Dear Councillor

You are invited to attend a meeting of the **CABINET** to be held at **10.00 am** on **TUESDAY, 30 OCTOBER 2018** in the **COUNCIL CHAMBER, COUNTY HALL, RUTHIN.**

Yours sincerely

G Williams  
Head of Legal, HR and Democratic Services

## **AGENDA**

### **PART 1 - THE PRESS AND PUBLIC ARE INVITED TO ATTEND THIS PART OF THE MEETING**

#### **1 APOLOGIES**

#### **2 DECLARATION OF INTERESTS**

Members to declare any personal or prejudicial interests in any business identified to be considered at this meeting.

#### **3 URGENT MATTERS**

Notice of items which, in the opinion of the Chair, should be considered at the meeting as a matter of urgency pursuant to Section 100B(4) of the Local Government Act 1972.

#### **4 MINUTES (Pages 5 - 14)**

To receive the minutes of the Cabinet meeting held on 25 September 2018 (copy enclosed).

**5 COLLABORATIVE PROCUREMENT UNIT (Pages 15 - 18)**

To consider a report by Councillor Julian Thompson-Hill, Lead Member for Finance, Performance and Strategic Assets (copy enclosed) seeking Cabinet approval to continue the existing collaborative procurement arrangement with Flintshire County Council for a further three years.

**6 FINANCE REPORT (Pages 19 - 34)**

To consider a report by Councillor Julian Thompson-Hill, Lead Member for Finance, Performance and Strategic Assets (copy enclosed) detailing the latest financial position and progress against the agreed budget strategy.

**7 CABINET FORWARD WORK PROGRAMME (Pages 35 - 38)**

To receive the enclosed Cabinet Forward Work Programme and note the contents.

**PART 2 - CONFIDENTIAL ITEMS**

**EXCLUSION OF PRESS AND PUBLIC**

It is recommended in accordance with Section 100A (4) of the Local Government Act 1972, that the Press and Public be excluded from the meeting during consideration of the following item of business because it is likely that exempt information as defined in paragraph 13 of Part 4 of Schedule 12A of the Act would be disclosed.

**8 SCHOOLS ICT NETWORK CONTRACT FRAMEWORK (Pages 39 - 50)**

To consider a confidential report by Councillor Huw Hilditch-Roberts, Lead Member for Education, Children and Young People (copy enclosed) regarding the procurement of Denbighshire schools ICT networks.

**MEMBERSHIP**

**Councillors**

Hugh Evans  
Bobby Feeley  
Huw Hilditch-Roberts  
Richard Mainon

Tony Thomas  
Julian Thompson-Hill  
Brian Jones  
Mark Young

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All Councillors for information  
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## LOCAL GOVERNMENT ACT 2000

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### Code of Conduct for Members

### DISCLOSURE AND REGISTRATION OF INTERESTS

I, *(name)*

a \*member/co-opted member of  
*(\*please delete as appropriate)*

**Denbighshire County Council**

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

Date of Disclosure:

Committee *(please specify)*:

Agenda Item No.

Subject Matter:

Nature of Interest:

*(See the note below)\**

Signed

Date

\*Note: Please provide sufficient detail e.g. 'I am the owner of land adjacent to the application for planning permission made by Mr Jones', or 'My husband / wife is an employee of the company which has made an application for financial assistance'.

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## **CABINET**

Minutes of a meeting of the Cabinet held in Council Chamber, County Hall, Ruthin on Tuesday, 25 September 2018 at 10.00 am.

## **PRESENT**

Councillors Hugh Evans, Leader and Lead Member for the Economy and Corporate Governance; Bobby Feeley, Lead Member for Well-being and Independence; Huw Hilditch-Roberts, Lead Member for Education, Children and Young People; Brian Jones, Lead Member for Highways, Planning and Sustainable Travel; Richard Mainon, Lead Member for Developing Community Infrastructure; Tony Thomas, Lead Member for Housing, Regulation and the Environment; Julian Thompson-Hill, Lead Member for Finance, Performance and Strategic Assets, and Mark Young, Lead Member for Corporate Standards

**Observers:** Councillors Mabon Ap Gwynfor, Brian Blakeley, Jeanette Chamberlain-Jones, Ann Davies, Hugh Irving, Alan James, Huw Jones, Gwyneth Kensler, Paul Penlington, Arwel Roberts, Peter Scott, Glenn Swingler, Graham Timms, Huw Williams and Emrys Wynne

## **ALSO PRESENT**

Chief Executive (JG); Corporate Directors: Economy and Public Realm (GB) and Communities (NS); Heads of Service: Legal, HR and Democratic Services (GW), Planning and Public Protection (EJ), Highways and Environmental Services (TW) and Finance/S.151 Officer (RW); Economic & Business Development Team & Programme Manager (MH); Lead Business Partner – Organisational Development (AM); Public Protection Officer Community Safety (TWE); Lead Officer Corporate Property and Housing Stock (DL); Valuation and Estates Team Manager (GT); Commercial Development Manager (DM) and Committee Administrator (KEJ)

### **1 APOLOGIES**

There were no apologies.

### **2 DECLARATION OF INTERESTS**

Councillor Brian Jones – Agenda Item 5 – Member of Rhyl Business Group  
Councillor Tony Thomas – Agenda Item 5 – BID Group Member/Business Owner  
Councillor Emrys Wynne – Agenda Item 7 – Family member employed by Council  
Councillor Richard Mainon – Agenda Item 13 – Daughter formerly employed by Bodelwyddan Castle Trust

### **3 URGENT MATTERS**

No urgent matters had been raised.

#### 4 MINUTES

The minutes of the Cabinet meeting held on 26 June 2018 were submitted.

**RESOLVED** that the minutes of the meeting held on 26 June 2018 be approved as a correct record and signed by the Leader.

#### 5 RHYL BUSINESS IMPROVEMENT DISTRICT

Councillor Hugh Evans presented the report updating Cabinet on the development of Rhyl Business Improvement District (BID) and seeking support for its establishment.

Some background was provided detailing work with the local business community in determining the feasibility of a Rhyl BID together with the bid development process and legalities in that regard. The next stage involved a postal ballot for eligible businesses to vote 'for' or 'against' the BID proposal which set out how the BID would function (proposed income, expenditure, BID area and performance measures) and how the BID levy would be spent. It was recommended that Cabinet support the establishment of the BID by voting 'Yes' in the BID ballot in respect of each of the Council's eligible rateable properties in the BID area.

The Leader advocated the establishment of a BID as an excellent opportunity for Rhyl which could generate a revenue stream of up to £250k p.a. over an initial five year period for specific projects/services prioritised and managed by the business community to add value and improve trading conditions and would also complement the Rhyl Masterplan work.

In response to questions the Leader and officers –

- confirmed Civica would undertake collection of the levy on behalf of the BID company and discussions were ongoing in that regard – the costs for collection had not yet been confirmed but would be provided for by the BID company
- clarified that activities prioritised by the business community would not replace existing council services but would add value to those services
- provided an update on progress in developing the Prestatyn BID.

**RESOLVED** that Cabinet –

- (a) confirms that it has read, understood and taken account of the Well-being Impact Assessment (Appendix 1 to the report) as part of its consideration;
- (b) notes the contents of the BID Business Plan (Appendix 2 to the report) and the officer recommendation that there are no grounds on which to Veto under the BID Wales (2005) Legislation (Appendix 3 to the report) as it does not conflict with any existing local policy nor propose a disproportionate burden on particular businesses in the area;

- (c) *agrees to support the establishment of the BID by voting 'Yes' in the BID ballot in respect of each of the Council's eligible rateable properties in the BID area, and*
- (d) *agrees to delegate authority to the Corporate Director: Economy and Public Realm to cast the votes in respect of each of the Council's eligible rateable properties in the BID area.*

## **6 CONTRACT VARIATION FOR DCC HOUSEHOLD RECYCLING CENTRES**

Councillor Brian Jones presented the report regarding the future operating arrangements for the Council's three Household Recycling Centres (HRC) in Ruthin, Denbigh and Rhyl.

The current contract for receiving, keeping, treating and disposal of household waste taken to the HRCs was due to expire on 31 March 2019. It was recommended that the contract be extended for two years, and allow a contingency of a third year, to enable the Council to participate in an exercise with the WRAP Cymru Collaborative Change Programme and other North Wales Authorities to identify whether there were opportunities to realise savings from HRC operations across the region through joint procurement and/or rationalisation of services.

Cabinet discussed with officers the merits of the approach which would enable continuation of the current contract whilst discussions on the feasibility of regional collaboration were underway. Extending the contract would also allow for further discussion on the new waste model. The intention was to enter into a regional arrangement in the medium to long term provided it was financially beneficial. It was anticipated that the viability of a regional procurement would likely be known within the first twelve months and there would be provision in the contract to give six months' notice to terminate the contract and go out to tender. Councillor Huw Hilditch-Roberts proposed an amendment to the recommendation to include explicit reference to the six month break clause which was subsequently approved.

**RESOLVED** that Cabinet –

- (a) *agree to extend the existing contract by two years (to 31 March 2021) allowing a contingency of a third year (until 31 March 2022);*
- (b) *authorises the Head of Legal and Democratic Services to issue a Contract Variation letter to CAD Recycling to extend the existing contract by two years (to 31 March 2021) to include a six month break clause allowing a contingency of a third year (to 31 March 2022). This allows the flexibility to procure services at any time should the Collaboration Project conclude earlier than anticipated. It also provides enough time to mobilise a new arrangement, and*
- (c) *that the Head of Highways and Environmental Services reports on the progress and/or outcomes of the Collaborative Change Project to Scrutiny Committee no later than December 2019, along with recommendations as to the preferred option for future commissioning of HRC services.*

## 7 EMPLOYMENT POLICIES

Councillor Mark Young presented the report recommending adoption of six employment policies which had been developed/revised. The report included one new policy and highlighted proposed changes within existing policies and reasons therefore. Unions had been consulted and were in agreement.

The six policies referred to the following –

- (1) Time off Work Policy (amalgamated all policies which involved time off)
- (2) Parental Policy (amalgamated maternity, paternity, adoption, parental and shared parental leave policies)
- (3) Corporate Appeals Policy (revised policy)
- (4) LGPS Discretions and Banding Policy (revised policy)
- (5) Standby, On call, Sleep in Policy (revised)
- (6) Taking Personal Data off DCC Premises Policy (New)

The Lead Business Partner – Organisations provided a brief summary of each of the policies and officers responded to questions as follows –

- there were no significant changes to the policies and the consultation process with unions and members was explained. All consulted were in agreement
- members were no longer involved in the appeals process
- up to five days paid carers leave per annum could be paid under the current policy – however this policy was currently under review as part of the managing carers' needs policy which would include the element of paid leave, and
- clarified the position with regard to expectations that employees were on standby duties for call outs in particular departments.

**RESOLVED** that Cabinet –

- (a) *approves the employment policies as detailed within the report for adoption within the Council, and*
- (b) *confirms that it has read, understood and taken account of the Well-being Impact Assessments (appended to the report) as part of its consideration.*

## 8 ANNUAL TREASURY MANAGEMENT REPORT 2017/18

Councillor Julian Thompson-Hill presented the report updating members on the performance of the treasury management function and demonstrating compliance with treasury limits and Prudential Indicators during 2017/18.

In summarising the report Councillor Thompson-Hill highlighted the importance of treasury management and referred to the economic background and impact on treasury management activities. He highlighted the main points for members in terms of borrowing and investment activity and confirmed compliance with all prudential indicators set, guiding members through those indicators as detailed in Annex B confirming appropriate ratios of financing costs and borrowing levels well



within limits. Assurances were provided that in addition to internal officers, external consultants were utilised to ensure appropriate actions taken in the Council's best interests and regular updates were submitted to Corporate Governance Committee.

In response to questions Councillor Thompson-Hill confirmed that all borrowing was at a fixed rate for the duration of the loan period and further explained the authorised limit and operational boundary set for external debt. The Head of Finance/S.151 Officer explained the maturity structure of fixed rate borrowing to ensure a reasonable spread of debt maturity with a limit set as to how much debt matured in a set period.

**RESOLVED** that Cabinet –

- (a) *note the performance of the Council's Treasury Management function during 2017/18 and its compliance with the required Prudential Indicators as reported in the Annual Treasury Management Report 2017/18 (Appendix 1 to the report), and*
- (b) *confirms it has read, understood and taken account of the Wellbeing Impact Assessment (Appendix 2 to the report) as part of its consideration.*

## **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 –

- the net revenue budget for 2018/19 was £194.418m (£189.252m in 2017/18)
- an overspend of £0.811m was forecast for service and corporate budgets
- detailed agreed savings and efficiencies worth £4.6m including those which had already been achieved with the assumption that all service efficiencies/savings would be delivered – any exceptions would be reported to Cabinet if required
- highlighted current risks and variances relating to individual service areas, and
- provided a general update on the Housing Revenue Account, Housing Capital Plan and the Capital Plan (including the Corporate Plan element).

Cabinet was also asked to approve the writing off of an historic debt amounting to £26k relating to an over claimed grant and works to a property dating back to 2011.

The following matters were raised during debate –

- Glasdir Site – the cost of snagging works (as part of the original contract) was usually borne by the contractor and the majority of those works identified had been completed over the summer with some small works remaining and some extra issues requested – clarity had been provided on the issues which would need to be funded by the school. Plans to improve walking and cycling routes to the schools had been identified and would be financed by Welsh Government
- Out of County Placements – discussion focused on the ongoing pressures across the region and it was confirmed that Welsh Government had established a Group to further consider the issue. A report had been produced by ADSS

Cymru and WLGA which highlighted cost implications and the future sustainability of Children's Services, including placement costs. Members considered the challenges facing the authority in meeting the complex needs of individuals in line with its statutory duties and noted that some specific needs could only be met by very high cost specialist provision outside of the county. The authority was required to meet those costs and case numbers could not easily be predicted

- School Balances – the position had stabilised as predicted in the last financial year and the projection was for an increase in the deficit balance overall. The position was carefully monitored and officers worked with schools to ensure robust recovery plans were in place; the responsibilities of the Governing Bodies in schools financial management were also highlighted
- there had been a reduction in the Education Improvement Grant from the Welsh Government for which exit costs of £15k had been predicted – in cases where grant funding ceased the work subject of that grant funding also ceased but some consequential costs, such as redundancy, had to be met by the Council
- Highways – the impact of the reduction in the amount of work and reimbursement coming from the North and Mid Wales Trunk Road Agency was highlighted and Councillor Brian Jones advised that the amount would be adjusted accordingly
- Agreed Savings – in terms of the service efficiencies agreed for 2018/19 whilst some of those savings would have some potential level of impact on services it was considered they would not have a significant impact on service delivery – all savings green or yellow could be achieved without detriment to front line services – the Head of Finance agreed to check whether the deletion of a Service Manager Post (Ref CSS E001) had been included in the costs for restructuring the Provider Services Management Team (ref CSS E002).

**RESOLVED** that Cabinet –

- (a) note the budgets set for 2018/19 and progress against the agreed budget strategy, and
- (b) approve the writing off of an historic debt amounting to £26,481.43.

## 10 CABINET FORWARD WORK PROGRAMME

The Cabinet Forward Work Programme was presented for consideration and it was noted that the following items would be added to the work programme –

- Grant award for property acquisitions on West Parade and Sussex Street in Rhyl – October
- Homelessness Prevention/Supporting People Commissioning Plan – December

**RESOLVED** that Cabinet's Forward Work Programme be noted.

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

## **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 item of business on the grounds that it would involve the likely disclosure of exempt information as defined in Paragraphs 12, 14 and 14 of Part 4 of Schedule 12A of the Act.

### **11 OPTIONS FOR DELIVERING THE ENFORCEMENT OF ENVIRONMENTAL CRIME**

Councillor Tony Thomas presented the confidential report detailing options for delivering environmental enforcement in the county.

Some background had been provided regarding the previous enforcement regime delivered by Kingdom Security Ltd and the collaborative approach in tackling environmental crime through education/public awareness and effective street cleaning resulting in a cleaner local environment. Following early termination of the contract by Kingdom Security Ltd an options appraisal for future provision had been undertaken as set out within the report. It was recommended to re-tender the contract for delivery of environmental crime enforcement whilst continuing to explore the option of a regional or sub-regional collaborative solution.

Cabinet considered the options appraisal and advantages and disadvantages of individual options. The need for a cost neutral solution and clarity on the specification for service delivery was emphasised together with the need for appropriate interim measures pending re-commencement of enforcement action. A preference was expressed for regional working but given the timescales involved it was considered appropriate to support the option to re-tender to ensure no undue delay in enforcement provision whilst the viability of a regional option was being explored. Given the importance of the specification for service delivery and to allow members input into that process, Cabinet supported a proposal by Councillor Richard Mainon for the draft specification be considered by Scrutiny Committee and it was also agreed that an update on progressing the opportunity for regional/sub regional collaboration be reported back to Scrutiny Committee in six months.

In opening debate to non-Cabinet members there were concerns expressed that re-tendering to a private company would give rise to the same issues experienced under the previous contract and it was considered that greater control over service delivery could be exercised with in-house provision. The possibility of amalgamating all on-street enforcement services, including parking enforcement was also raised. The Lead Member and Head of Planning and Public Protection reiterated the significant cost implications and recruitment difficulties with in-house provision. They explained there would be a revised specification on service requirements taking into account past experience and feedback in that regard and members would have further input into those terms through the scrutiny process. It was clarified that the purpose of the contract would be to tackle environmental issues as opposed to being a means of income generation. An amalgamation of enforcement services could be considered as part of the forthcoming restructure. There was also some support for regional collaboration, whether in-house or external provision, and members were advised of the latest position in that regard in

terms of interest and discussions with other North Wales authorities. There would be no public consultation on the options. Members also discussed the education and public awareness campaign and the possibility of re-introducing the triangular signage in dog fouling hotspots together with future opportunities to work with education services in schools. Officers agreed to consider those options and also to liaise with the Police regarding the potential for them to take enforcement action in the interim period.

**RESOLVED** that Cabinet –

- (a) *note the options for the delivery of the enforcement of environmental crime in the report and authorise officers to proceed with option 3 with colleagues in procurement to procure an external service provider;*
- (b) *agree that the Head of Planning and Public Protection agrees the content of the final specification for the service delivery of environmental enforcement following consideration of the draft specification by Scrutiny Committee, and*
- (c) *officers continue to investigate the opportunity for regional or sub-regional collaboration and report back to Scrutiny Committee on progress of that work in six months.*

## **12 GYPSY AND TRAVELLER SITE PROVISION**

Councillor Tony Thomas presented the confidential report regarding proposals for the location of residential and transit Gypsy and Traveller sites to meet statutory obligations together with associated planning, funding and communication matters.

Local authorities in Wales were required to undertake a Gypsy and Traveller Accommodation Assessment (GTAA) and make provision if a need was identified. The GTAA had identified the need for one permanent residential site and one transit site and the report outlined progress made in identifying potential sites, advised on discussions with Welsh Government regarding the potential for closely located residential and transit sites and detailed options to consider going forward. It was proposed to locate both sites at Green-gates Farm East near St. Asaph and to consult on that proposal and submit funding applications to Welsh Government to develop the proposed facilities subject to planning permission.

Cabinet acknowledged the statutory responsibilities in meeting the needs identified and recognised the comprehensive work carried out to date. Having considered the viability of the particular sites identified Cabinet supported the proposal for both sites to be located at Green-gates Farm East and recommended actions in order to meet the timescales in which to apply for grant funding from the Welsh Government. It was noted that some assurance in terms of securing future funding could be taken from the Minister's letter as detailed in appendix to the report. Officers responded to a number of issues raised by Councillor Peter Scott regarding the viability assessments of particular sites and why Green-gates Farm East was considered more suitable than the other sites. Councillor Scott also sought assurances that a thorough public consultation would be carried out and officers confirmed the statutory planning consultation process would apply.

**RESOLVED** that Cabinet –

- (a) *approve undertaking pre-planning consultation and subsequent full planning applications (taking into consideration the outcomes of the pre-planning exercise) for the residential and transit Gypsy and Traveller sites on the Green-gates Farm East site in the locations indicated in Appendix 1 to the report, and*
- (b) *approve the submission of funding bids to the Welsh Government in respect of proposals for residential and/or transit Gypsy Traveller sites subject to planning consent being granted in line with the programme outlined in paragraph 4.11 of the report.*

Councillor Richard Mainon voted against the above resolution.

### **13 BODELWYDDAN CASTLE, BODELWYDDAN**

Councillor Julian Thompson-Hill presented the confidential report seeking approval of the terms of sale of the freehold interest in the Bodelwyddan Castle Hotel and part of the estate whilst retaining other areas for public access.

Cabinet had authorised officers to pursue negotiations for the sale of Bodelwyddan Castle in July 2017 and the report set out a summary of the terms provisionally agreed with the purchaser. The report also set out proposals for part of the estate to be retained with a view to improving and developing public access to those areas and to retain land which was subject to an agricultural tenancy and the lodge. Details of the financial implications had been set out within the report and the Lead Member and Valuation and Estates Manager responded to questions regarding those financial considerations; the impact of the proposed terms of sale on all parties involved and likely outcomes, and the management of the retained areas by Countryside Services which would be subject to a business case to the Strategic Investment Group. Officers also agreed to check whether the proposals could result in a clawback of grant funding for the WW1 trenches.

**RESOLVED** that –

- (a) *the Council sell the freehold interest in the Bodelwyddan Castle Hotel on terms set out in Appendix 1 to the report;*
- (b) *the Council sell the freehold interest in the Bodelwyddan Castle Trust premises, (excluding land let on agricultural tenancy, the Lodge and land for public access) on terms as set out in Appendix 1 to the report;*
- (c) *the Council to retain the grass-crete carpark parkland, the play area and WW1 Trenches together with a 125 year lease of the woodland. These areas will be for public access and will be run by Countryside Services;*
- (d) *land currently subject to an agricultural tenancy to be retained as part of the Council's corporate agricultural land holding, and*

- (e) *the small lodge on the Eastern boundary of the estate to be retained by the Council pending a review of its use.*

#### **14 LAND AT TIRIONFA, MELIDEN ROAD, RHUDDLAN**

Councillor Julian Thompson-Hill presented the confidential report seeking approval to amend the terms of the previous Cabinet approval relating to the sale of the site.

The report detailed those amendments to the sale which did not fall within the previous Cabinet approval granted in January 2017 together with the reasoning behind those changes required in order to proceed with the sale. Questions were raised regarding the number of concessions given and assurances sought that the new terms represented the Council's best option for development. It was confirmed that the new terms had been a result of complex and protracted negotiations and considered to be the best option to maximise value and benefits for both. Officers also responded to questions from local members Councillors Ann Davies and Arwel Roberts regarding elements of the proposed development – some of which would need to be addressed during the planning application stage.

**RESOLVED** that Cabinet –

- (a) *amend the percentage share of the gross capital receipt received by the Council as set out in the report reflecting the green land being sold by our co-seller free of any restrictions from the Council;*
- (b) *to allow for the additional cost of providing the onsite affordable housing given the future uncertainty regarding social housing grant to assist in their delivery, a reduction in the Council's percentage share of the receipt subject to completing an overage agreement with the buyer in the disposal paperwork as set out in the report;*
- (c) *the offer received from the proposed buyer has been reduced by agreement reflecting the presence of abnormal development costs for highways access, storm water drainage, ground conditions and on site public open space, and*
- (d) *to note that, given the complexity of the transaction, multiple documentation is required and whilst ultimately the Council will release the covenant on the red land and the joint seller/ the buyer will enable the Council to enjoy a right of way over the joint seller's land, likely to be the red land but possibly the green these will be dealt with in separate documents and not in the Land Pooling Agreement.*

The meeting concluded at 1.30 p.m.

**Report To:** Cabinet

**Date of Meeting:** 30 October 2018

**Lead Member / Officer:** Julian Thompson Hill/Gary Williams

**Report Author:** Helen Makin Legal and Procurement Operations Manager

**Title:** **Collaborative Procurement Unit**

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## 1. What is the report about?

This report is about the Collaborative Procurement Unit which is part of Legal Services and which operates across Denbighshire and Flintshire.

## 2. What is the reason for making this report?

This report asks Cabinet whether the existing arrangement with Flintshire County Council should continue for a further period of three years.

## 3. What are the Recommendations?

3.1 That Cabinet agrees to enter into a further three year Service Level Agreement with Flintshire County Council for the hosting by Denbighshire County Council of a collaborative procurement service to operate across the counties of Denbighshire and Flintshire.

3.2 That the Head of Legal, HR and Democratic Services has authority to finalise and enter into an appropriate form of agreement with Flintshire County Council.

## 4. Report details

4.1 In May 2014 Cabinet approved the merger of the then procurement unit with that of Flintshire County Council, creating a collaborative service hosted by Denbighshire as employer. The approval was based on a business case drafted by Bangor University which envisaged that, amongst other things, the collaborative service would be able to:

- Generate efficiencies by harnessing the buying power of two councils and by modernising procurement practices
- Improve capacity, create greater resilience, improve recruitment and retention, and facilitate the introduction of category management
- Maximise relationships with suppliers and increase competition.

4.2 The Council entered into a three year service level agreement with Flintshire County Council for the delivery of procurement services. The agreement ended in July 2017 and the Head of Legal Services has agreed from time to time an extension of the

arrangement through until the present date. The Council must decide whether to renew the arrangement with Flintshire, whether to enter into a different arrangement with another council or whether to deliver its own procurement service and disaggregate the collaborative procurement service.

- 4.3 The Procurement Service has been through a period of change since transfer. It has been managed by a number of different heads of service and operational managers. It has achieved a period of stability only over the last twelve months with the appointment of the Legal and Procurement Operations Manager.
- 4.5 A joint audit of the collaborative procurement service has been undertaken by Internal Audit teams in both Councils to establish whether envisaged benefits have been delivered. It found (in summary) that:
- the staffing benefits such as capacity and resilience had been delivered despite changes in management at strategic and operational levels;
  - the two councils had not engaged in frequent joint/collaborative procurement activity;
  - infrequent meetings of the joint management board at the outset had hampered the delivery of the benefits in the business plan, though those governance arrangements had been strengthened;
  - there needs to be more prominent reporting to elected councillors on the performance of the collaborative service; and
  - category management has recently been introduced.
- 4.4 Prior to June 2018, when the findings of the report by Internal Audit were reported to Corporate Governance Committee, the Service has never reported specifically on how the collaborative arrangement is working nor on budget performance.
- 4.5 There are still operational issues which remain unresolved since 2014, in particular, relating to differences in operational procedures and policies across the two councils and buy in to the Service from Chief Officers and generally across Services.
- 4.6 It is clear that the Service has not been able to achieve all of its aims and objectives yet. However, it has still managed to achieve the continued delivery of the service despite having only one quarter the number of employees per £1m of spend recommended by Welsh Government and the Welsh Audit Office (in its recent report on the state of public procurement in Wales).
- 4.7 At this stage, the Councils are in discussion about how to implement the findings of the Audit report and also how to champion collaborative working across all Services. The recommendation is that an extension of the collaboration is appropriate for a further 3 years.

## **5. How does the decision contribute to the Corporate Priorities?**

The Collaborative Procurement Unit has a role which is council wide and therefore impacts upon every one of the Council's Priorities, in particular:  
Connected Communities: the procurement process ensures the Council can buy goods and services needed to deliver services to citizens.



**6. What will it cost and how will it affect other services?**

The budget for 2018-19 is £494,180. The cost is split 55% to Flintshire and 45% to Denbighshire. This is to reflect differences in overall council budget and procurement activity. Current expenditure is running slightly higher than was originally anticipated due to protected salary arrangements. However, the costs are being maintained within the existing budget.

**7. What are the main conclusions of the Well-being Impact Assessment?**

No Well-being Impact Assessment is required.

**8. What consultations have been carried out with Scrutiny and others?**

Corporate Governance Committee considered the report of Internal Audit in August 2018. A further report is due to be considered by early in 2019.

**9. Chief Finance Officer Statement**

The proposed extension by three year of the collaborative service agreement with Flintshire Council is supported. It can be confirmed that the arrangements can be contained within the existing service budget.

**10. What risks are there and is there anything we can do to reduce them?**

The Internal Audit report made recommendations for the improvement of the Collaborative Procurement Unit and gave it a low assurance rating. A management plan is being implemented and progress on this will be reported to the Corporate Governance Committee early in 2019.

**11. Power to make the Decision**

- 11.1 Section 9 Local Government (Wales) Measure 2009 (express power to collaborate with another local authority)  
Section 111 Local Government Act 1972 (power to undertake any act to facilitate, or which is conducive or incidental to, the discharge of any of their functions);  
Section 112 Local Government Act 1972 (appoint such officers as they think necessary for the proper discharge by the authority of the authority's functions);  
Section 113 Local Government Act 1972 (placing staff of a local authority at the disposal of another local authority)  
Section 3(1) Local Government Act 1999 (general duty on a best value authority to make arrangements to secure continuous improvement in the way in which its functions are exercised)  
Section 13 Table 4 (m) of the Council's Constitution delegates to Cabinet the power to foster and maintain positive relations with partner organisations.

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**Report To:** Cabinet

**Date of Meeting:** 30<sup>th</sup> October 2018

**Lead Member / Officer:** Cllr Julian Thompson-Hill / Richard Weigh, Head of Finance

**Report Author:** Steve Gadd, Chief Accountant

**Title:** **Finance Report (September - 2018/19)**

## 1. What is the report about?

The report gives details of the council's revenue budget and savings as agreed for 2018/19. The report also provides a summary update of the Capital Plan as well as the Housing Revenue Account and Housing Capital Plan.

## 2. What is the reason for making this report?

The purpose of the report is to provide an update on the council's current financial position and confirm the agreed service budgets for 2018/19.

## 3. What are the Recommendations?

The following actions are recommended:

- 3.1 Cabinet Members note the budgets set for 2018/19 and progress against the agreed strategy.
- 3.2 Cabinet Members note and agree the use of reserves, underspends carried forward and the release of contingencies in order to help mitigate the overall budget pressures that the Council is facing.

## 4. Report details

The report provides a summary of the council's revenue budget for 2018/19 detailed in **Appendix 1**. The council's net revenue budget is £194.418m (£189.252m in 17/18). The position on service and corporate budgets is a forecast overspend of £1.164m (overspend of £0.811m in last report). Narrative around the current risks and assumptions underlying this assessment are outlined in Section 6.

The 2018/19 budget required savings and efficiencies of £4.6m to be identified and agreed. The table below gives a break-down of how the savings target was achieved. It can be confirmed that the £2m due to changes in the Minimum Revenue Provision and the £1m from wider corporate savings have both already been achieved. Service efficiencies of £1.2m and savings of £0.4m were agreed as part of the budget and are shown as **Appendix 2**. As the efficiencies form part of 'business as usual' for services it is assumed these will all be delivered. Any exceptions will be reported to Cabinet if required. The service savings will be monitored closely over the coming months and progress reported to Cabinet.

Savings/Efficiencies Agreed for 2018/19	£000	%age
Changes to Minimum Revenue Provision	2,000	43%
Corporate Savings identified in 2017/18	1,000	22%
Service Efficiencies (see Appendix 2)	1,200	26%
Service Savings (see Appendix 2)	411	9%
<b>Grand Total</b>	<b>4,611</b>	<b>100%</b>

## 5. How does the decision contribute to the Corporate Priorities?

Effective management of the council's revenue and capital budgets and delivery of the agreed budget strategy underpins activity in all areas, including corporate priorities.

## 6. What will it cost and how will it affect other services?

Significant service narratives explaining variances and risks are shown in the following paragraphs.

**Customers, Communications and Marketing** is currently projected to overspend by £40k (£49k reported in September). The pressure is largely due to higher than anticipated staff costs relating to maternity cover.

**Highways and Environment** is currently projected to overspend by £728k (£98k reported at last Cabinet). There have been a number of changes to the projected outturn since last month which are detailed below:

- **Major Projects** - This has been an issue over recent years. The main reason for the income shortfall relates to the amount of work and re-imburement coming from the North and Mid Wales Trunk Road Agency (NMWTRA). Following a presentation and discussion of the issues at the Reshaping the Council Board it has been proposed that an in-year budget allocation of £140k is released from centrally held contingencies in order to resolve this pressure on an ongoing basis. It is further proposed that a cash reserve of £159k, which had been kept in order to help fund the pressure in future years, is released in order to help fund the other pressures within the service.
- **School Transport** – as indicated in previous reports the service has been allocated additional funds following a full year of operating the revised transport policy relating to hazardous routes which was agreed last year. This exercise has now been complete and due to an above average number of school days this financial year a total of £300k additional budget allocation has been transferred to the service. Although it was hoped that this would be sufficient to deliver the service the following pressures have also been identified:
  - Changes to the policy relating to housing Denbighshire children in the Denbighshire special schools has resulted in an increase in special transport costs. These costs are especially high as they involve taxis and escorts. The overall impact of this change in approach which is not within the control of the Highways and Environment Service has led to an increase in costs of approximately £300k.
  - September is always a time when a number of new contracts come into force as exact numbers of school pupils are known. The overall increase in contracts amounts to £293k which largely relates to an increase in the overall number of pupils and contractors passing on inflationary pressure to the council.The new ongoing pressures identified in 2018/19 (amounting to £593k) are currently being discussed as part of the Medium Term Financial Plan for 2019/20 and beyond.
- **Streetscene** – The service has identified a statutory requirement to remedy an issue with 'Legacy Tips'. The overall one-off cost of this is estimated to be in excess of £200k. Further pressures within the service relate to additional time worked by staff to order to address issues raised by the public / Members (eg additional bin emptying in Rhyl during the hot summer months).
- **Waste** – A number of pressures are effecting the Waste service and the issues have been raised at the Budget Board. The majority of the pressure relates to new contract fees for the co-mingled waste contract. The pressure in 2018/19 will be funded from the Waste Reserve and a budget pressure of £850k has been included in the Medium Term Financial Plan for 2019/20.

**Education and Children's Service** is currently projected to overspend by £1.566m (£1.204m reported in September). The movement of £0.362m relates to the change in

mix of pupils in the September intake. The net effect of the changes is that there are 17 fewer external placements (including 4 high cost residential placements) from other Local Authorities, which results in a corresponding loss of income. DCC are prioritising places for DCC pupils in need and other Local Authorities are increasingly making other arrangements.

Children's Services continues to be an area of high risk due to the volatility in case numbers and inflationary pressures on placement costs. Each individual placement can be extremely expensive so any increase in numbers can have a large effect on the budget. The projected outturn includes all current out of county predicted placements to realistic timeframes. Education Out of County placements and recoupment income is less than budgeted due to the decrease in the numbers of pupils from other Local Authorities attending the Council's special school provision. Both pressures were part funded last year through the planned use of specific reserves and were considered as part of the 18/19 budget process and a funding pressure of £750k was agreed at Council on the 30th January. The reported overspend includes this budget contribution and it is recognised that further work is required to assess the financial implications of these pressures on the Medium Term Financial Plan for 2019/20 and beyond.

**Facilities Assets and Housing** is now projected to overspend by £88k due to an increase in the projected set up costs relating to the SC2 project. The total pressure of £277k has been mitigated by the service through the proposed re-focusing of £138k carried forward from 17/18 and the allocation of £54k from the income received from the Alliance Leisure Procurement Framework Agreement. There remains the option to capitalise some of the expenditure if further in year contributions cannot be identified.

**Community Support Services** is projected to break-even following an additional budget of £750k being allocated for 2018/19 and the planned use of reserves. Overspends within the Mental Health Service and In-House Provider Services remain areas of greatest pressure. The Medium Term Financial Plan includes an assumed budget requirement of an additional £500k per year although further work is ongoing to assess the full financial implications and the identification of actions to help mitigate the effect of these pressures.

**Schools** - The position with School Balances will continue to be carefully monitored and reported to Members on a monthly basis. Not only are Education Finance working closely with schools to help develop robust plans, but chief and senior officers in Education and Finance meet regularly to review those plans and take remedial action if necessary. The recent budget agreed by Council for 2018/19 included a total additional investment in schools delegated budgets of £1.8m. The level of school balances carried forward into 2018/19 is a net deficit balance of £0.343m, which was an improvement of £0.713m on the balances brought forward from 2016/17. At the end of September the projection for school balances is a net deficit balance of £1.061m, which is an increase in the projected deficit of £0.718m on the balances brought forward from 2017/18. The non-delegated budget is currently projected to underspend by £9k due to minor underspends.

**The Housing Revenue Account (HRA).** The latest revenue position assumes a decrease in balances at year end of £794k which is £164k more than the budgeted decrease of £630k. HRA balances are therefore forecast to be £1.408m at the end of the year. The Capital budget of £10.2m is allocated between planned improvements to existing housings stock (£6m) and new build developments (£4m).

**Corporate** – It is currently estimated that corporate contingencies amounting to £1.2m will be available to be released to help fund the service overspends (£0.5m projected last

month). The following items have been approved to be released in year in order to help fund the exceptional in year service pressures:

- The anticipated rise in Council Tax Reduction Scheme claimants has been less than predicted which means that £350k can be released.
- £150k had been set aside for increases in National Non-Domestic Rates (based on inflationary increases). However an ongoing exercise to review and challenge valuations means that this contingency is no longer required.
- £200k relates to a reduction in insurance costs following a re-tendering exercise.

**Treasury Management** – At the end of September, the council's borrowing totalled £207.551m at an average rate of 4.47%. Investment balances were £3.9m at an average rate of 0.6%.

A summary of the council's **Capital Plan** is enclosed as **Appendix 3**. The approved capital plan is £56.1m with expenditure to date of £17.2m. **Appendix 4** provides an update on the major projects included in the overall Capital Plan.

**7. What are the main conclusions of the Well-being Impact Assessment?**

Well-being Impact Assessments for the savings included in Appendix 2 and the Council Tax rise was presented to Council on 30 January. An assessment for the MRP policy change was included in the report to Council in September 2017.

**8. What consultations have been carried out with Scrutiny and others?**

In addition to regular reports to the Corporate Governance Committee, the budget process has been considered by CET, SLT, Cabinet Briefing and Council Briefing meetings. There were regular budget workshops held with elected members to examine service budgets and consider the budget proposals. All members of staff were kept informed about the budget setting process and affected staff have been or will be fully consulted, in accordance with the council's HR policies and procedures. Trade Unions have been consulted through Local Joint Consultative Committee.

**9. Chief Finance Officer Statement**

It is important that services continue to manage budgets prudently and that any in-year surpluses are considered in the context of the medium-term financial position, particularly given the scale of budget reductions required over the coming two or three years.

Specific pressures remain evident in social care budgets (both Adults' and Children's) despite additional investment of £1.5m in total for 2018/19. A similar situation is now evident in relating to School Transport despite additional investment of £0.6m in 17/18 and 18/19. The position for all these service areas will be monitored carefully and further considered as part of the budget process for 2019/20.

School balances will continue to be kept under close review. Not only are Education Finance working closely with schools to help develop robust plans, but chief and senior officers in Education and Finance meet regularly to review those plans and take remedial action if necessary.

**10. What risks are there and is there anything we can do to reduce them?**

This remains a challenging financial period and failure to deliver the agreed budget strategy will put further pressure on services in the current and future financial years. Effective budget monitoring and control will help ensure that the financial strategy is achieved.

**11. Power to make the Decision**

Local authorities are required under Section 151 of the Local Government Act 1972 to make arrangements for the proper administration of their financial affairs.

Appendix 1

**DENBIGHSHIRE COUNTY COUNCIL REVENUE BUDGET 2018/19**

Sep-18	Net Budget	Budget 2018/19			Projected Outturn							Variance
	2017/18 (Restated)	Expenditure	Income	Net	Expenditure	Income	Net	Expenditure	Income	Net	Net	Previous
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	%	Report £'000
Customers, Communications and Marketing	2,971	3,461	-668	2,793	3,237	-404	2,833	-224	264	40	1.43%	49
Education and Children's Service	12,955	27,990	-13,781	14,209	26,882	-11,107	15,775	-1,108	2,674	1,566	11.02%	1,204
Business Improvement and Modernisation	4,613	5,337	-806	4,531	5,373	-842	4,531	36	-36	0	0.00%	0
Legal, HR and Democratic Services	2,623	3,965	-1,328	2,637	4,083	-1,505	2,578	118	-177	-59	-2.24%	-40
Facilities, Assets and Housing	6,931	23,832	-15,851	7,981	22,607	-14,537	8,070	275	-186	89	1.12%	0
Finance	2,914	5,353	-2,187	3,166	5,726	-2,560	3,166	373	-373	0	0.00%	0
Highways and Environmental Services	17,514	31,226	-12,741	18,485	32,142	-12,929	19,213	916	-188	728	3.94%	98
Planning and Public Protection	3,001	5,965	-2,996	2,969	5,893	-2,924	2,969	-72	72	0	0.00%	0
Community Support Services	32,356	51,879	-16,849	35,030	53,653	-18,623	35,030	1,774	-1,774	0	0.00%	0
<b>Total Services</b>	<b>85,878</b>	<b>159,008</b>	<b>-67,207</b>	<b>91,801</b>	<b>159,596</b>	<b>-65,431</b>	<b>94,165</b>	<b>2,088</b>	<b>276</b>	<b>2,364</b>	<b>2.58%</b>	<b>1,311</b>
Corporate	18,942	55,051	-36,524	18,527	55,051	-36,524	18,527	-1,200	0	-1,200	-6.48%	-500
Precepts & Levies	4,525	4,569	0	4,569	4,569	0	4,569	0	0	0	0.00%	0
Capital Financing	12,965	11,361	0	11,361	11,361	0	11,361	0	0	0	0.00%	0
<b>Total Corporate</b>	<b>36,432</b>	<b>70,981</b>	<b>-36,524</b>	<b>34,457</b>	<b>70,981</b>	<b>-36,524</b>	<b>34,457</b>	<b>-1,200</b>	<b>0</b>	<b>-1,200</b>	<b>-3.48%</b>	<b>-500</b>
<b>Council Services &amp; Corporate Budget</b>	<b>122,310</b>	<b>229,989</b>	<b>-103,731</b>	<b>126,258</b>	<b>230,577</b>	<b>-101,955</b>	<b>128,622</b>	<b>888</b>	<b>276</b>	<b>1,164</b>	<b>0.92%</b>	<b>811</b>
Schools & Non-delegated School Budgets	66,942	75,951	-7,790	68,161	76,631	-7,762	68,869	680	28	708	1.04%	562
<b>Total Council Budget</b>	<b>189,252</b>	<b>305,940</b>	<b>-111,521</b>	<b>194,419</b>	<b>307,208</b>	<b>-109,717</b>	<b>197,491</b>	<b>1,568</b>	<b>304</b>	<b>1,872</b>	<b>0.96%</b>	<b>1,373</b>
Housing Revenue Account	315	16,309	-15,679	630	16,473	-15,679	794	164	0	164		165

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## Summary of Agreed Savings - 2018/19

Ref	RAYG	Saving Title	2018/19 £000
BIM SP001	Yellow	ICT - revisions to staffing structure	-52
HES SP001	Amber	Deliver Trade Waste service via external contractor	-252
HES SP001	Yellow	Deletion of Archaeologist post following retirement	-42
LHD SP001	Yellow	End additional funding for external events from Civic budget (£4.5k)	-5
PPP SP001	Green	Reduce Small Business Development Grant Budget	-60
			<b>-411</b>

## Summary of Agreed Efficiencies - 2018/19

Ref	RAYG	Efficiency Title	2018/19 £000
CCM E001	Green	Restructure of Library Management Team (Year 2 of restructure)	-15
CCM E002	Green	Savings on Tourist Information Centres	-7
CCM E003	Green	Net saving on new Library Management System	-5
CCM E004	Green	Streamlining of cleaning and caretaking costs across all Libraries/OSS	-11
CCM E005	Green	Reduce County Voice Marketing budget	-2
CCM E006	Green	Reduce spend on 'What's On' publication	-5
CCM E007	Green	Reduction of relief staff in libraries/OSS	-10
CCM E008	Green	Reduction of book fund	-10
BIM E001	Green	Management Restructure	-46
BIM E002	Green	Digital Records Bureau budget	-3
BIM E003	Green	Reduction in project management of non funded projects	-13
BIM E004	Green	Corporate Plan budget reduction	-1
BIM E005	Green	Reduction in Strategic Planning budget	-4
BIM E006	Green	Staffing reduction in Audit (retirement)	-6
BIM E007	Green	Domestic Abuse - saving due to service becoming Regional	-1
HES E001	Yellow	Review current arrangements for disposing of green waste	-60
HES E002	Green	Review streetworks charges	-14
HES E003	Green	Removal of current subsidy to Bodelywyddan Castle Trust	-100
HES E004	Green	Removal of electronic bus service information at bus stops	-10
FAH E001	Green	Not replacing 2 admin / support posts in Property	-75
FAH E002	Green	Housing to pick up 50% of a Community Youth Worker post	-17
FAH E003	Green	Community Resource Centre (co-location of Housing and Youth)	-10
FAH E004	Green	Not replacing one post in Property	-29
FAH E005	Green	Facilities Management contracts	-10

Ref	RAYG	Efficiency Title	2018/19 £000
FAH E006	Green	Public Toilets	-20
FAH E007	Green	Design & Construction - new model	-30
FAH E008	Green	Water Hygiene testing	-15
LHD E001	Green	£500 Net Saving - Postage Cost Reduction, HR	-1
LHD E002	Green	Reduce Reference Books Cost, Legal	-3
LHD E003	Green	Restructuring within Legal service	-17
LHD E004	Green	Increase income - review external fees, Legal	-2
LHD E005	Green	Increase income - market services to T&CC & Others, HR	-1
LHD E006	Green	End subscriptions to election and electoral law publications (£1.9k)	-2
LHD E007	Green	Vacancy Management Policy	-7
LHD E008	Green	Review of Admin Support in Legal Services	-30
PPP E001	Green	Improved income collection rate - Environmental Enforcement Fines	-20
PPP E002	Green	Business & Performance Admin. Support	-22
PPP E003	Green	Computer License renewal	-11
PPP E004	Green	Economic & Business Development (EBD) contribution towards Love Rhyl element of Rhyl Perceptions campaign, which comes to and end March 2018	-10
FIN E001	Green	5% proposed efficiency on an external contract	-13
FIN E002	Green	Vacancy Management	-20
FIN E003	Green	Non-replacement of Grade 9 Vacancy	-47
CSS E002	Yellow	Restructure Provider Services Management Team	-80
CSS E003	Green	Learning Disability Respite Review	-10
CSS E004	Yellow	Court of Protection Team	-28
CSS E005	Green	Deletion of a managerial post resulting from a vacancy	-61
CSS E006	Green	Social Care Workforce Development Plan Training Grant Budget Supplement	-11
CSS E007	Green	Reduced spend on ancillary items eg mobile phones, printing etc	-10
CSS E008	Yellow	Review Care Packages	-74
CSS E009	Green	Deferred Charges on care home client properties	-50
ECS E001	Green	Reduction in historic pension recharges	-36
ECS E002	Green	Release of Pooled Scheme Contingency held in non-delegated budgets due to withdrawal of Pooled Scheme (School Budget Forum decision)	-79
ECS E003	Green	Reduction in DBS checks (budget held in non-delegated budgets)	-8
ECS E004	Green	Reduction based on underspends in 2016/2017 on budgets such as subscriptions, licences and professional fees.	-18
			<b>-1,200</b>

**Denbighshire County Council - Capital Plan 2018/19 - 2021/22**  
**Position to end September 2018**

**APPENDIX 3**

**Capital Expenditure**

Total Estimated Payments - Other

Total Estimated Payments - Major Projects:

Housing Improvement Grants

Rhyl, New 3-16 Catholic School

Ysgol Llanfair, New School

Ysgol Carreg Emlyn, New School

Highways Maintenance

East Rhyl Coastal Defence Scheme

Rhyl Waterfront and Waterpark

Contingency

**Total**

**Capital Financing**

**External Funding**

**Receipts and Reserves**

**Prudential Borrowing**

**Unallocated Funding**

**Total Capital Financing**

2018/19 ORIGINAL ESTIMATE £000s	2018/19 LATEST ESTIMATE £000s	2019/20 LATEST ESTIMATE £000s	2020/21 LATEST ESTIMATE £000s	2021/22 LATEST ESTIMATE £000s
9,355	15,755	329	200	0
1,416	1,556			
	13,636	8,313	373	
	4,637	157		
	3,663	697		
3,070	4,722			
2,634	1,093	2,017		
10,721	10,577	530		
500	493	500	500	500
<b>27,696</b>	<b>56,132</b>	<b>12,543</b>	<b>1,073</b>	<b>500</b>
12,184	17,141	7,773	4,834	4,834
2,908	9,993	153		
12,604	28,998	8,951	573	0
0	0	(4,334)	(4,334)	(4,334)
<b>27,696</b>	<b>56,132</b>	<b>12,543</b>	<b>1,073</b>	<b>500</b>

Note: 2018-19 Original Estimate is the position as approved by Council on 20th February 2018

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## Appendix 4 - Major Capital Projects Update - October 2018

<b>Rhyl Harbour Development</b>	
Total Budget	£10.639m
Expenditure to date	£10.579m
Estimated remaining spend in 2018/19	£ 0.060m
Future Years estimated spend	£ 0.000m
Funding	WG £2.545m; WEFO £5.899m; Sustrans £0.700m: RWE £155k; WREN/NRW £83k and DCC £1.257m
<p><b>Narrative:</b></p> <p>Now that the bridge has been operational for a few years, the maintenance schedule needs to be revised to ensure that the bridge is properly maintained for the longer term. The Corporate Executive Team (CET) have previously considered a report regarding the maintenance regime and agreed in-principle to amend the maintenance schedule, pending a decision about the long term funding.</p> <p>When the revised bridge maintenance contract has been agreed with Dawnus Construction Ltd, the final account for the bridge will be negotiated and this will complete the project. In the meanwhile the necessary maintenance is being undertaken to keep the bridge in working order. Additional costs were incurred during 2017/18 for both reactive maintenance and breakdowns. The new maintenance regime needs to be agreed and implemented so changes can be made and future breakdowns avoided.</p> <p>Options were presented in an updated report to CET on 30<sup>th</sup> April 2018 and further information was supplied to CET for their meeting on 11<sup>th</sup> June 2018 where approval was given to proceed with the new bridge maintenance arrangements.</p> <p>The preferred subcontractors have been agreed to and Dawnus Construction are arranging the sub contracts. The Council and Dawnus are preparing the amendment to the Contract to ensure response time, reporting and quality of service is improved.</p> <p>The new maintenance work has been agreed and will be formally instructed during mid-October. Subcontractors have attended site for familiarisation visits and the first full maintenance visit is planned for week commencing 25<sup>th</sup> October 2018. This will include necessary repairs and other outstanding work.</p> <p>Once the first visit has taken place, the agreement of the Final Account will take place with the intention it will be concluded within a few weeks.</p>	
Forecast In Year Expenditure 18/19	£0.060m

<b>21<sup>st</sup> Century Schools Programme - Rhyl New School</b>	
Total Budget	£23.824m
Expenditure to date	£23.761m
Estimated remaining spend in 18/19	£ 0.063m
Future Years estimated spend	£ 0.000m
Funding	DCC £10.135m; WG £13.689m
<b>Narrative:</b>	
<p>The project has provided a new school building for Rhyl High School to accommodate 1,200 pupils in mainstream education and approximately 45 pupils from Ysgol Tir Morfa, the community special school in Rhyl. The works have also included some extensive refurbishment to the exterior of the Leisure Centre.</p> <p>There are now just a small number of snags and defects to be completed, and a schedule for the final completion is awaited from the contractor. An amount of retention has been retained in respect of these items.</p>	
Forecast In Year Expenditure 18/19	£0.063m

<b>21<sup>st</sup> Century Schools Programme – Glasdir</b>	
Total Budget	£11.246m
Expenditure to date	£11.025m
Estimated remaining spend in 18/19	£0.221m
Future Years estimated spend	£0.000m
Funding	DCC £2.598m; WG £8.648m
<b>Narrative:</b>	
<p>This project has delivered a new shared school building site for Rhos Street School and Ysgol Penbarras at Glasdir, Ruthin.</p> <p>Since April 2018, the schools have been using their new site. The new facilities have been received very positively by pupils, parents, teachers and governors of both schools.</p> <p>Following the completion of several snagging items over the summer holidays, further items have been addressed in September and work to external areas has been arranged to take place over the October half term break.</p> <p>The Council's Design, Construction and Maintenance team are supervising the de-snagging of defects as part of the overall project programme. This work is ongoing and will continue until March 2019.</p>	
Forecast In Year Expenditure 18/19	£0.818m

<b>21<sup>st</sup> Century Schools Programme – Ysgol Carreg Emlyn</b>	
Total Budget	£5.059m
Expenditure to date	£1.524m
Estimated remaining spend in 18/19	£2.838m
Future Years estimated spend	£0.697m
Funding	WG £0.221m; DCC £4.838m
<b>Narrative:</b>	
<p>This scheme is within the Band A proposals for 21st Century Schools Programme. The project will provide a new school building on a new site in Clocaenog and allow the two existing sites to be declared surplus.</p> <p>There has been significant progress with construction on site. The installation of the structural insulated panels is now complete and a panel signing event was held on 7<sup>th</sup> September to mark the completion of this construction stage. The building is now sealed and works started on the internals and mechanical and electrical works.</p> <p>In the coming weeks, the progress will continue on the internals of the building and works are planned to commence on the water main relocation and necessary works to the highway.</p> <p>It is envisaged the new school will open in the Spring of 2019.</p>	
Forecast In Year Expenditure 18/19	£3.663m

<b>21<sup>st</sup> Century Schools Programme – Ysgol Llanfair</b>	
Total Budget	£5.369m
Expenditure to date	£2.077m
Estimated remaining spend in 18/19	£3.089m
Future Years estimated spend	£0.203m
Funding	WG £0.180m; DCC £5.189m
<b>Narrative:</b>	
<p>This scheme is within the Band A proposals for 21st Century Schools Programme. The project will provide a new school building on a new site in Llanfair DC.</p> <p>The installation of the Structural Insulated Panels (SIP'S) commenced on site during mid-September. A panel signing ceremony was held on the 13<sup>th</sup> September to mark the main building construction with pupils, staff, the Diocese of St Asaph, local members and Welsh Government representatives in attendance. The SIP's have now been completed and the installation of the windows and windows has commenced.</p> <p>In the coming weeks, windows and roof will be completed to make the building watertight in preparation for the mechanical and electrical and internal works.</p> <p>It is envisaged that the new bilingual church school will open in the summer term of 2019.</p>	
Forecast In Year Expenditure 18/19	£4.637m

## 21<sup>st</sup> Century Schools Programme – Ysgol Glan Clwyd

Total Budget	£16.763m
Expenditure to date	£16.417m
Estimated remaining spend in 18/19	£ 0.346m
Future Years estimated spend	£ 0.000m
Funding	DCC £5.302m; WG £11.461m

### Narrative:

This scheme is within the Band A proposals for 21st Century Schools Programme. The project has delivered an extended and refurbished Ysgol Glan Clwyd to accommodate a long term capacity of up to 1,250 pupils via a new three storey extension, partial demolition of existing buildings and refurbishment of the retained buildings. The project has also seen extensive landscaping, with creation of new outdoor hard and soft landscaped areas including a new sports field, extended and rationalised car park and coach parking area.

Phase 1, a new three storey extension was completed and handed over for occupation by the school from January 2017.

The first two sections of the old buildings following remodelling and refurbishment, comprising Phases 2a and 2b were handed over on 9<sup>th</sup> May 2017 and 28<sup>th</sup> June 2017 respectively. Part of Phase 2b included the new Visitors Car Park and the new Main Reception.

The final main section of remodelling and refurbishment of the old buildings, Phase 2c, was completed on 4<sup>th</sup> September 2017 and handed back to the school ready for the start of the new academic year.

Remaining internal works to create the new Leisure Centre facility and the final three rooms for the school were completed and handed over on 13<sup>th</sup> October 2017; at the same time the new Car Park and Coach Area and remaining external landscaping were also completed and handed over.

The final activities saw the old Tennis Courts resurfaced and fenced to create a Multi-Use Games Area and clearance of the Contractors site offices and compound; this work was completed and a final handover occurred on Friday 10<sup>th</sup> November 2017.

The School and Leisure Centre have returned to business as usual.

As part of dealing with any Defects in association with the 12 month Defects Periods for each of the Phase/Sub Phase sectional completions, Phase 2 internal defects were rectified over the summer school holidays along with the bulk of the Phase 2 external defects. A small number of remaining defects will be addressed in the October half term.

The final issue of the BREEAM Certification associated with the project is still awaited and is anticipated within the next couple of months following an update from the Contractor.

Forecast In Year Expenditure 18/19	£0.353m
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<b>21<sup>st</sup> Century Schools Programme – Rhyl 3-16 Faith School</b>	
Total Budget	£23.813m
Expenditure to date	£4.746m
Estimated remaining spend in 18/19	£10.381m
Future Years estimated spend	£8.686m
Funding	WG £5.541m; DCC £18.272m
<p><b>Narrative:</b>  This scheme is within the Band A proposals for 21st Century Schools Programme.</p> <p>Work on site is progressing well with the structural steel frame now complete. The metal deck and first floor concrete is 50% complete and roofing 30% complete.</p> <p>The temporary governing body have been unable to recruit a head teacher to start from January 2019. The Diocese along with the Council and the temporary governing body are looking at options in regards of how to proceed.</p> <p>A new logo has been chosen and was launched at the recent Year 7 open evening. The uniform consultation has started and a questionnaire is available online until the 7<sup>th</sup> November.</p> <p>A fly through of the new school showing both internal and external images was on display at the open evening and was received positively. This is also available to view online.</p>	
Forecast In Year Expenditure 18/19	£13.637m

<b>Rhyl Waterfront and Waterpark</b>	
Total Budget	£23.367m
Expenditure to date	£17.113m
Estimated remaining spend in 18/19	£ 5.724m
Future Years estimated spend	£ 0.530m
Funding	WG £5.354m; DCC£16.013m; Rhyl Town Council £2.000m
<p><b>Narrative:</b></p> <p>Work on site with SC2 is well advanced and progressing well. The Waterpark is still on schedule to be handed over to the Council in January 2019 and to open prior to Easter 2019.</p> <p>The Sun Verge family pub and restaurant (Marstons) opened to the public earlier this month. Travelodge is on schedule to complete in January 2019. Improvements to East Parade car park are also complete.</p> <p>Proposals for the footprint of the former Unit C on the Children's Village are being firmed up and plans and costs are due in during October for sign-off. Unit A is to be refurbished and the Tourist Information Centre relocated to the Railway Station.</p> <p>The car park has been closed since July as there was a requirement for a full environmental clean prior to any contractor commencing work on site. Currently on schedule to complete March 2019. There is a potential issue regarding the current intention to strip out the sprinkler system. This is being looked into to ensure our proposals are in the best interest of public safety going forward.</p> <p>Final approval is being sought from Cabinet in November 2018 to formally accept the funding offer for Queens Market from the Welsh Government and Welsh European Funding Office.</p>	
Forecast In Year Expenditure 18/19	£10.577m

## Cabinet Forward Work Plan

Meeting	Item (description / title)		Purpose of report	Cabinet Decision required (yes/no)	Author – Lead member and contact officer
<b>20 Nov</b>	1	Corporate Plan 2017-2022 (Q2)	To review progress against the performance management framework	Tbc	Councillor Julian Thompson-Hill / Nicola Kneale
	2	Grant award for property acquisitions on West Parade and Sussex Street in Rhyl	To seek approval for acceptance of a grant award from Welsh Government for property acquisitions on West Parade and Sussex Street, Rhyl	Yes	Councillor Julian Thompson-Hill / Russell Vaughan
	3	Rhyl Regeneration Programme re-launch	To support the future arrangements regarding the regeneration of Rhyl	Yes	Councillor Hugh Evans / Graham Boase
	4	Finance Report	To update Cabinet on the current financial position of the Council	Tbc	Councillor Julian Thompson-Hill / Richard Weigh
	5	Items from Scrutiny Committees	To consider any issues raised by Scrutiny for Cabinet's attention	Tbc	Scrutiny Coordinator
<b>18 Dec</b>	1	Denbighshire County Council Waste & Recycling Model	To seek approval to develop/implement a new model for waste and recycling service, subject to confirmation of funding from	Yes	Councillor Brian Jones / Tony Ward / Tara Dumas

## Cabinet Forward Work Plan

Meeting	Item (description / title)		Purpose of report	Cabinet Decision required (yes/no)	Author – Lead member and contact officer
			Welsh Government		
	2	North Wales Construction Framework 2	To appoint contractors for the project	Yes	Tania Silva
	3	Homelessness Prevention/Supporting People Commissioning Plan 2019-22	To approve the Commissioning Plan prior to its submission to the Regional Collaborative Committee and Welsh Government in January 2019	Yes	Councillor Bobby Feeley / Liana Duffy
	4	Finance Report	To update Cabinet on the current financial position of the Council	Tbc	Councillor Julian Thompson-Hill / Richard Weigh
	5	Items from Scrutiny Committees	To consider any issues raised by Scrutiny for Cabinet's attention	Tbc	Scrutiny Coordinator
<b>22 Jan 2019</b>	1	Finance Report	To update Cabinet on the current financial position of the Council	Tbc	Councillor Julian Thompson-Hill / Richard Weigh
	2	Items from Scrutiny Committees	To consider any issues raised by Scrutiny for Cabinet's attention	Tbc	Scrutiny Coordinator
<b>26 Feb 2019</b>	1	Finance Report	To update Cabinet on the current financial position of	Tbc	Councillor Julian Thompson-Hill / Richard Weigh

## Cabinet Forward Work Plan

Meeting	Item (description / title)		Purpose of report	Cabinet Decision required (yes/no)	Author – Lead member and contact officer
			the Council		
	2	Items from Scrutiny Committees	To consider any issues raised by Scrutiny for Cabinet's attention	Tbc	Scrutiny Coordinator
<b>26 Mar 2019</b>	1	Finance Report	To update Cabinet on the current financial position of the Council	Tbc	Councillor Julian Thompson-Hill / Richard Weigh
	2	Items from Scrutiny Committees	To consider any issues raised by Scrutiny for Cabinet's attention	Tbc	Scrutiny Coordinator
<b>30 Apr 2019</b>	1	Finance Report	To update Cabinet on the current financial position of the Council	Tbc	Councillor Julian Thompson-Hill / Richard Weigh
	2	Items from Scrutiny Committees	To consider any issues raised by Scrutiny for Cabinet's attention	Tbc	Scrutiny Coordinator
<b>28 May 2019</b>	1	North Wales Growth Bid Governance Agreement 2	To approve the governance arrangements in relation to the implementation of the growth deal.	Yes	Councillor Hugh Evans / Graham Boase / Gary Williams
	2	Finance Report	To update Cabinet on the current financial position of	Tbc	Councillor Julian Thompson-Hill / Richard Weigh

## Cabinet Forward Work Plan

Meeting	Item (description / title)		Purpose of report	Cabinet Decision required (yes/no)	Author – Lead member and contact officer
			the Council		
	3	Items from Scrutiny Committees	To consider any issues raised by Scrutiny for Cabinet's attention	Tbc	Scrutiny Coordinator

### Note for officers – Cabinet Report Deadlines

<i>Meeting</i>	<b><i>Deadline</i></b>	<i>Meeting</i>	<b><i>Deadline</i></b>	<i>Meeting</i>	<b><i>Deadline</i></b>
<i>November</i>	<b><i>6 November</i></b>	<i>December</i>	<b><i>4 December</i></b>	<i>January</i>	<b><i>8 January</i></b>

Updated 18/10/18 - KEJ

Cabinet Forward Work Programme.doc

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