

To: Members of the Cabinet

Date: 16 October 2019

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, 22 OCTOBER 2019** 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 24 September 2019 (copy enclosed).

**5 FINANCE REPORT** (Pages 15 - 30)

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.

**6 CABINET FORWARD WORK PROGRAMME** (Pages 31 - 34)

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 14 of Part 4 of Schedule 12A of the Act would be disclosed.

**7 BODELWYDDAN CASTLE** (Pages 35 - 50)

To consider a confidential report by Councillor Julian Thompson-Hill, Lead Member for Finance, Performance and Strategic Assets (copy enclosed) seeking Cabinet's review of the terms for the sale of the premises.

**MEMBERSHIP**

**Councillors**

Hugh Evans  
Bobby Feeley  
Huw Hilditch-Roberts  
Richard Mainon

Tony Thomas  
Julian Thompson-Hill  
Brian Jones  
Mark Young

**COPIES TO:**

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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 the Council Chamber, County Hall, Ruthin on Tuesday, 24 September 2019 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's Services and Public Engagement; Brian Jones, Lead Member for Waste, Transport and the Environment; Richard Mainon, Lead Member for Corporate Services and Strategic Direction; Tony Thomas, Lead Member for Housing and Communities; Julian Thompson-Hill, Lead Member for Finance, Performance and Strategic Assets, and Mark Young, Lead Member for Planning, Public Protection and Safer Communities

**Observers:** Councillors Joan Butterfield, Meirick Davies, Hugh Irving, Alan James, Gwyneth Kensler, Barry Mellor, Glenn Swingler, Rhys Thomas, Graham Timms, Huw Williams and Emrys Wynne

## **ALSO PRESENT**

Chief Executive (JG); Corporate Director: Economy and Public Realm (GB) and Communities (NS); Heads of Service: Legal, HR and Democratic Services (GW), Planning and Public Protection (EJ), Economic and Business Development Team and Programme Manager (MH); Chief Accountant and S.151 Officer (SG) and Committee Administrator (KEJ)

### **1 APOLOGIES**

There were no apologies.

### **2 DECLARATION OF INTERESTS**

Councillor Tony Thomas declared a personal interest in agenda item 11 because he was Vice Chair of the Rhyl Business Improvement District (BID) and Councillor undertook collection of the BID levy.

### **3 URGENT MATTERS**

No urgent matters had been raised.

### **4 MINUTES**

The minutes of the Cabinet meeting held on 30 July 2019 were submitted.

***RESOLVED*** that the minutes of the meeting held on 30 July 2019 be received and confirmed as a correct record.

## **5 RHYL TOWN CENTRE MASTER PLAN AND VISION DOCUMENT**

The Leader presented the report and final version of the Rhyl Town Centre Vision document and proposed approach to the governance and resourcing of its delivery.

The Council had worked collaboratively over the last eighteen months engaging with a range of people and partners to develop a collective vision for Rhyl Town Centre which focused on: delivering a vibrant and balanced mix of uses; improved ease of access to the town centre and pedestrian flows around the town centre, and a desirable town centre atmosphere. Eight key ideas had been generated and work was underway to develop them into a forward work programme of priorities and projects over the fifteen year life of the Vision. This would form the basis of a draft programme implementation plan for the Rhyl Programme Board to progress.

The Leader referred to the considerable investment and improvements in Rhyl over recent times and the need to plan for developing the town centre with a Vision which reflected local aspirations through an extensive engagement process, and which complemented existing plans and investment with a coordinated approach. The Economic and Business Development Team & Programme Manager provided some background to the creation of the Vision document and comprehensive engagement process, highlighting the main emerging themes and key projects to progress the keys ideas, and provided an overview of ongoing projects and those already underway in order to take advantage of current regeneration funding opportunities and with a view to bringing in private sector investment.

The Leader also referred to the work of the Rhyl Community Development Board in complementing the master plan and addressing social issues and the Chief Executive explained the role of the Board, comprising of senior leaders of statutory sectors, to consider how to maximise the collective benefit of the investment and planned regeneration more widely in Rhyl to coordinate and maximise opportunities in terms of employment, health, education, community safety and housing. The Council had also decided to invest in a Community Development Officer in Rhyl to work alongside and complement workers from statutory agencies, the voluntary sector and community groups to help direct and maximise funding opportunities and resources, to report both to the Board and to Rhyl Reference Group to ensure political involvement, and reports would also be brought back to Cabinet. The Board had set stringent targets based on deprivation indicators with the intention of capturing the impact that investment had on residents.

Cabinet welcomed the document as a means of providing a clear focus for the town centre and its regeneration and to give confidence and create a better long term future for Rhyl. The comprehensive engagement process and collaborative efforts in producing the Vision was also welcomed. Main discussion points included –

- in terms of prioritisation and planning projects members were advised that the Vision document set out a long term programme and projects would be prioritised using the corporate methodology based on measurable benefits and outcomes; assurances were provided regarding flexibility within the plan to respond to opportunities as they presented if funding became available, similarly

if there was private sector interest it would be possible to accelerate a particular project to secure private sector investment and maximise benefits

- the Chief Executive reported upon the physical regeneration of Rhyl which was clearly visible when visiting the town and the long term regeneration plans, and highlighted the challenge to ensure that the investment to infrastructure would impact positively on local residents and living standards. She had visited all of the county's ward areas and engaged with local businesses and residents when visiting Rhyl highlighting the importance of listening to the communities served
- Councillor Richard Mainon welcomed the Community Development Officer post in order to maximise benefits and outcomes and was keen for Cabinet to receive feedback in that regard – it was confirmed consideration was being given to securing member involvement on both the regeneration and community development elements and the intention was also to provide update reports to both Cabinet and local members. There were no elected members on the Community Development Board because it comprised of a senior officer group to discuss operational and practical issues.

The Leader invited questions from non-Cabinet members –

- Councillor Joan Butterfield thanked the Council on behalf of Rhyl residents for their dedication to Rhyl regeneration and for the local contributions in the Vision document. With regard to future community engagement assurances were provided that the Council would continue to engage with the local community over the long term as the master plan progressed
- Councillor Meirick Davies was keen for investment in Trefnant and members acknowledged the need for spend in other ward areas and discussed potential funding sources for different projects in different areas – it was noted that some regeneration projects in Rhyl were eligible for grant funding but for more rural areas there was potential for wind farm funding for local projects. With regard to a question regarding historic buildings in Rhyl, assurances were provided regarding the Council's commitment in that regard with action having been taken around improving and preserving historical buildings in the town
- Councillor Gwyneth Kensler referred to the amount of investment in Rhyl over many years and whether there had been an assessment of outcomes. It was agreed that lessons could be learned from the past but past investment had not been sustainable and the plan would look to the future and facilitate improvements in living standards, not just capital investment. In terms of revenue implications assurances were provided that this was a consideration by the Strategic Investment Group at the business case stage of individual projects
- Councillor Barry Mellor also voiced his support for the Vision document and highlighted the benefits of regeneration work already undertaken, particularly with regard to the two new schools, and he was assured that the Vision provided the necessary confidence in the town's future.

**RESOLVED** that Cabinet –

- (a) *supports the long term aspirations and 8 key ideas outlined within the Vision document (Appendix 2 to the report), and*

- (b) *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 and commits the Council to focusing on delivery of the long term positive wellbeing impacts contained within it.*

## **6 IMPLEMENTATION OF AN ALTERNATIVE DELIVERY MODEL (ADM) FOR VARIOUS LEISURE RELATED ACTIVITIES/FUNCTIONS - COMPOSITION OF STRATEGIC GOVERNANCE BOARD**

Councillor Bobby Feeley presented the report seeking Cabinet approval of the composition of the Strategic Governance Board to monitor and manage the relationship between the Council and Denbighshire Leisure Limited (the Company). [Day to day operation of the Company would be the responsibility of the Board of Directors of the Company subject of a separate report]

Council had agreed to support the creation of a not for profit local authority trading company limited by guarantee on 30 May 2019 and the report was another stage within that process. The Company would be a separate legal entity from the Council but would provide services to the Council under the terms of a contract. Consequently a forum needed to be established, proposed to be the Strategic Governance Board, to enable the Council to maintain regular and effective monitoring and oversight of the Company's performance and at which various issues between the Council and the Company could be discussed.

The Head of Legal, HR and Democratic Services elaborated further on the role of the Board and reasoning behind its suggested composition to include appropriate key members and officers as per designated roles within the authority. As the Board was essentially the creation of Cabinet in order that it could oversee the executive leisure function it was therefore a Cabinet decision not a Council decision. In responding to questions officers reiterated the merits of the decision to create a new Company and for establishing a Strategic Governance Board to oversee it. With regard to staff training it was confirmed that staff within the Company and the Council would have equal terms and conditions and could expect equal access to their training needs. However if there was a training need identified for staff within the Company, as with any training needs identified for Council Staff, it would not necessarily be delivered by the Council and could be delivered by an outside body. It was further clarified that sufficient budget had been allocated to the Company to cover purchasing costs in respect of its support services such as training, communication/marketing, finance, ICT and HR – the Company may choose to, and would initially, purchase that support from the Council but in later years may decide to purchase those support services elsewhere.

**RESOLVED** that Cabinet –

- (a) *approves the composition of the Strategic Governance Board as detailed in paragraph 4.10 of the report as follows –*
- *Chief Executive or nominated representative (Chair)*
  - *Leader*
  - *Lead Member for Finance*



- *Chair of the Corporate Governance Committee*
- *Chair of a Scrutiny Committee*
- *Monitoring Officer (or nominated representative)*
- *S151 Officer (or nominated representative)*
- *Contract Manager*
- *Head of Education and Children's Services*

(b) *confirms that it has read, understood and taken account of the Well-being Impact Assessment (attached at Appendix 1 to the report) as part of its consideration.*

## **7 IMPLEMENTATION OF AN ALTERNATIVE DELIVERY MODEL (ADM) FOR VARIOUS LEISURE RELATED ACTIVITIES/FUNCTIONS - COMPOSITION OF BOARD OF DIRECTORS**

Councillor Bobby Feeley presented the report seeking Cabinet's recommendation to Council of the composition and appointment of the Board of Directors of Denbighshire Leisure Limited (the Company) responsible for the day to day operation of the Company. [Monitoring and oversight of the Company's performance would be the responsibility of the Strategic Governance Board as approved earlier on the agenda].

On 30 May 2019 Council had agreed to support the creation of a not for profit local authority trading company limited by guarantee and had also approved the appointment of the Corporate Director: Economy and Public Realm as a Director. Whilst the initial business case had mentioned a Finance Director further work suggested that proper financial expertise, advice and control of the Company could be provided otherwise than by creating a position on the Board. It was subsequently proposed that the roles be filled by councillors and employees of the Company as well as independent members recruited by open advertisement.

The Head of Legal, HR and Democratic Services further explained the role of the Board and the importance of including an appropriate mix of skills in its membership. Seven Directors had been suggested and it was proposed that certain positions on the Board be filled as a consequence of holding a particular employment or office, i.e. Corporate Director, Managing Director, Lead Member for Well-being and Independence, Lead Member for Education, Children Services and Public Engagement. An additional non-cabinet member Director was also suggested, with business experience and/or an interest in the leisure sector, with nominations sought for the role to be elected by Council. It was proposed that the remaining two Director positions be filled by independent persons recruited by open advertisement, one with an emphasis on commercial leisure/finance and the other on community development/leisure, again to be appointed by Council. It was also clarified that those appointed to the Board would be subject to the statutory responsibilities of Directors and would be given training. In the normal course of their duties the Directors would be indemnified in respect of their various liabilities.

In response to questions it was confirmed that –

- in terms of the two Independent Directors it was suggested that they receive the same attendance payments as co-opted members of Scrutiny, independent members of Standards committee and the lay member of Corporate Governance Committee as set by the Independent Remuneration Panel for Wales, and that the Company would be responsible for making those payments
- all Directors had a statutory responsibility to avoid a conflict of interest. The Member Agreement and Articles of Association had been written in such a way that officers and members of the council were not to be treated as having a conflict of interest if they were serving as Directors. With regard to independent appointments then they would have to observe all the rules for Directors in respect of that conflict and declare any such interest.

**RESOLVED** that Cabinet –

- (a) *endorses the composition of the Board of Directors of the Company as set out in the report and recommends this composition to Council –*
- *Corporate Director: Economy and Public Realm*
  - *Lead Member for Well-being and Independence*
  - *Lead Member for Education, Children’s Services and Public Engagement*
  - *Managing Director*
  - *Independent Director x2*
  - *A non-Cabinet member*
- (b) *confirms that it has read, understood and taken account of the Well-being Impact Assessment (attached at Appendix 1 to the report) as part of its consideration.*

At this juncture (11.25 a.m.) the meeting adjourned for a refreshment break.

## **8 ANNUAL TREASURY MANAGEMENT REPORT 2018/19**

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 2018/19.

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, elaborating upon those indicators detailed in Annex B and confirming appropriate ratios of financing costs and borrowing levels within limits.

There was some discussion on the estimated and actual ratio of financing costs to the net revenue stream and it was confirmed that no statutory level had been set and it was for individual authorities to consider what they deemed to be a prudent level. Reference was also made to the change to the funding regime illustrated by the financing of the recently approved East Rhyl Coastal Defence Scheme and the revenue impact of that change, and for which the local authority was expected to fund all of the borrowing upfront albeit with Welsh Government’s contribution being

refunded over the twenty five year borrowing period. As Lead Member Councillor Thompson-Hill confirmed that he was comfortable with the current level which he considered represented good value on investments made. The Chief Accountant/S151 Officer added that intermittent benchmarking exercises with other local authorities were undertaken for comparison purposes which indicated the Council was within comfortable limits.

**RESOLVED** that Cabinet –

- (a) *note the performance of the Council's Treasury Management function during 2018/19 and its compliance with the required Prudential Indicators as reported in the Annual Treasury Management Report 2018/19 (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 2019/20 was £198.538m (£194.418m in 2018/19)
- an overspend of £1.379m was forecast for service and corporate budgets
- detailed required savings and efficiencies of £5.672m including corporate savings identified in 2018/19 (£0.5m), schools savings of 2% (£1.32m) and service efficiencies and savings (£3.852m)
- highlighted current risks and variances relating to individual service areas, particularly with regard to overspends in Community Support Services and Education and Children's Services despite an increase to the base budgets, and
- provided a general update on the Capital Plan, Housing Revenue Account and Housing Capital Plan.

Cabinet was also asked to approve the use of the Schools Maintenance Grant as recommended by the Strategic Investment Group.

Cabinet discussed the following matters in further detail –

- with regard to school transport, legislative changes coming into force in the new year required that non-concessionary transport had disabled access and, given that concessions were already offered to children, serious concerns were raised in terms of being able to meet that provision. It was noted that the regional Transport Advisory Group would be writing to the Minister for Economy and Transport highlighting those concerns and Councillor Brian Jones also agreed to write to the Minister separately on behalf of the Council in that regard
- members welcomed the Schools Maintenance Grant awarded to the Council by the Welsh Government and changes which allowed funding to be directed to essential works and areas of greatest need and Cabinet endorsed the approach that no funding be allocated to schools within the 21st Century Band A

programme or schools likely to benefit under Band B and recommendations of the Strategic Investment Group

- some discussion focused on children's social care, specifically placement costs, and the Director: Communities reported upon a Welsh Government Working Group to further consider that issue and commissioning of high quality providers – it was recognised that placements costs differed in areas of the UK with more populated areas having greater purchasing power. Councillor Huw Hilditch-Roberts confirmed that the Council was doing all it could to address costs and he had confidence in the current commissioning process. He explained the difficulties of creating specialist provision locally given the wealth of different needs and the priority was to commission placements to best meet the needs of children which meant out of county placements in specialist cases which incurred high placement costs
- Councillor Bobby Feeley highlighted the continuing pressures in Adult and Social Care with the remaining service reserve being applied to help meet the current overspend which would not be available in future years and she asked that more funding be allocated to the service.

The relevant Cabinet Lead Members and officers responded to various questions from non-Cabinet members as follows –

- with regard to school balances robust financial recovery plans were in place for schools in deficit and close monitoring was undertaken; all schools in deficit were progressing as expected against their recovery plans and an update would be reported to the next Corporate Governance Committee. School balances were continually monitored and there was a mechanism for schools to be called before Scrutiny or Corporate Governance Committee if warranted
- the Welsh Government had announced they would be launching a revised free swimming initiative which resulted in a 25% reduction in the level of funding received by the Council in the current financial year and a 50% reduction from April 2020 – unfortunately that meant that the Council had to review its swimming programme and reduce the amount of free swimming activity offered; a press release in that regard would be issued shortly
- a Brexit Officer Group had been established and there was also a lead officer on Brexit and a Brexit risk register and the issue was also discussed regularly by the Senior Leadership Team in terms of mitigating any impact on the Council and its operations. Specifically with regard to school meals discussions had taken place with catering supply companies and school meals service who would adjust the menu for the period necessary to ensure all children received a nutritious meal at school
- in terms of tribunal costs arising from child placement appeals it was explained that the Council may incur its own legal cost but it was rare that they would be asked to pay others costs; whether or not any of those individual cases related specifically to any specific action taken in the past it would be necessary to review each individual case to ascertain the reasons for the case being brought
- explained changes to the foul drainage connection works required in respect of the new site for Ysgol Llanfair given that the initial detail provided regarding access to the highway as advised by Welsh Water was incorrect and therefore an easement for the access to the foul drain was required – the matter had been taken up directly with Welsh Water in light of the delay and cost incurred

- the proposals for Band B of the 21st Century Schools Programme were nearing completion and would be submitted to a future Cabinet meeting.

**RESOLVED** that Cabinet –

- (a) note the budgets set for 2019/20 and progress against the agreed budget strategy, and
- (b) approve the recommended use of the Schools Maintenance Grant which has been awarded to the Council by the Welsh Government, as recommended by the Strategic Investment Group and detailed in Appendix 5, 6 & 7 to the report.

## 10 CABINET FORWARD WORK PROGRAMME

The Cabinet forward work programme was presented for consideration and members noted the following future additions –

- Library Strategy – October
- Bodelwyddan Castle – November

It was confirmed that the report on the Denbighshire and Flintshire Joint Archive Project would be considered by Scrutiny prior to Cabinet in November.

**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 would involve the likely disclosure of exempt information as defined in Paragraph 14 of Part 4 of Schedule 12A of the Act.

## 11 EXTENSION OF MANAGED SERVICE AGREEMENT FOR THE PROVISION OF REVENUES AND BENEFITS SERVICES

Councillor Julian Thompson-Hill presented the confidential report seeking Cabinet approval to the extension of the Managed Service Agreement for the provision of Revenues and Benefits Services.

Some background information was provided regarding the current contract together with the reasoning behind the recommendation for an extension of the partnership from April 2022 to March 2025 given the savings to be realised over that period and to allow for the continued success of the partnership as illustrated within the report and to ensure business continuity. The original contract allowed for a 3 year extension in line with requirements but due to the value of the contract Cabinet approval was required. It was also proposed that the decision be implemented immediately as the negotiation of the discount had to a certain extent been predicated on Civica being able to complete the agreement prior to their financial

year end on 30 September in order that it may be taken into account in their financial statements.

**RESOLVED** that Cabinet –

- (a) *note the financial and non-financial benefits of extending the contract with Civica;*
- (b) *approve the extension by 3 years of the contract with Civica to provide the Managed Service Agreement for the provision of Revenues and Benefits Services, and*
- (c) *confirm that the decision must be implemented immediately in accordance with paragraph 7.25 of the Council's constitution.*

The meeting concluded at 12.40 hrs.

**Report To:** Cabinet

**Date of Meeting:** 22<sup>nd</sup> October 2019

**Lead Member / Officer:** Cllr Julian Thompson-Hill

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

**Title:** **Finance Report (September 2019/20)**

**1. What is the report about?**

The report gives details of the council's revenue budget and savings as agreed for 2019/20. 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 2019/20.

**3. What are the Recommendations?**

It is recommended that

- i) Members note the budgets set for 2019/20 and progress against the agreed strategy.
- ii) Members approve the transfer of cash funds from the Savings Achievement Contingency to Leisure Services to offset the need to allocate the Prudential Borrowing savings to the SC2 rather than the delay to setting up the Alternative Delivery Model.

**4. Report details**

The report provides a summary of the council's revenue budget for 2019/20 detailed in Appendix 1. The council's net revenue budget is £198.538m (£194.418m in 18/19). The position on service and corporate budgets is a forecast overspend of £1.733m (£1.379m last month). Narrative around the current risks and assumptions underlying this assessment are outlined in Section 6.

The 2019/20 budget required savings and efficiencies of £5.672m to be identified and agreed as detailed below:

- Corporate savings identified in 2018/19 (£0.5m)
- Schools savings of 2% (£1.32m)
- Service efficiencies and savings (£3.852m)

As promised last month the service savings have been reviewed and most are on target to be delivered. However, it has become clear that the total saving of £850k relating to the ADM Proposal ("savings in NNDR and VAT arise from creating a Local Authority owned not-for-profit trading company. The savings can only be realised when the company is formed. However, cash savings from deferring borrowing charges on the SC2 facility are possible in advance of the company being formed.") will not now be achieved in full. The original Business Case for the SC2 had shown a deficit in the first year of £378k but with a commitment to try and bring this down through a number of options. One option was to utilise the delay in charging Prudential Borrowing for the first year as illustrated in the report extract below:

A number of options are being considered to address the funding requirement in years 1-4. These include contributions from services, reserves and would be incorporated into the council's budget strategy for those years. A further consideration is that if the facility is not fully operational by April 2019, the borrowing costs could be deferred for a year, potentially completely removing the funding requirement for the first, second and third years. Facilities, Assets and Housing and Economic Development budgets have identified potential revenue savings that could contribute to the cash-flow requirement if needed. In addition there is scope to use reserves if needs be. Corporate financial support would be available to provide cash flow if for any reason the above were insufficient but this is thought to be unnecessary at this stage, particularly if borrowing is deferred for one year.

The report also stated that:

In approving the recommendation, the Council should therefore also accept the risk that if the facility does not achieve the business case model, either through unforeseen additional costs, lower income results or a combination of both, then it will create a financial pressure to be funded in future years. The model as presented achieves a break-even position in Year 5 of operation but there is a funding gap in Years 1-4. A number of funding options have been identified that will provide the cash-flow to cover the gap.

As a Council it was decided to use the lever of the delay to Prudential Borrowing to enable the ADM saving of £850k to be taken as part of the 2019/20 budget process, thus reducing the need for service cuts elsewhere. A contingency budget was set aside, as in most previous years, in order to cope with savings that have failed to be achieved. In this instance the service is confident it will move substantially towards a break even position as part of the ADM next financial year so it is recommended at this stage that only a cash contribution of £616k is transferred from the Savings Achievement Contingency to Leisure Services. The service plans will be scrutinised carefully as part of the approval of the 3-year Business Plan for the Denbighshire Leisure Company during the coming months. Any changes to the current assumptions will be reported to Cabinet in future reports.

**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.

**Community Support Services** – Adults Social Care is currently projected to overspend by £205k (£519k last month). This projection assumes that the remaining service reserve of £821k is applied in year. The reduction from last month relates to a projected application of an in year grant for winter pressures. The underlying pressure of £1.3m has been included in the current MTFP for 2020/21 and will be kept under review over the coming months.

**Education and Childrens' Service** is now showing an overspend of £1.079m (£0.967m last month). This includes all current high cost residential and independent fostering placements costed to realistic timescales. No allowance has been made for any further new placements within the financial year. The main pressure area is within high cost placements which has a current predicted overspend of £1.162K. Some of this pressure is offset by a sustainable pressures grant (£198K) and underspends on staffing due to vacant posts. The placement pressure has been caused by 5 new residential



placements and 7 new independent fostering placements which commenced this financial year. The highest cost residential placement is £6,360 per week. As can be seen each individual placement can be extremely expensive so any increase in numbers can have a large effect on the budget. The Education element of Out of County and Recoupment is now projected to overspend by £112k following the finalisation of pupil numbers which has resulted in a further shortfall in income from other Local Authorities attending our special schools.

**Business Improvement and Modernisation** is currently projected to underspend by £59k (£53k underspend last month) largely due to a number of vacancy savings. A number of IT contracts are currently under negotiation which may increase costs going forward.

**Legal, HR and Democratic Services** is now projected to underspend by £37k (£54k underspend last month) relating to vacancy savings in preparation of a service review and an increase in Registrars income. Additional exit costs have reduced the underspend slightly.

**Highways and Environment Service** – is now projected to overspend by £390k. The main areas of concern are:

- **Waste Service** – The service is currently £1.4m overspent, but is utilising £1.2m from the Waste Services Reserve. This is only possible for one more year and a pressure of £0.9m has been included in the Medium Term Financial Plan for 2020/21.
- **Streetscene** – Although funding has been allocated to the clearing up of Legacy Tips, it appears that additional costs will be incurred. An assessment of these have been included in the projections.
- **Winter Maintenance** – The current budget, alongside the severe weather reserve, is sufficient to cope with a normal winter. Any severe weather is likely to require the identification of additional cash resources to cover the costs.

**Planning and Public Protection** – following the transfer of School Transport to this service, it is now projected that the service will overspend by £568k. School Transport has been allocated £900k additional funds during the two previous budget rounds. However as highlighted in previous years the service remained an area of concern and is very much linked to policy and service changes within Education. The figure represents the most accurate projection we can provide based on latest pupil numbers, routes and contracts for the new academic year.

**Schools** - The budget agreed by Council for 2019/20 included a total net additional investment (excluding increases in Welsh Government grants) in schools delegated budgets of just over £1m. The latest projection for school balances to be carried forward into 2020/21 is a net deficit balance of £1.137m (£0.953m last month), which represents an increase of £0.966m on the deficit balances brought forward from 2019/20 of £0.171m. The figures include the application of a reserve set aside from Corporate underspends last financial year to fund the large deficit balance of Blessed Edward Jones as we, as the Local Education Authority, are legally obliged to do. There is a small underspend in non-delegated budget of £32k.

**Corporate Budgets** – Contingencies set aside during the budget process last year have been released in order to help fund the service overspends described above resulting in a reported underspend of £1.028m. It is recommended above that £612k of this is allocated in year to cover unachieved efficiency savings. There may be further resources

available (around Council Tax Yield etc) later in the financial year, however if projections remain the same £1.7m would need to be funded from Base Level Reserves.

**The Housing Revenue Account (HRA).** The latest revenue position assumes a decrease in balances at year end of £285k which is £128k more than the budgeted decrease of £157k. HRA balances are therefore forecast to be £1.398m at the end of the year. The Capital budget of £14.3m is largely allocated between planned improvements to existing housings stock (£5.2m) and new build developments and acquisitions (£8.1m).

**Treasury Management** – At the end of September, the council's borrowing totalled £229.3m at an average rate of 4.16%. Investment balances were £5.6m at an average rate of 0.56%.

A summary of the council's **Capital Plan** is enclosed as Appendix 3. The approved capital plan is £37.31m with expenditure to date of £11.12m. 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 29 January.

**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**

Specific pressures remain evident in social care budgets (both Adults' and Children's), School Transport and Waste services despite the investment included in the 2019/20 budget. These are base budget and therefore ongoing pressures and the position for all areas will be monitored carefully and further considered as part of the budget process for 2020/21.

Forecasts indicate school balances will decrease this financial year, however it still very early in the financial year and the position will 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. We are particularly working closely with a small number of schools who are experiencing particularly difficult circumstances.

**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 2019/20

Sep-19	Net Budget	Budget 2019/20			Projected Outturn							Variance
	2018/19 (Restated) £'000	Expenditure	Income	Net	Expenditure	Income	Net	Expenditure	Income	Net	Net	Previous Report £'000
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	%	
Communities and Customers	3,698	5,141	-1,580	3,561	5,449	-1,888	3,561	308	-308	0	0.00%	0
Education and Children's Service	14,145	28,713	-12,936	15,777	20,682	-3,826	16,856	-8,031	9,110	1,079	6.84%	967
Business Improvement and Modernisation	4,557	5,381	-878	4,503	5,357	-913	4,444	-24	-35	-59	-1.31%	-53
Legal, HR and Democratic Services	2,650	3,927	-1,329	2,598	4,045	-1,484	2,561	118	-155	-37	-1.42%	-54
Finance and Property	4,432	9,716	-4,446	5,270	9,940	-4,670	5,270	224	-224	0	0.00%	0
Highways, Facilities and Environmental Services	15,632	30,766	-15,199	15,567	30,547	-14,590	15,957	-219	609	390	2.51%	0
Planning and Public Protection	9,092	16,403	-7,017	9,386	16,844	-6,890	9,954	441	127	568	6.05%	0
Community Support Services	35,111	53,091	-17,305	35,786	51,422	-15,432	35,990	-1,669	1,873	204	0.57%	519
Leisure - ADM	2,737	9,442	-7,795	1,647	11,173	-8,910	2,263	1,731	-1,115	616	37.40%	0
<b>Total Services</b>	<b>92,054</b>	<b>162,580</b>	<b>-68,485</b>	<b>94,095</b>	<b>155,459</b>	<b>-58,603</b>	<b>96,856</b>	<b>-7,121</b>	<b>9,882</b>	<b>2,761</b>	<b>2.93%</b>	<b>1,379</b>
Corporate	17,733	46,213	-29,223	16,990	45,185	-29,223	15,962	-1,028	0	-1,028	-6.05%	0
Precepts & Levies	4,569	4,806	0	4,806	4,806	0	4,806	0	0	0	0.00%	0
Capital Financing	11,427	13,652	0	13,652	13,652	0	13,652	0	0	0	0.00%	0
<b>Total Corporate</b>	<b>33,729</b>	<b>64,671</b>	<b>-29,223</b>	<b>35,448</b>	<b>63,643</b>	<b>-29,223</b>	<b>34,420</b>	<b>-1,028</b>	<b>0</b>	<b>-1,028</b>	<b>-2.90%</b>	<b>0</b>
<b>Council Services &amp; Corporate Budget</b>	<b>125,783</b>	<b>227,251</b>	<b>-97,708</b>	<b>129,543</b>	<b>219,102</b>	<b>-87,826</b>	<b>131,276</b>	<b>-8,149</b>	<b>9,882</b>	<b>1,733</b>	<b>1.34%</b>	<b>1,379</b>
Schools & Non-delegated School Budgets	68,635	78,860	-9,865	68,995	79,493	-9,564	69,929	633	301	934	1.35%	750
<b>Total Council Budget</b>	<b>194,418</b>	<b>306,111</b>	<b>-107,573</b>	<b>198,538</b>	<b>298,595</b>	<b>-97,390</b>	<b>201,205</b>	<b>-7,516</b>	<b>10,183</b>	<b>2,667</b>	<b>1.34%</b>	<b>2,129</b>
Housing Revenue Account	630	16,613	-16,456	157	16,641	-16,356	285	28	100	128		130

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**APPENDIX 2 - SERVICE SAVINGS / EFFICIENCIES**

Ref	Service	Description	RAYG Status	Saving Category	2019/20 £000	Service / Overall Totals
BIM RTC011	Business Improvement and Modernisation	Reduction in capacity of Digital Records Bureau in response to reduced workloads - income generation also being considered.	AMBER	Efficiency Saving	24	300
BIM RTC014	Business Improvement and Modernisation	Reduction in Administration capacity within the Strategic Planning Team.	GREEN	Efficiency Saving	10	
BT&ICT001	Business Improvement and Modernisation	Service restructure of Back Office Support function.	GREEN	Efficiency Saving	26	
BT&ICT002	Business Improvement and Modernisation	Service restructure of Service Desk function.	AMBER	Efficiency Saving	46	
BT&ICT003	Business Improvement and Modernisation	Service restructure of Infrastructure function.	GREEN	Efficiency Saving	43	
BT&ICT004	Business Improvement and Modernisation	Service restructure of Training function.	AMBER	Efficiency Saving	34	
BT&ICT005	Business Improvement and Modernisation	Service restructure of Business Systems function.	GREEN	Efficiency Saving	42	
BIM&ICT006	Business Improvement and Modernisation	Contract savings due to targeted contract management improvements	GREEN	Procurement	75	
CCM RTC001	Customers, Communications and Marketing	Deletion of vacant post within Corporate Communications Team	GREEN	Service Reduction/withdrawal	39	225
CCM RTC002	Customers, Communications and Marketing	Reduce budgeted annual contribution to the Major Events Reserve	GREEN	Efficiency Saving	13	
CCM RTC003	Customers, Communications and Marketing	Budget reduction due to an agreed reduction in costs of Tourism Information Centres	GREEN	Efficiency Saving	4	
CCM RTC004	Customers, Communications and Marketing	Reduction of budget for Tourism Team	GREEN	Service Reduction/withdrawal	18	
CCM RTC005	Customers, Communications and Marketing	Review of delivery method of the Digital Futures Programme	AMBER	Service Reduction/withdrawal	151	
ECS RTC004	Education and Children's Service	Review of Music Arts Service - withdrawal of remaining DCC subsidy	GREEN	Change to service level received by public	69	159
ECS RTC008	Education and Children's Service	Restructure of modernising education team due to non-placement of vacancy.	GREEN	Efficiency Saving	90	
FAH RTC002	Facilities, Assets and Housing	Handover Denbigh Town Hall to Denbigh Town Council - saving made on removing the running costs.	GREEN	Alternative Service Delivery Model	23	1,320
FAH RTC004	Facilities, Assets and Housing	Disposal of 6-8 Nant Hall Road Prestatyn - saving made on removing the running costs.	GREEN	Efficiency Saving	47	
FAH RTC006	Facilities, Assets and Housing	Reduce Public Conveniences budget with a view to increasing income within the portfolio.	GREEN	Increase in Fees & Charges or additional external income contributions	40	
FAH RTC007	Facilities, Assets and Housing	Service restructure within Strategic Assets section.	GREEN	Efficiency Saving	35	
FAH RTC008	Facilities, Assets and Housing	Commercial leisure growth and delivery - to review delivery and increase income growth throughout commercial leisure facilities.	YELLOW	Increase in Fees & Charges or additional external income contributions	200	
FAH RTC009	Facilities, Assets and Housing	Rhyl Pavilion Theatre - additional income through increased transaction fees, a new conference offer and box office model.	YELLOW	Increase in Fees & Charges or additional external income contributions	125	
FAH RTC011	Facilities, Assets and Housing	ADM Proposal - savings in NNDR and VAT arise from creating a Local Authority owned not-for-profit trading company. The savings can only be realised when the company is formed. However, cash savings from deferring borrowing charges on the SC2 facility are possible in advance of the company being formed.	RED	Alternative Service Delivery Model	850	
FIN RTC001	Finance	Review and maximise recharges external to the core council revenue account (eg external partnerships / Treasury Management function)	YELLOW	Increase in Fees & Charges or additional external income contributions	41	

**APPENDIX 2 - SERVICE SAVINGS / EFFICIENCIES**

Ref	Service	Description	RAYG Status	Saving Category	2019/20 £000	Service / Overall Totals
FIN RTC002	Finance	Increase income by agreeing to take on extra regional work around the pooled budgets agenda	YELLOW	Increase in Fees & Charges or additional external income contributions	20	274
FIN RTC003	Finance	Re-negotiation of Citizens Advice Denbighshire Contract	YELLOW	Procurement	13	
FIN RTC005	Finance	Recognise good partnership working with Civica to increase the Council Tax collection rate.	YELLOW	Increase in Fees & Charges or additional external income contributions	100	
FIN RTC006	Finance	Recognise further increase in Council Tax from initiatives such as 2nd Homes	YELLOW	Increase in Fees & Charges or additional external income contributions	50	
FIN RTC007	Finance	Target for general efficiencies identified in year (vacancy management etc)	AMBER	Efficiency Saving	50	
HES RTC001	Highways and Environmental Services	Streetscene: Reduction in revenue budget for highways element of Streetscene. £200k per annum of preventative highway maintenance works (currently funded by Streetscene) will instead be funded using Captial Highways funding. This will result in £200k per year less being spent on highways maintenance. However, the impact of this can be partly mitigated by the formal provision of a base capital budget for highways, enabling the service to plan more strategically over a longer period of time.	GREEN	Service Reduction/withdrawal	200	
HES RTC002	Highways and Environmental Services	Deletion of vacant post within Countryside Services	GREEN	Efficiency Saving	35	
HES RTC003	Highways and Environmental Services	Increasing admission charges at Heritage facilities.	GREEN	Increase in Fees & Charges or additional external income contributions	14	
HES RTC004	Highways and Environmental Services	Increased income from car parks at Loggerheads, Moel Famau and Llantisilio Green	YELLOW	Increase in Fees & Charges or additional external income contributions	5	
HES RTC005	Highways and Environmental Services	Saving to be replaced - see report for details	AMBER	Service Reduction/withdrawal	42	
HES RTC006	Highways and Environmental Services	Improved accuracy of forecasting for Winter Maintenance (by way of an additional sensor) would eradicate any unnecessary gritting on Route B (Rhyl & Prestatyn), which tends to be milder than the rest of the county. Route B would still be gritted whenever the temperature requires us to do so.	AMBER	Efficiency Saving	10	
HES RTC007	Highways and Environmental Services	Increasing the charges for green waste by £2 per year when subscribing online / direct debit, and by £3 when subscribing in any other way.	GREEN	Increase in Fees & Charges or additional external income contributions	36	
HES RTC008	Highways and Environmental Services	Restricting opening hours of Ruthin and Denbigh household recycling centres by one day per week each.	GREEN	Service Reduction/withdrawal	20	
HES RTC009	Highways and Environmental Services	Increasing cemetery fees to ensure fees are comparable with other local authorities in North Wales and that full cost recovery is achieved.	GREEN	Increase in Fees & Charges or additional external income contributions	15	
HES RTC010	Highways and Environmental Services	Amend charging policy for bulky waste collections in order to move towards full cost recovery. The charges would be £11 for 1 item; £14 for 2 items; £17 for 3 items; £20 for 4 items; and £23 for 5 items.	YELLOW	Increase in Fees & Charges or additional external income contributions	20	
HES RTC011	Highways and Environmental Services	Reduce frequency of verge grass cutting from 2 cuts per year to 1 cut per year in line with NMWTRA's current verge cutting policy. This would have the benefit of supporting the council's ambitions to promote and increase biodiversity across the county. Additional cuts would be done (and would only be done) at specific locations on health & safety grounds.	AMBER	Service Reduction/withdrawal	67	
HES RTC012	Highways and Environmental Services	Reduced Weed Spraying from 3 to 2 treatments per year.	GREEN	Service Reduction/withdrawal	6	

**APPENDIX 2 - SERVICE SAVINGS / EFFICIENCIES**

Ref	Service	Description	RAYG Status	Saving Category	2019/20 £000	Service / Overall Totals
HES RTC013	Highways and Environmental Services	Reduced leaf clearance using hired-in road sweepers. The proposal is to reduce the number of road sweepers from 3 vehicles to 2 vehicles.	YELLOW	Service Reduction/withdrawal	31	501
LHD RTC001	Legal, HR and Democratic Services	Delete vacant administrative post within Democratic Services	GREEN	Efficiency Saving	21	153
LHD RTC006	Legal, HR and Democratic Services	Review of Procurement Service Level Agreement and Costs	GREEN	Efficiency Saving	26	
LHD RTC009	Legal, HR and Democratic Services	Restructure of Business Support Unit	GREEN	Efficiency Saving	30	
LHD RTC010	Legal, HR and Democratic Services	Full review of service structure and fees and charges within the Registration Service with aim to make service cost neutral within two years.	AMBER	Change to service level received by public	20	
LHD RTC011	Legal, HR and Democratic Services	Delete vacant Assistant HR Specialist Role	GREEN	Efficiency Saving	28	
LHD RTC012	Legal, HR and Democratic Services	Implementation of an Employee Assistance Programme to deliver the Counselling Support for Staff.	GREEN	Efficiency Saving	28	
PPP RTC001	Planning and Public Protection	Delete vacant post within Business and Performance section.	GREEN	Efficiency Saving	45	153
PPP RTC019	Planning and Public Protection	The service undertake research as part of the process of informing the Local Development Plan (LDP). The research is undertaken by both our own officers and consultants. We will reduce the budget used for consultants and do more of the work in the team.	GREEN	Efficiency Saving	13	
PPP RTC002	Planning and Public Protection	Reduction in use of consultants within Development Control	YELLOW	Efficiency Saving	20	
PPP RTC003	Planning and Public Protection	Deletion of the previous Public Protection Manager post following the post holders promotion to Head of Service. Management restructure undertaken.	GREEN	Efficiency Saving	57	
PPP RTC004	Planning and Public Protection	Deletion of vacancy within Licencing	GREEN	Efficiency Saving	25	
PPP RTC006	Planning and Public Protection	Removal of legacy Community Safety Budget - previous savings over-achieved	GREEN	Technical Budget Reductions - no effect on service levels	17	
PPP RTC007	Planning and Public Protection	Budget Reduction due to Economic & Community Ambition Board no longer in existence and ECA Programme closed down.	YELLOW	Technical Budget Reductions - no effect on service levels	20	
PPP RTC009	Planning and Public Protection	Deletion of vacant post within Economic and Business Development	GREEN	Efficiency Saving	36	
PPP RTC011	Planning and Public Protection	Increase Highways Development Control Charges on Supervision Fees where planning permission has been granted and involves works to the existing highways.	GREEN	Increase in Fees & Charges or additional external income contributions	13	
PPP RTC013	Planning and Public Protection	Reduction in Transport Planning Budget - This budget is used to maintain and collect data from our existing network of automatic traffic counters (measuring road usage), and to fund additional ad-hoc surveys when requested. The proposal means that more ad-hoc surveys will be funded from the team accident remedial budget and from capital projects. The service will also look to use counters that automatically send data wirelessly which would greatly reduce the need for a contractor to visit to manually download data and improve the quality and timeliness of the information as well as the efficiency and safety of data collection.	YELLOW	Change to service level received by public	20	
PPP RTC010	Planning and Public Protection	Introduction of charges at three free car parks.	YELLOW	Increase in Fees & Charges or additional external income contributions	30	
PPP RTC012	Planning and Public Protection	Increase fees of Car Parking Permits by 20% to make DCC charges more comparable to the level in neighbouring authorities. Permit charges have not been increased since 2009.	YELLOW	Increase in Fees & Charges or additional external income contributions	16	
PPP RTC014	Planning and Public Protection	DCC Match Funding for Regional Engagement Team not now required to match current requirements.	YELLOW	Technical Budget Reductions - no effect on service levels	11	

**APPENDIX 2 - SERVICE SAVINGS / EFFICIENCIES**

Ref	Service	Description	RAYG Status	Saving Category	2019/20 £000	Service / Overall Totals
PPP RTC015	Planning and Public Protection	Economic and Business Development - reduction in project budget following review of council wide activities by the Head of Service and Corporate Director Some budget will be maintained for future priority projects. Staffing budget is not being reduced.	GREEN	Change to service level received by public	64	420
PPP RTC016	Planning and Public Protection	Reducing the traffic management budget. The saving will be made by placing further reliance on capital funding to pay for the replacement of traffic signal installations.	GREEN	Efficiency Saving	33	
CSS RTC001	Community Support Services	Homelessness - Service Restructure	GREEN	Change to service level received by public	74	500
CSS RTC002	Community Support Services	Business Support - Service Restructure and Review	GREEN	Efficiency Saving	142	
CSS RTC003	Community Support Services	Localities - Service Restructure	GREEN	Efficiency Saving	67	
CSS RTC004	Community Support Services	Care & Support Reviews - Double Handed Calls	GREEN	Efficiency Saving	217	
						<b>3,852</b>



**Denbighshire County Council - Capital Plan 2019/20 - 2022/23**

**APPENDIX 3**

**Position to end September 2019**

**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**

	2019/20 ORIGINAL ESTIMATE £000s	2019/20 LATEST ESTIMATE £000s	2020/21 LATEST ESTIMATE £000s	2021/22 LATEST ESTIMATE £000s	2022/23 LATEST ESTIMATE £000s
Total Estimated Payments - Other	17,011	18,527	9,941	3,618	
Total Estimated Payments - Major Projects:					
Housing Improvement Grants		1,241			
Rhyl, New 3-16 Catholic School	9,636	9,178	332		
Ysgol Llanfair, New School	995	1,471	171		
Ysgol Carreg Emlyn, New School	1,460	550	1,363		
Highways Maintenance	4,695	5,185			
East Rhyl Coastal Defence Scheme	2,417	160	1,900		
Rhyl Waterfront and Waterpark	530	494			
Contingency	505	505	500	500	500
<b>Total</b>	<b>37,249</b>	<b>37,311</b>	<b>14,207</b>	<b>4,118</b>	<b>500</b>
External Funding	19,659	16,421	13,659	4,796	4,796
Receipts and Reserves	1,931	6,836	1,096		
Prudential Borrowing	15,659	14,054	4,420	3,618	
Unallocated Funding	0	0	(4,968)	(4,296)	(4,296)
<b>Total Capital Financing</b>	<b>37,249</b>	<b>37,311</b>	<b>14,207</b>	<b>4,118</b>	<b>500</b>

Note: 2019-20 Original Estimate is the position as approved by Council on 19th February 2019

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## Appendix 4 - Major Capital Projects Update – October 2019

<b>21<sup>st</sup> Century Schools Programme – Ysgol LLanfair</b>	
Total Budget	£5.369m
Expenditure to date	£4.506m
Estimated remaining spend in 19/20	£0.692m
Future Years estimated spend	£0.171m
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 foul drainage connection works have now commenced. The work programme for the completion of these works is envisaged to be early 2020. There will be a clearer indication on a confirmed move in date around mid- November once the works have begun to progress along the A525 into Bron Y Clwyd.</p>	
Forecast In Year Expenditure 19/20	£1.471m

<b>21<sup>st</sup> Century Schools Programme – Ysgol Carreg Emlyn</b>	
Total Budget	£5.059m
Expenditure to date	£3.427m
Estimated remaining spend in 19/20	£0.269m
Future Years estimated spend	£1.363m
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>The school have now settled into the new building and have familiarised themselves with the operation of the new systems on site.</p> <p>Decommissioning of the old sites will commence once a contractor has been appointed following the tender process, before the sites are then declared surplus. Work for a long term solution for the drainage at the school site is still on-going.</p>	
Forecast In Year Expenditure 19/20	£0.550m

<b>21<sup>st</sup> Century Schools Programme – Glasdir</b>	
Total Budget	£11.487m
Expenditure to date	£11.324m
Estimated remaining spend in 19/20	£0.163m
Future Years estimated spend	£0.000m
Funding	DCC £2.839m; 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 which has been used by the schools since April 2018.</p> <p>The Council's Design, Construction and Maintenance team have supervised the de-snagging of defects as part of the overall project programme and the final batch of defects have been addressed over the recent summer holidays. An agreement is now in place on the final account with some minor items to be completed before it is formally settled.</p> <p>Work to de-commission the old site is complete with the asset managed by the Council's Estate Department. The former main school building is in the process of being disposed having recently being marketed for sale. Betsi Cadwaladr University Health Board have secured planning permission to redevelop part of the site to improve access and parking facilities at the adjacent hospital.</p>	
Forecast In Year Expenditure 19/20	£0.170m

<b>21<sup>st</sup> Century Schools Programme – Ysgol Glan Clwyd</b>	
Total Budget	£16.748m
Expenditure to date	£16.655m
Estimated remaining spend in 19/20	£ 0.093m
Future Years estimated spend	£ 0.000m
Funding	WG £11.461m; DCC £5.287m
<b>Narrative:</b>	
<p>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.</p>	
Forecast In Year Expenditure 19/20	£0.093m

<b>21<sup>st</sup> Century Schools Programme – Rhyl, Christ the Word School</b>	
Total Budget	£23.813m
Expenditure to date	£19.464m
Estimated remaining spend in 19/20	£ 4.017m
Future Years estimated spend	£ 0.332m
Funding	WG £5.541m; DCC £18.272m
<b>Narrative:</b>	
<p>This scheme is within the Band A proposals for 21st Century Schools Programme.</p> <p>The Council continues to work alongside the Contractor and the school to deal with any snagging issues as they come up.</p> <p>Demolition has started on the Ysgol Mair and Blessed Edward Jones buildings. This is due for completion by mid-January 2020, and will enable landscaping, sports pitches and car park facilities to be provided as part of Phase 2 of the project. These elements are due to be completed by the end of April 2020.</p> <p>The new permanent Governing Body for Christ the Word Catholic School will be established by the end of November 2019.</p>	
Forecast In Year Expenditure 19/20	£9.178m

<b>Rhyl Queens Market Redevelopment</b>	
Total Budget	£5.000m
Expenditure to date	£3.311m
Estimated remaining spend in 19/20	£ 0.589m
Future Years estimated spend	£ 1.100m
Funding	WG £5.000m (£2.5m subject to formal confirmation)
<b>Narrative:</b>	
<p>The Council completed the acquisition of the former Savoy Hotel and the Queen's Market, Theatre and Hotel in Rhyl on 11<sup>th</sup> March after formally accepting a £2.5m grant from the Welsh Government.</p> <p>Safeguarding works have been carried out on the site and work is taking place to ensure the site is vacant by the end of November. This includes removal of Asbestos, ecological surveys, measured surveys, site clearance and working with all the existing tenants.</p> <p>We continue to work with our development partner on the future development of the site and a report is due to be presented to Cabinet in November.</p>	
Forecast In Year Expenditure 19/20	£0.900m

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## Cabinet Forward Work Plan

Meeting	Item (description / title)		Purpose of report	Cabinet Decision required (yes/no)	Author – Lead member and contact officer
<b>19 Nov 2019</b>	1	Former Savoy Hotel and the Queen's Market, Theatre and Hotel (known as Queen's Buildings)	To seek approval to proceed with the procurement process	Yes	Councillor Hugh Evans / Graham Boase / Russell Vaughan
	2	Quarter 2 Performance Report on the Corporate Plan	To provide members with analysis about performance and progress against our corporate priorities	Tbc	Councillor Julian Thompson-Hill / Nicola Kneale / Iolo McGregor
	3	Library Strategy	To approve the draft Library Strategy	Yes	Councillor Tony Thomas / Liz Grieve / Bethan Hughes
	4	Strategic Planning Group – Proposed changes to Terms of Reference	To seek approval of changes to the Strategic Planning Group's Terms of Reference	Yes	Councillor Mark Young / Angela Loftus
	5	Finance Report	To update Cabinet on the current financial position of the Council	Tbc	Councillor Julian Thompson-Hill / Steve Gadd
	6	Items from Scrutiny Committees	To consider any issues raised by Scrutiny for Cabinet's attention	Tbc	Scrutiny Coordinator
<b>17 Dec 2019</b>	1	Contract Procedure Rules	To consider the reviewed contract procedures rules which will require adoption and form part of the council	Tbc	Councillor Julian Thompson-Hill / Lisa Jones / Helen Makin

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			constitution		
	2	Alternative Delivery Model (ADM) for various leisure related activities / functions	Approval of lease and sites	Yes	Councillors Booby Feeley & Julian Thomspen-Hill / Graham Boase / Siân Lloyd Price
	3	Ethical Code of Employment	To seek Cabinet approval of the Ethical Code of Employment	Yes	Councillor Richard Mainon / Helen Makin
	4	Finance Report	To update Cabinet on the current financial position of the Council	Tbc	Councillor Julian Thompson-Hill / Steve Gadd
	5	Items from Scrutiny Committees	To consider any issues raised by Scrutiny for Cabinet's attention	Tbc	Scrutiny Coordinator
<b>21 Jan 2020</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 the Council	Tbc	Councillor Julian Thompson-Hill / Steve Gadd
	3	Items from Scrutiny Committees	To consider any issues raised by Scrutiny for Cabinet's attention	Tbc	Scrutiny Coordinator



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Meeting	Item (description / title)		Purpose of report	Cabinet Decision required (yes/no)	Author – Lead member and contact officer
<b>18 Feb 2020</b>	1	Finance Report	To update Cabinet on the current financial position of the Council	Tbc	Councillor Julian Thompson-Hill / Steve Gadd
	2	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>October</i>	<b><i>8 October</i></b>	<i>November</i>	<b><i>5 November</i></b>	<i>December</i>	<b><i>3 December</i></b>

Updated 08/10/19 - KEJ

Cabinet Forward Work Programme.doc

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