

To: Members of the Cabinet

Date: 12 February 2020

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Dear Councillor

You are invited to attend a meeting of the **CABINET** to be held at **10.00 am** on **TUESDAY, 18 FEBRUARY 2020** 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 7 - 16)

To receive the minutes of the Cabinet meeting held on 21 January 2020 (copy enclosed).

5 PROCUREMENT OF CARE AND SUPPORT IN EXTRA CARE HOUSING SCHEME FOR OLDER PEOPLE AND COMPLEX DISABILITY (Pages 17 - 30)

To consider a report by Councillor Bobby Feeley, Lead Member for Well-being and Independence (copy enclosed) seeking Cabinet approval to undertake the procurement process for the tendering of care and support for the Extra Care Housing Scheme, Awel y Dyffryn, Denbigh.

6 FINANCE SYSTEM PROCUREMENT (Pages 31 - 44)

To consider a report by Councillor Julian Thompson-Hill, Lead Member for Finance, Performance and Strategic Assets (copy enclosed) seeking Cabinet approval to commence a procurement process for a core financial system for the Council.

7 RECOMMENDATIONS OF THE STRATEGIC INVESTMENT GROUP (Pages 45 - 52)

To consider a report by Councillor Julian Thompson-Hill, Lead Member for Finance, Performance and Strategic Assets (copy enclosed) seeking Cabinet's support of projects identified for inclusion in the 2020/21 Capital Plan.

8 FINANCE REPORT (Pages 53 - 90)

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.

9 CABINET FORWARD WORK PROGRAMME (Pages 91 - 94)

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 items 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.

10 APPROVAL FOR THE NORTH WALES SUPPORTED LIVING AGREEMENT (Pages 95 - 136)

To consider a confidential report by Councillor Bobby Feeley, Lead Member for Well-being and Independence (copy enclosed) seeking Cabinet approval for the acceptance and rejection of tenders in relation to the procurement exercise for the North Wales Supported Living (Framework) Agreement.

11 SUB-REGIONAL CONTRACT (DCC/CCBC) - SHARED LIVES SERVICES
(Pages 137 - 166)

To consider a confidential report by Councillor Bobby Feeley, Lead Member for Well-being and Independence (copy enclosed) seeking Cabinet approval to award the contract for the provision of Shared Lives Services following a tender exercise.

MEMBERSHIP

Councillors

Hugh Evans
Bobby Feeley
Huw Hilditch-Roberts
Richard Mainon

Tony Thomas
Julian Thompson-Hill
Brian Jones
Mark Young

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LOCAL GOVERNMENT ACT 2000

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, 21 January 2020 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: Alan James, Glenn Swingler, Rhys Thomas, Graham Timms, Huw Williams and Emrys Wynne

ALSO PRESENT

Chief Executive (JG); Corporate Director Communities (NS); Heads of Service: Legal, HR and Democratic Services (GW), Finance and Property (SG), Highways, Facilities and Environmental Services (TW), Communities and Customers (LG), Planning and Public Protection (EJ); Highways, Assets and Risk Manager (TT); Service Manager – Client Services (KN); Economic and Business Development Officer (NC); Lead Officer – Community Housing (GD) and Committee Administrator (KEJ)

1 APOLOGIES

There were no apologies.

2 DECLARATION OF INTERESTS

Councillor Graham Timms declared a personal interest in Agenda Item 7 – Llangollen Business Improvement District because he was Chair of Llangollen 2020

Councillors Bobby Feeley and Huw Hilditch-Roberts declared a personal interest in the element relating to SC2 in Agenda Item 10 – Finance Report because they were Directors of Denbighshire Leisure Limited

3 URGENT MATTERS

No urgent matters had been raised.

4 MINUTES

The minutes of the Cabinet meeting held on 17 December 2019 were submitted.

Accuracy – Page 12, Item 6 Proposal to amend terms of reference for the Strategic Planning Group – it was agreed to remove ‘–’ from the end of the final line before the resolution to read “it was subsequently **RESOLVED** that...”

RESOLVED that, subject to the above, the minutes of the meeting held on 17 December 2019 be received and confirmed as a correct record.

5 HIGHWAYS CODE OF PRACTICE

Councillor Brian Jones presented the report and new Highways Code of Practice (CoP) for formal ratification.

Some background was provided in terms of the legislative responsibilities placed on highway authorities to maintain the adopted highway network together with the proposed criteria to be used to maintain the highway network safely and to ensure third party insurance claims could be defended robustly. To this end, and to enable a consistent approach across Wales, a joint CoP document had been produced by Welsh highway authorities. Officers reported upon the technical aspects of the document and highlighted the main changes to the current regime in terms of inspection and maintenance together with the reasoning behind those changes and to ensure uniformity across the county. Whilst the joint document set down the minimum requirements across Welsh local authorities, Denbighshire had exceeded those requirements in particular elements of the regime. It was noted that officers regularly attended Member Area Groups to discuss highway matters, including the wider highway strategy, and that engagement would continue.

Cabinet took the opportunity to discuss the new CoP with the Lead Member and officers who responded to questions and comments as follows –

- the definition of a pothole had been clearly defined in the new document in terms of its dimensions in accordance with the industry standard and any reduction in that size would impact on resources
- elaborated upon the definitions of defect categories for critical and safety defects and noted the lack of reference between those two categories in the table on page 10 of the document which it was agreed could be better defined at that point, however defect types and intervention levels had been included elsewhere in the document
- explained that a new CoP had been produced in 2016 by the UK Roads Liaison Committee to ‘free up’ local authorities and give more budgetary flexibility but Welsh authorities’ highways officers had taken the view that there was safety in numbers when it came to potential litigation and consequently a uniform approach and joint document had been agreed setting out minimum standards
- acknowledged concerns regarding the effectiveness and practice of temporary pothole repair prior to permanent repair but explained that if a permanent repair could not be done within the timescale required to ensure safety then temporary repair work would be necessary. It was hoped that defining the size of the pothole in the CoP may help to free up some resource for that purpose and regular meetings were held between highways and street scene to review reactive maintenance and ensure the most efficient and effective approach was taken within the resources available. Officers confirmed they would be willing to

attend any member forum to discuss the approach taken to ensure members were well informed to respond to residents' questions thereon. It was agreed that it would be beneficial for officers to explain the approach, including the implications of the new CoP, at a Council Briefing session.

RESOLVED that Cabinet –

- (a) *accept the report and ratify the new Code of Practice so that it can be formally applied in Denbighshire, and*
- (b) *confirms it has read, understood and taken account of the Well-being Impact Assessment (Appendix A to the report) as part of its consideration.*

6 SYRIAN VULNERABLE PERSON RESETTLEMENT SCHEME

Councillor Bobby Feeley presented the report seeking Cabinet approval to continue to support the settlement of refugees in Denbighshire through the new scheme.

Cabinet was advised of progress with the Syrian Vulnerable Persons' Resettlement Scheme within Denbighshire which was being replaced with a new and wider Global Resettlement Scheme from April 2020 to welcome around 5000 more refugees into the UK from beyond the Middle East and Africa. Since April 2016 Denbighshire had successfully resettled 18 families and were on track to meet the target figure of 20 families by March 2020. Full details of the project's successes, areas for improvement and lessons learnt had been included within the report. The new scheme would be simpler to operate and aimed to provide greater consistency in the way refugees were resettled.

Cabinet supported the continuation of the scheme and were keen to ensure that the areas identified for improvement and any barriers to integration were addressed. Councillor Mark Young sought assurances regarding housing standards and property conditions plus access to health care. Officers explained that claims of damp and condensation had resulted from cultural lifestyle choices given the changes in climate with the heating on and windows closed and they were working to educate those families and where necessary extra extractors had been installed to help address those issues. It was also explained that much work was being carried out both nationally and locally to ensure better access to dental and health care services for families and it remained a priority issue to look at options and ways of overcoming those barriers. In response to further questions and assurances officers confirmed that the intention for families to take on full responsibility for tenancies after twelve months had been ambitious however ensuring those families had access to computer systems and understanding how to manage rent accounts had helped to smooth the process together with better sharing of information and ensuring families were aware of their responsibilities and expectations. The areas for improvement had been highlighted as such and would be the focus for resources in the future.

Councillor Graham Timms reported upon the positive benefit of two families accommodated in Llangollen which had resulted in a better understanding of the plight of refugees. In terms of the language barrier officers confirmed steps taken in

that regard with the introduction of digital solutions and use of online apps but it was acknowledged that more could be done and the Home Office and Welsh Migration Partnership were also working to address the issue. The importance of families accessing employment and training was also acknowledged and much work had been undertaken in that regard and to safeguard against exploitation.

RESOLVED that Cabinet –

- (a) *confirms it has read, understood and taken account of the Well-being Impact Assessment (Appendix 1 to the report) as part of its consideration, and*
- (b) *agrees to continue to support the settlement of refugees in Denbighshire through the Global Resettlement Scheme dependent upon the terms and financing of such a scheme once published by the Home Office.*

7 LLANGOLLEN BUSINESS IMPROVEMENT DISTRICT (BID)

Councillor Hugh Evans presented the report on the development of the Llangollen Business Improvement District (BID) and sought support for its establishment.

BIDs gave local business the power to get together, decide what improvements they wanted to make within a specific area, and to raise funds to deliver them. Some background was provided regarding work undertaken with the local business community to determine the feasibility of a Llangollen 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 would be spent. The proviso was that activities must be in addition to services provided by local authorities. It was recommended that Cabinet support the establishment of the BID by voting ‘Yes’ in the BID ballot for each of the Council’s eligible rateable properties in the BID area.

In advocating the recommendations Councillor Evans submitted that Llangollen had always been an ambitious and busy town and if the BID was established it would help businesses invest in their priorities and future sustainability. Councillor Tony Thomas added his support believing the businesses in Llangollen to be very receptive to establishing a BID which he considered would greatly benefit the town.

Councillor Graham Timms advised that both he and fellow local member Councillor Melvyn Mile were keen supporters of establishing a BID but raised questions regarding (1) the report reference to schools being exempt from the levy given that they were located outside the BID area, (2) the impact of the Council exercising its vote on behalf of Llangollen Pavilion given its subsequent transfer to Denbighshire Leisure Limited, and (3) queried the number of voters, council sites and total rateable value of those council sites in the BID area. In response officers –

- confirmed that the BID levy was only payable for premises within the defined BID area but noted the reference to schools being exempt from paying the levy in the report – further clarity on the position of the two schools would be sought

- referred to the position in respect of the ballot which would close on 19 March 2020 and explained that those businesses entitled to vote would be those eligible to vote at that time – any business could change ownership at any point but the ballot had to be held and closed at a particular time and the levy would apply irrespective of the change of ownership. Councillor Tony Thomas added that, notwithstanding the transfer of Llangollen Pavilion to the Alternative Delivery Model, the BID levy for the Pavilion would remain payable
- advised there were approximately 200 businesses eligible to vote in the ballot which included approximately 10 council properties – the figures around the total rateable value had not been included in the report.

In response to a final question from Councillor Mark Young officers confirmed that most of the Economic Development Team's time and resource on the project had been undertaken in the initial feasibility work and development of the proposal – moving forward from this stage did not require a significant resource.

The Leader asked Cabinet to vote on each of the recommendations individually.

RESOLVED that Cabinet –

- 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;*
- 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;*
- 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*
- 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.*

8 HOUSING RENT SETTING & HOUSING REVENUE AND CAPITAL BUDGETS 2020/21

Councillor Julian Thompson-Hill presented the report seeking Cabinet approval for the Denbighshire Housing annual rent increase, the Housing Revenue Account Capital and Revenue Budgets for 2020/21 and Housing Stock Business Plan.

Councillor Thompson-Hill guided members through the budget figures and income level assumptions taking into account the purchase of 7 former council homes and 3 private sector homes and the programme of 170 additional homes. In terms of the annual rent increase the Welsh Government had recently announced a five year rent policy for social housing rents and the setting of rents had been calculated taking that policy into account and mechanism for uplifting rents. The uplift for

2020/21 was 2.7% and would leave 44% of homes at target rent levels resulting in an average weekly rent of £92.35 which was at the lower end of the target rent level. There was no proposal to use the discretionary charge of up to £2.00 for properties below the target rent. Reference was also made to the disaggregated service charges which would average out at £2.27 per week.

The Lead Officer – Community Housing highlighted the merits of a five year rent policy to better enable future budget planning. As part of the new policy the Council was required to ensure that any rent increase considered affordability for tenants and also assessments of cost effectiveness which would be presented in future reports to members. Other future considerations included an expected announcement on the decarbonisation of council housing stock and the expectation for social landlords not to evict tenants into homelessness.

During consideration of the report the following issues were discussed –

- the provision for bad debt had increased but it catered for the worst case scenario and collection rates remained high and rent arrears low. Given that there were weekly tenancies there was an issue with cash flow for those on Universal Credit which was paid monthly but work was being undertaken to identify any potential difficulties at an early stage with support provided to tenants. The potential increase in bad debts also recognised the commitment to increase housing stock and annual rent increases in line with the rent policy
- it was noted that garages were not dealt with in the report because they were not subject to the rent policy and the Head of Communities and Customers had agreed to increase garage rents by 2.7% in line with housing rents. Officers reported upon the review of garage sites with only one site in Ruthin being suitable for housing as an alternative use. The intention was to consider garage sites as part of the strategic review of housing stock taking into account the climate change crisis and environmental impacts to ensure future sustainability
- the overall positive impact on the Welsh language identified in the Wellbeing Impact Assessment had been noted but Councillor Emrys Wynne queried the ambiguity of the term ‘rural areas’ in the document and felt it was an unnecessary differentiation given the number of Welsh speakers across the whole county. Officers elaborated upon the local lettings policy which gave priority in rural areas to people from the community to help with protecting the future use of the Welsh language in communities and advised that the policy was very specific which areas of the county that related to, confirming that it was the very small villages where Welsh language was one of the considerations. It was accepted that Welsh was spoken across the whole county.

RESOLVED that –

- (a) the Housing Revenue Account Budget for 2020/21 (Appendix 1 to the report) and the Housing Stock Business Plan (Appendix 2 to the report) be adopted, and*
- (b) rents for Council dwellings be increased in accordance with the Welsh Government Policy for Social Housing Rents to an average weekly rent of £92.35 with effect from Monday 6 April 2020.*

At this juncture (11.10 a.m.) the meeting adjourned for a refreshment break.

9 BUDGET 2020/21 - FINAL PROPOSALS

Councillor Julian Thompson-Hill presented the report setting out the implications of the draft Local Government Settlement 2020/21 and proposals to finalise the budget for 2020/21, including the level of Council Tax.

Councillor Thompson-Hill provided an overview of the budget process and latest budget position and elaborated upon the proposals for consideration and recommendation to full Council in order to set the budget for 2020/21. The draft settlement had resulted in a positive settlement of +4.3% with the final settlement expected on 25 February 2020. Pressures amounting to £12.418m had been detailed which, together with £2m unidentified savings from 2019/21, resulted in a total shortfall of £14.418m. The +4.3% settlement generated £6.219m leaving a funding gap of £8.199m with proposals to bridge that gap identified within the report and further explained at the meeting. A 4.3% rise in Council Tax had been proposed which would generate £2.298m additional revenue. Due to the lateness of the final settlement it was recommended that authority be delegated to enable cash adjustments included in the budget proposals of up to £500k. The proposals presented a balanced budget with little impact on residents.

The Leader acknowledged the robust budget process and further complexities given the late timing of the draft settlement. He was pleased that Welsh Government had reacted favourably to intense lobbying on the pressures faced by local government and hoped positive settlements would continue and a three year settlement would be provided. He also supported the report recommendations.

Main areas of debate focused on the following –

- Councillor Mark Young referenced proposals announced by the UK Government regarding additional funding for the NHS and the impact for Wales. It was explained that as the NHS was a devolved function any proposals announced by the UK Government would have a Barnett formula consequential for Wales and it would be up to Welsh Government to decide how to allocate that funding. Their viewpoint to date had been to prioritise funding for the NHS followed by local government. However there were areas of overlap which would be subject to future discussions with the Health Board at the appropriate time
- Councillor Graham Timms referred to various elements of the budget process and questioned the merits of using the extra funding from the better than expected settlement to reduce the rise in Council Tax from 4.8% to 4.3% rather than directly on the provision of services for residents. Councillor Thompson-Hill confirmed that outside of the Revenue Support Grant there were a number of specific grants announced at different times which had an impact on the budget. Prior to notification of the draft settlement a Council Tax increase of 4.8% had been considered a necessity to ensure a balanced budget. The increase in funding enabled a number of measures to be proposed which included reducing the impact on schools by £700k; addressing identified unfunded pressures; reducing the amount of cash to underpin the budget, and making a small

reduction to the proposed increase in Council Tax. Given the burden on residents it was considered appropriate not to charge more Council Tax than absolutely necessary. The changes proposed would not negatively impact on residents and was considered a sensible and reasonable package of measures to address the better than anticipated settlement. The Leader added that there were residents struggling to pay Council Tax across the county and the aim was to deliver a balanced budget to support services but also take into account the effect on residents and he could defend the Council's position from any challenge in that regard

- Councillor Bobby Feeley referred to the large proportion of funding Welsh Government allocated to the NHS and was disappointed that long standing discussions on bringing health and social care closer together had not materialised in terms of finance, particularly given that additional funding allocated for social care would also result in a positive impact on the NHS
- Councillor Emrys Wynne raised some concern regarding the reference to non-filling of vacant posts as part of service efficiency savings and the impact in terms of response times and workforce pressures. The impact on resiliency and capacity within teams was noted and the Leader reported that each Cabinet Member worked with the Head of Service for their portfolio areas on service budgets and were fully aware of the impact of the savings put forward in the provision and delivery of services. The Chief Executive added that given ten years of austerity it was no longer possible to make service efficiencies with no impact and the Council needed to work within its resources – much work had been carried out in terms of structure, technology and up skilling of staff to ensure the best possible output to deliver services and officers worked hard in that regard. The Senior Leadership Team also worked with Cabinet members on how best to make savings without impacting on service delivery for residents.

RESOLVED that Cabinet –

- (a) *notes the impact of the Draft Local Government Settlement 2020/21;*
- (b) *supports the proposals outlined in Appendix 1 to the report, and detailed in Section 4 of the report, and recommends them to the full Council in order to finalise the budget for 2020/21;*
- (c) *recommends to Council the average Council Tax rise of 4.3% proposed;*
- (d) *recommends to Council that authority is delegated to the Head of Finance and Property in consultation with the Lead Member for Finance to adjust the use of cash included in the budget proposals by up to £500k if there is movement between the draft and final settlement figures in order to allow the setting of Council Tax in a timely manner, and*
- (e) *confirms that it has read, understood and taken account of the Well-being Impact Assessments submitted as part of the report.*

10 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 £2.109m was forecast for service and corporate budgets
- highlighted current risks and assumptions relating to individual service areas
- detailed required savings and efficiencies of £5.672m with an approved allocation of £616k from the Savings Achievement Contingency to offset known non-achievement savings (approximately 11% of the total savings identified)
- provided a general update on the Capital Plan, Housing Revenue Account and Housing Capital Plan.

With regard to the previously approved allocation of £616k from the Savings Achievement Contingency it was recommended that £440k be made a permanent base budget adjustment in order to ensure that SC2 was funded appropriately going forward. Cabinet was also asked to approve proposals recommended by the Strategic Investment Group relating to (1) Passivhaus homes at Lodge Farm, Denbigh, (2) Central Highways Depot, and (3) Botanical Gardens Accommodation. Councillor Brian Jones referred to the situation with the legacy tip sites and the need for a purpose built facility for highways waste and he fully supported that proposal together with replacement accommodation at Botanical Gardens, Rhyl given the very poor standard of the current accommodation.

RESOLVED that Cabinet –

- note the budgets set for 2019/20 and progress against the agreed budget strategy;*
- approve the HRA proposal to build Passivhaus homes at Lodge Farm, Denbigh (as detailed in Appendices 6, 7 and 8 to the report);*
- approve the proposal to construct a new centre for recycling waste materials, and that £63k is set aside in the Medium Term Financial Plan to pay for the annual prudential borrowing costs (as detailed in Appendices 6 and 9 to the report);*
- approve the proposal to replace the substandard and environmentally inefficient accommodation at Botanical Gardens, Rhyl and that £39k is set aside in the Medium Term Financial Plan to pay for the annual Prudential Borrowing Costs (as detailed in Appendices 6 and 10 to the report), and*
- approve to replace £440k of the £616k cash allocation with base budget to help ensure the sustainability of the SC2 provision going forward (as detailed in Section 4 to the report).*

11 CABINET FORWARD WORK PROGRAMME

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

- Work Opportunity and Day Activity Services Review – March
- North Wales Growth Bid Governance Agreement 2 – deferred to April

RESOLVED that Cabinet's forward work programme be noted.

The meeting concluded at 12.25 hrs.

Report to	Cabinet
Date of meeting	February 2020
Lead Member / Officer	Councillor Bobby Feely / Phil Gilroy – Head of Service
Report author	Emily Jones-Davies
Title	Procurement of care and support in Extra Care Housing Scheme for Older People and Complex Disability

1. What is the report about?

- 1.1 This report provides Cabinet with information regarding the procurement arrangements for the tendering of care and support for the Extra Care Housing Scheme, Awel Y Dyffryn, Denbigh.

2. What is the reason for making this report?

- 2.1 To seek authorisation to undertake two tender exercises for the procurement of care and support services to 66 Older People Units and 8 Complex Disability units situated within Awel Y Dyffryn. as required by the Council's Financial Guidelines (Contract Procedure Rules).

3. What are the Recommendations?

- 3.1. That Cabinet gives their approval to undertake the procurement process. The outcome of each tender will be brought back to Cabinet for final approval.

4. Report details

- 4.1 Denbighshire County Council in partnership with Grwp Cynefin Housing Group have developed Awel y Dyffryn Extra Care Housing Scheme in Denbigh, which will be the 4th Extra Care Housing Scheme within Denbighshire.

- 4.2 The site comprises of 66 units of Extra care housing, and a separate block of 8 units for complex disabilities. It is anticipated that the scheme will be ready for the 1st September 2020.
- 4.3 The care provision shall be provided 24 hours a day, 365 days a year and be provided in line with the Denbighshire Regional Domiciliary Contract, CIW registration requirements and any other relative governing requirements.
- 4.4 Denbighshire is undertaking two tenders through the respective Frameworks in order to appoint a provider or two different providers subject to the tenders, to deliver the services described above.
- 4.5 It will be necessary to run two separate tenders for the two elements of support and this may result in two support providers on the site. In this instance, one Provider will provide care and support to the 66 units (people with an assessed need, who are over 60). The other will provide a specialist care and support service to the 8 complex disability units.
- 4.6 The Older People care provider will be appointed by May/June 2020, to allow for a three-month transition period where they will, jointly with Grwp Cynefin, carry out assessments of need on those people who have met the eligibility criteria, and make recommendations to the allocation panel in anticipation of a phased accommodation move.
- 4.7 The Complex Disability provider will be appointed by July/August 2020. There is no transition period required. The Complex Disability Team will have already identified appropriate people to move in to the scheme.

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

- 5.1 The provision of supported living services for individuals with learning disabilities and for Older People, supports the current corporate priority that vulnerable people are protected and are able to live as independently as possible. It will also support people and communities to build independence and resilience.

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

- 6.1. The Older People Tender is estimated to be a total cost of £350,000 per annum. The contract will be for 1 year with an option to extend for 9 years, making the total cost for the contract £3,500,000.
- 6.2 The Complex Disability tender is estimated to a total cost of £200,000 per annum. The contract will be for 1 year with an option to extend for 9 years, making the total cost for the contract £2,000,000.

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

- 7.1. The completed Well-being Impact Assessment is attached as an appendix to this report. The assessment was undertaken at the start of the commissioning process, and carried out by the Commissioning Officers for Older People and Complex Disability services.
- 7.2. The work of the tender and the appointment of the successful care provider to the scheme will follow all DCC policies and procedures.
- 7.3. There is little that can be done to change the age group of the applicants and individuals who will be supported in the ECH due to the funding specifications and so one protected characteristic is challenged. However, this has identified gaps in housing for particular age gaps that the registered social landlord sees as a future opportunity for further housing developments.

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

- 8.1 Consultation has been undertaken with DCC staff, Providers, representatives from Legal and Procurement Departments, colleagues from BCHUB, Citizens and their representatives/advocates. Councillor Bobby Feely has been involved throughout the process.
- 8.2 As part of the procurement process, individuals who use the services will be involved in decisions about suitable providers.

9. Chief Finance Officer Statement

9.1 The procurement is obviously required to ensure that the provision of supported living services for individuals with learning disabilities and for Older People can be delivered. It is expected that the costs will be contained within budget in this area, although the service as a whole is dealing with a number of pressures.

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

10.1 The Authority would be in a vulnerable position if it were to procure services from a Provider without a contract in place.

10.2 Should a suitable provider not be appointed for either contract, this will result in massive delay to the completion of the scheme, which will include cost implications.

11. Power to make the decision

11.1. Community Living Schemes are supported by the County under the Social Services and Well-being (Wales), Act 2014.

11.2. Denbighshire County Council's Financial Regulations and Contract Procedure Rules.

tendered domiciliary service

Well-being Impact Assessment Report

This report summarises the likely impact of the proposal on the social, economic, environmental and cultural well-being of Denbighshire, Wales and the world.

Assessment Number:	682
Brief description:	Tendering out a service that will provide care and support staff to deliver domiciliary and /or responsive support services to the citizens who will live on the Awel y Dyffryn site.
Date Completed:	19/09/2019 15:22:32 Version: 2
Completed by:	Geraldine Adams
Responsible Service:	Community Support Services
Localities affected by the proposal:	Denbigh,
Who will be affected by the proposal?	Providers who are unable to meet the necessary tendering processes. Citizens with existing domiciliary providers who may now require to change providers.
Was this impact assessment completed as a group?	Yes

IMPACT ASSESSMENT SUMMARY AND CONCLUSION

Before we look in detail at the contribution and impact of the proposal, it is important to consider how the proposal is applying the sustainable development principle. This means that we must act "in a manner which seeks to ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs."

Score for the sustainability of the approach

★ ★ ★ ★ (3 out of 4 stars) Actual score : 29 / 30.

Implications of the score

Denbighshire's contract and commissioning team members along with service manager has met and discussed this proposal in depth. A joint panel will consist of both partner personnel along with a citizen who lives within an existing extra care scheme within Denbighshire's portfolio of extra Care Housing. for adults with learning disabilities this will provide a sustainable housing option which is affordable to the Council in the long term - it will save on the cost of Care Home fees.

Summary of impact

Well-being Goals

A prosperous Denbighshire	Positive
A resilient Denbighshire	Positive
A healthier Denbighshire	Positive
A more equal Denbighshire	Positive
A Denbighshire of cohesive communities	Positive
A Denbighshire of vibrant culture and thriving Welsh language	Positive
A globally responsible Denbighshire	Positive



Main conclusions

The work of the tender and the appointment of the successful care provider to the scheme will follow all DCC policies and procedures.

There is little that can be done to change the age group of the applicants and individuals who will be supported in the ECH due to the funding specifications and so one protected characteristic is challenged. However this has identified gaps in housing for particular age gaps that the registered social landlord sees as an future opportunity for further housing developments.

Evidence to support the Well-being Impact Assessment

- We have consulted published research or guides that inform us about the likely impact of the proposal
- We have involved an expert / consulted a group who represent those who may affected by the proposal
- We have engaged with people who will be affected by the proposal

THE LIKELY IMPACT ON DENBIGHSHIRE, WALES AND THE WORLD

A prosperous Denbighshire

Overall Impact	Positive
Justification for impact	A local recruitment drive and a commitment to support the unemployed people of Denbigh and its surrounding villages will be a point for consideration for the successful applicant of this tender
Further actions required	To have care and support staff complete full time hours we know ourselves increases the psychological and emotional pressures on the care staff and performance can and will be affected.

Positive impacts identified:

A low carbon society	Any new provider will be required to follow both Denbighshire and Grwp Cynefin carbon emission policy and adapt their way of working in order to lessen any likely impact by the work they do.
Quality communications, infrastructure and transport	The scheme is built with the latest digitized communication tools for all tenants and workers at the scheme. The original building plans took on board the need for transport links whilst the development stage met all necessary communications/infrastructure requirements that those living and working within the scheme would need.
Economic development	The successful provider will be able to grow with the service contract and will need to recruit from the local area for skilled staff. There will be more paid workers in and around Denbigh town centre which will help with the economic well-being of the local community
Quality skills for the long term	Domiciliary providers need to keep their staff well trained in order to meet Social Care Wales registration therefore providing a knowledgeable and skilled workforce. The service specifications include requirements around training and skills for staff
Quality jobs for the long term	The service will be an integral part of the scheme and cannot function as a scheme with out this staff team. This project will create new jobs in the social care sector - as above the service specifications include requirements around a skilled and trained workforce
Childcare	Domiciliary providers employ part time workers therefore allowing a combination of stay at home and purchased childcare by staff who require this service.

Negative impacts identified:

A low carbon society	N/A
Quality communications, infrastructure and transport	NA
Economic development	NA
Quality skills for the long term	NA

Quality jobs for the long term	The successful provider will recruit to short/part time hours due to the nature of the work involved which may not be financially viable to some seeking employment opportunities.
Childcare	childcare facilities may be called upon more with the recruitment of part time carers.

A resilient Denbighshire

Overall Impact	Positive
Justification for impact	Measures have already been built into the physical building where the care provider will be placed and will be expected to support and further enhance those measures.
Further actions required	by ensuring the successful provider follows landlords processes and polices in relation to this

Positive impacts identified:

Biodiversity and the natural environment	N/A
Biodiversity in the built environment	the new extra care scheme where they provider will be based has conformed and completed all necessary steps in relation to this.
Reducing waste, reusing and recycling	Full recycling suite built into the scheme. Provider will be encourage to be paperless where ever possible.
Reduced energy/fuel consumption	the scheme includes energy efficiency measures in line with all new builds
People's awareness of the environment and biodiversity	All who work for the successful care provider will be made aware of the biodiversity measures taken within and around the scheme and will be expected to maintain and support these measures for the entirety of the contract.
Flood risk management	N/A

Negative impacts identified:

Biodiversity and the natural environment	
Biodiversity in the built environment	
Reducing waste, reusing and recycling	
Reduced energy/fuel consumption	
People's awareness of the environment and biodiversity	
Flood risk management	

A healthier Denbighshire

Overall Impact	Positive
Justification for impact	The whole ethos of ECH promotes wellbeing for individuals and ensures access to the local community including all leisure services Inter-community links will be a main stay of the landlord and the providers to maximise community links and intergenerational work.
Further actions required	There are minimal negatives in relation to this

Positive impacts identified:

A social and physical environment that encourage and support health and well-being	The successful provider will be required to ensure the support delivered will be inline with DCC/CSS reablement and supporting individuals to live independently ways of working. the service specifications promote independence and resilience and the inclusion of telecare will encourage people to be less reliant on statutory care
Access to good quality, healthy food	the scheme provides well balanced meals that form part of the services within the site.
People's emotional and mental well-being	will be support by the successful providers trained and knowledgeable staff.
Access to healthcare	Full access to existing primary health service as likely most citizens to be from the surrounding area.
Participation in leisure opportunities	Extra Care schemes associate themselves as being able to support such access and participation to leisure opportunities by integrating them within the building themselves or by being situated within easy distance of such facilities. Service specifications include a focus on community participation including access to local leisure facilities

Negative impacts identified:

A social and physical environment that encourage and support health and well-being	
Access to good quality, healthy food	
People's emotional and mental well-being	
Access to healthcare	
Participation in leisure opportunities	

A more equal Denbighshire

Overall Impact	Positive
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Justification for impact	Any successful provider will be questioned at interview stage and they are required to evidence their commitment to anti-discriminative practices including sight of those documents.
Further actions required	Contract monitoring can capture this as a performance measure.

Positive impacts identified:

Improving the well-being of people with protected characteristics. The nine protected characteristics are: age; disability; gender reassignment; marriage or civil partnership; pregnancy and maternity; race; religion or belief; sex; and sexual orientation	.
People who suffer discrimination or disadvantage	Any successful provider will need to show evidence that they are and do not discriminate within their own recruitment processes and within the way in which people are supported.
Areas with poor economic, health or educational outcomes	Local recruitment opportunities for carers within the immediate and surrounding area of the scheme will provide some economic improvement.
People in poverty	People in poverty will not be disadvantaged by any recruitment process and this will be requested to be evidence within the tender exercise/interview stage and the successful providers equal opportunities policy. evaluation of the tenders will include an analysis of paygrades and structures

Negative impacts identified:

Improving the well-being of people with protected characteristics. The nine protected characteristics are: age; disability; gender reassignment; marriage or civil partnership; pregnancy and maternity; race; religion or belief; sex; and sexual orientation	
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People who suffer discrimination or disadvantage	
Areas with poor economic, health or educational outcomes	
People in poverty	

A Denbighshire of cohesive communities

Overall Impact	Positive
Justification for impact	The successful provider will be included and become part of the new community hub that is Awel y Dyffryn
Further actions required	The interview process will ensure that the successful provider is aware of how things can go wrong and groups can become exclusive within schemes to the detriment of other tenants.

Positive impacts identified:

Safe communities and individuals	successful provider will have a duty to maximise tenants and their colleagues safety whilst working in and around the scheme adhering to local policy/procedures.
Community participation and resilience	training and knowledge based practices will be shared on site with the successful provider and its team of support staff. Community participation has been included in the service specification
The attractiveness of the area	N/A
Connected communities	telecare is an essential part of the support service. tenants will be supported to be digitally included
Rural resilience	the service specification requires the provider to have an understanding and an awareness of the demographics of Denbigh, including the rural issues

Negative impacts identified:

Safe communities and individuals	
Community participation and resilience	
The attractiveness of the area	
Connected communities	
Rural resilience	

A Denbighshire of vibrant culture and thriving Welsh language

Overall Impact	Positive
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Justification for impact	Registered landlord is Grwp Cynefin are first language Welsh, following work within an existing scheme that we partnered with them on this topic is a key priority for them and is maximised where ever the opportunity arises.
Further actions required	The successful provider will be informed how they are expected to follow Denbighshire's lead on welsh language and further support this via support packages that require them to support individuals to access cultural and heritage sites.

Positive impacts identified:

People using Welsh	Part of the service specification that any successful provider of the service will need will be to be able to meet the needs of welsh first language citizens within the scheme, recognising also that local recruitment drive may grow a support team of welsh first language personnel.
Promoting the Welsh language	The partnership with Grwp Cynefin will see welsh communications offered as a first choice to both tenants and personnel working from the scheme.
Culture and heritage	included as part of the service specification

Negative impacts identified:

People using Welsh	
Promoting the Welsh language	
Culture and heritage	

A globally responsible Denbighshire

Overall Impact	Positive
Justification for impact	This has been addressed in other parts of the completion of this project as a whole and looks set to be further echoed through the partnership work with Grwp Cynefin
Further actions required	There is an option to look at in-house staff meeting the contract details which will have less of an impact on local providers by offering work opportunities between existing staff teams with Community Support Services

Positive impacts identified:

Local, national, international supply chains	There is an emphasis that the successful provider will be local and have local connections to Denbigh and the surrounding villages to enhance the experience of tenants they support, building new and on top of existing relationships. This will provide a further employment opportunity for the citizens of Denbigh and the surrounding area.
Human rights	Within the tender process any successful provider will need o ensure they follow processes and have a clear work ethic for equal opportunities/health and safety. staff pay and conditions will be monitored through out the life of this contract.
Broader service provision in the local area or the region	

Negative impacts identified:

Local, national, international supply chains	Lack of resources within the immediate area may mean that personnel come from further afield.
Human rights	
Broader service provision in the local area or the region	This project requires domiciliary and support staff for which there is a known local struggle to recruit to

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Report to	Cabinet
Date of meeting	18 February 2020
Lead Member / Officer	Julian Thompson Hill
Report author	Robert Brookes (Joint Project Manager - CCBC), Steve Gadd (Head of Finance and Property)
Title	Finance System Procurement

1. What is the report about?

- 1.1. This report is seeking authority to start a procurement process for a core financial system for the Council. It is a collaborative procurement with Conwy County Borough Council.

2. What is the reason for making this report?

- 2.1. The value of the total procurement is over £2,000,000 and Cabinet must approve the commencement of the procurement. A decision is required from Cabinet to commencement the procurement process.

3. What are the Recommendations?

- 3.1. That Cabinet confirms that it has read, understood and taken account of the Well-being Impact Assessment (Appendix 1) as part of its consideration.
- 3.2. That Cabinet approves the commencement of the procurement for a core financial system, as set out in this report.

4. Report details

- 4.1. The project is based on Conwy County Borough Council and Denbighshire County Council finance services collaborating in purchasing a core financial system. Both authorities have similar legacy systems and risks associated with staying with existing solutions, with both authorities being on unsupported version of the Masterpiece software suite leaving both at high risk. The intention is to set up a framework which will allow

either Council to have their own solution or a shared solution, either hosted by a supplier or hosted on site by one or more of the Councils. The framework will also allow Wrexham County Borough Council and Flintshire County Council to purchase their own core financial system if they wish to do so in the future. The framework is limited to these 4 councils. The estimated value of the framework is over £2,000,000. The framework can only be set up for 4 years but the contracts which are entered into under the framework can be longer than this. Therefore once the framework is established, the four councils must call off from it within 4 years.

- 4.2. A project governance structure is in place which involves senior and expert representation from Finance, Legal and Procurement and ICT.
- 4.3. A consultative group will be set up in due course to ensure that key stakeholders (i.e. services) are informed of project developments and involved as appropriate.
- 4.4. The Evaluation methodology and criteria being applied for this procurement includes a number of scored questions regarding sustainability including:
 - Provision of an environmental policy statement committing the organisation to a programme of improvement.
 - Evidence that the supplier identifies and reviews organisational environmental impacts.
 - Evidence that the supplier sets environmental objectives and targets against which performance is measured or audited.

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

- 5.1. The Council's Finance systems are business critical to allow the Council to operate all of its services. The project therefore contributes to all of the Council's corporate priorities.

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

- 6.1. It is anticipated that the lifetime project costs should not exceed the operational costs of the existing solutions and that the new solution will deliver any efficiencies required to ensure the project is cost neutral over time.
- 6.2. As the framework will be in place for at least 10 years, the combined spend will exceed £2 million.

- 6.3. A dedicated project manager is required for the duration of the project together with additional 'back fill' resources within the Finance Service to enable the relevant specialists to focus on project delivery. This is currently being funded through existing resources.
- 6.4. There will be a period of implementation and testing required, and for existing users to be trained on the new system. This will inevitably cause some disruption to the business, but this will be planned as part of the implementation plan and mitigated as far as possible. Go live of the system will be planned so that it occurs at the start of the financial year and not at a point further on in the financial year.
- 6.5. The estimated costs for Denbighshire will depend on the tenders that are submitted and also the chosen model for implementation. Market testing suggests that a viable system can be procured and implemented for a similar annual cost to the existing suite of legacy systems. The service has a reserve which it intends to use to fund the implementation costs. However any further resources that may be required will be the subject of a separate business case once the tender assessment process has been complete.

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

- 7.1. The Well-Being Assessment is attached at Appendix 1. The summary is:

Score for the sustainability of the approach: (3 out of 4 stars) actual score: 22 / 30.

Summary of impact: Well-being Goals:

A prosperous Denbighshire: Neutral

A resilient Denbighshire: Neutral

A healthier Denbighshire: Neutral

A more equal Denbighshire: Neutral

A Denbighshire of cohesive communities: Neutral

A Denbighshire of vibrant culture and thriving Welsh language: Neutral

A globally responsible Denbighshire: Positive

Main conclusions

The project is based on replacing an existing IT system through a collaborative procurement with CCBC. It is hoped that the project will develop into a shared service in the future, with other public sector partners.

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

8.1. No consultation with Scrutiny is required.

9. Chief Finance Officer Statement

9.1. The procurement of a new core financial system has been planned for a couple of years and it is welcome that we have finally managed to reach the procurement stage. As stated elsewhere it is hoped that both the implementation costs and the ongoing costs can be maintained within existing resources from a DCC perspective. Any change to this assumption will need a revised and full option appraisal and Business Case.

9.2. It is vital that any new system can continue to deliver the efficient and user-friendly service that the existing suite of software solutions provide in Denbighshire. The main benefit for DCC will be resilience and sustainability in the medium term, along with opportunities to work collaboratively and replace other systems (which will be dependent on separate evaluations at the appropriate time).

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

10.1. Legal challenge in relation to the procurement process – managed by the input of specialist legal advice in terms of the process and drawing up the required documentation.

10.2. Transition arrangements arising from change of supplier– a transition plan can be agreed between the incumbent supplier and the appointed supplier.

10.3. The cost of the system exceeds the resources available within the service - as stated above a business case will need to be prepared and presented for the final solution with all options, including upgrading existing systems, considered.

10.4. The suite of software currently used by Denbighshire has been tailored to become a highly efficient and effective solution. This has allowed the service to make staff efficiencies year on year. It is important that any solution can at least provide the service that the current systems offer – this requirement has been included in the tender specification.

11. Power to make the decision

11.1. Cabinet is required to authorise the commencement of this procurement procedure pursuant to section 2.7.2 iii of the Council's Contract Procedure Rules.

11.2. The Council also has power to issue the procurement and enter into contracts pursuant to 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 135 Local Government Act 1972 (power to make standing orders to govern entering into contracts), 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 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).

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Joint Finance System replacement Project

Well-being Impact Assessment Report

This report summarises the likely impact of the proposal on the social, economic, environmental and cultural well-being of Denbighshire, Wales and the world.

Assessment Number:	766
Brief description:	A proposal to jointly procure a new finance system with CCBC. Consider possibility of establishing share support service
Date Completed:	Version: 0
Completed by:	
Responsible Service:	Finance
Localities affected by the proposal:	Whole County,
Who will be affected by the proposal?	CCBC, DCC staff using finance system initially. Possibly Wrexham, Flintshire, Fire & Rescue, Denbighshire Leisure
Was this impact assessment completed as a group?	Yes

IMPACT ASSESSMENT SUMMARY AND CONCLUSION

Before we look in detail at the contribution and impact of the proposal, it is important to consider how the proposal is applying the sustainable development principle. This means that we must act "in a manner which seeks to ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs."

Score for the sustainability of the approach

★ ★ ★ ☆ (3 out of 4 stars) Actual score : 22 / 30.

Implications of the score

By ensuring that stakeholders are fully engaged as the project progresses and opportunities to collaborate are maximised

Summary of impact

Well-being Goals

A prosperous Denbighshire

A resilient Denbighshire

A healthier Denbighshire

A more equal Denbighshire

A Denbighshire of cohesive communities

A Denbighshire of vibrant culture and thriving Welsh language

A globally responsible Denbighshire

Neutral

Neutral

Neutral

Neutral

Neutral

Neutral

Positive



Main conclusions

The project is based on replacing an existing IT system through a collaborative procurement with CCBC. It is hoped that the project will develop into a shared service in the future, with other public sector partners.

Evidence to support the Well-being Impact Assessment

- We have consulted published research or guides that inform us about the likely impact of the proposal
- We have involved an expert / consulted a group who represent those who may be affected by the proposal
- We have engaged with people who will be affected by the proposal

THE LIKELY IMPACT ON DENBIGHSHIRE, WALES AND THE WORLD

A prosperous Denbighshire

Overall Impact	Neutral
Justification for impact	Benefits to the economy will be marginal
Further actions required	n/a

Positive impacts identified:

A low carbon society	Suppliers are required to demonstrate a positive approach to sustainability
Quality communications, infrastructure and transport	modern application may reduce the need for travel
Economic development	
Quality skills for the long term	Preserving business knowledge locally
Quality jobs for the long term	
Childcare	

Negative impacts identified:

A low carbon society	
Quality communications, infrastructure and transport	
Economic development	
Quality skills for the long term	
Quality jobs for the long term	
Childcare	

A resilient Denbighshire

Overall Impact	Neutral
Justification for impact	No significant impact on resilience

Further actions required	n/a
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Positive impacts identified:

Biodiversity and the natural environment	
Biodiversity in the built environment	
Reducing waste, reusing and recycling	Supplier must demonstrate a positive approach to sustainability
Reduced energy/fuel consumption	A new system has the potential to reduce for travel by staff
People's awareness of the environment and biodiversity	
Flood risk management	

Negative impacts identified:

Biodiversity and the natural environment	
Biodiversity in the built environment	
Reducing waste, reusing and recycling	
Reduced energy/fuel consumption	
People's awareness of the environment and biodiversity	
Flood risk management	

A healthier Denbighshire

Overall Impact	Neutral
Justification for impact	no specific impact
Further actions required	n/a

Positive impacts identified:

A social and physical environment that encourage and support health and well-being	
Access to good quality, healthy food	
People's emotional and mental well-being	
Access to healthcare	
Participation in leisure opportunities	

Negative impacts identified:

A social and physical environment that encourage and support health and well-being	
Access to good quality, healthy food	
People's emotional and mental well-being	
Access to healthcare	
Participation in leisure opportunities	

A more equal Denbighshire

Overall Impact	Neutral
Justification for impact	replacing existing solution - no anticipated impacts
Further actions required	

Positive impacts identified:

Improving the well-being of people with protected characteristics. The nine protected characteristics are: age; disability; gender reassignment; marriage or civil partnership; pregnancy and maternity; race; religion or belief; sex; and sexual orientation	
People who suffer discrimination or disadvantage	
Areas with poor economic, health or educational outcomes	
People in poverty	

Negative impacts identified:

Improving the well-being of people with protected characteristics. The nine protected characteristics are: age; disability; gender reassignment; marriage or civil partnership; pregnancy and maternity; race; religion or belief; sex; and sexual orientation	n/a
People who suffer discrimination or disadvantage	n/a
Areas with poor economic, health or educational outcomes	n/a
People in poverty	n/a

A Denbighshire of cohesive communities

Overall Impact	Neutral	Page 42
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Justification for impact	Neutral, but potentially positive through regional collaboration in the future
Further actions required	

Positive impacts identified:

Safe communities and individuals	
Community participation and resilience	
The attractiveness of the area	
Connected communities	Shared services could increase regional collaboration and connectivity.
Rural resilience	

Negative impacts identified:

Safe communities and individuals	
Community participation and resilience	
The attractiveness of the area	
Connected communities	
Rural resilience	

A Denbighshire of vibrant culture and thriving Welsh language

Overall Impact	Neutral
Justification for impact	The standard is expected in DCC and CCBC - so overall neutral
Further actions required	

Positive impacts identified:

People using Welsh	
Promoting the Welsh language	Specification includes requirement for public facing communications to be available in Welsh
Culture and heritage	

Negative impacts identified:

People using Welsh	
Promoting the Welsh language	
Culture and heritage	

A globally responsible Denbighshire

Overall Impact	Positive
Justification for impact	The project is a collaborative one by nature, and is a partnership with CCBC.
Further actions required	

Positive impacts identified:

Local, national, international supply chains	
Human rights	
Broader service provision in the local area or the region	Project is essentially collaborative, and could lead to greater sustainability of service provision

Negative impacts identified:

Local, national, international supply chains	
Human rights	
Broader service provision in the local area or the region	

Report to	Cabinet
Date of meeting	18 th February 2020
Lead Member / Officer	Julian Thompson-Hill
Report author	Steve Gadd, Head of Finance and Property
Title	Recommendations of the Strategic Investment Group

1. What is the report about?

Block Allocation capital bids received for inclusion in the 2020/21 Capital Plan.

2. What is the reason for making this report?

The Strategic Investment Group, which includes representatives from the three scrutiny committees, has met on a number of occasions to consider bids prepared by each service.

3. What are the Recommendations?

That Cabinet supports the projects shown in Appendix 1 for inclusion in the 2020/21 Capital Plan, and recommends accordingly to full Council.

4. Report details

4.1 The available funding for 2020/21 is shown below:

Source	Amount £000
General Capital Grant	3,004
Un-hypothecated Supported Borrowing	2,995
Prudential Borrowing – Highways	1,950
Capital Receipts	2,565
Unused contingency b/f	505
Total Funds Available 2020/21	11,019

- 4.2 The Capital Plan spends money on two types of project. Firstly there are one-off projects such as a new school; the second type is a 'block allocation'. These are on-going programmes of work that stretch over several years (and may never be complete) e.g. schools maintenance. Elements of this work may be paid for from repair and maintenance budgets but a significant part is funded through the Capital Plan.
- 4.3 Appendix 1 shows the projects listed with the recommended funding source for each highlighted in the appropriate column. For additional clarity, the following points should be noted:
- PB Highways Column - £1.750m. This is supported from the revenue budget as a corporate priority, as approved by Full Council on 28th January 2020. In addition, a proposed £200k application for Salix funding is included.
 - Council Funds column – these are funds such as general grants and capital receipts.
- 4.4 A narrative to support the recommendations of the Strategic Investment Group is included as Appendix 2.
- 4.5 The membership of the Strategic Investment Group is as follows:
- Cabinet Member – Deputy Leader and Lead Member for Finance, Performance and Strategic Assets (Chair)
 - Cabinet Member – Leader of the Council and Lead Member for the Economy and Corporate Governance
 - Cabinet Member – Lead Member for Developing Community Infrastructure
 - Representative from each Scrutiny Committee
 - Corporate Director – Economy and Public Realm
 - Head of Finance (S.151) and Property
 - Business Information Team Manager

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

Projects have been reviewed to ensure that they satisfy the Council's corporate objectives.

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

6.1 Cost Implications

The costs of the schemes are shown in Appendix 1. The Prudential Borrowing costs will be met through the 2020/21 revenue budget.

6.2 Staffing/ICT/Accommodation Implications

Each new project is required to complete a Project Business Case form and any specific implications are discussed at that stage.

6.3 Assessment of impact on Climate Change – Mitigation and Adaptation

New capital projects are subject to scrutiny by the Strategic Investment Group. Each business case will show, where relevant carbon tonne emission pre and post project, thus identifying whether the project is carbon emission positive, negative or neutral. In addition, it is necessary to ensure new capital projects are future proof and able to adapt to climate change.

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

A full Impact Assessment has been completed for each capital bid reviewed by the Strategic Investment Group. A copy of each individual Wellbeing Assessment is available in the members' library on the Modern.gov system.

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

Heads of Service approved the submission of the bids. Representatives of Cabinet and Scrutiny committees have been involved in the process.

This report has been shared with scrutiny committee chairs for comment.

9. Chief Finance Officer Statement

The Council must continue to invest appropriately in its assets. Not to do so can incur more significant costs in the long term. With the continuing reduction in the real value of Welsh Government supported borrowing, the Council must rely on its own resources more and more.

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

- 10.1 Possible risks would include schemes not progressing, loss of grant and disruptions to services. The condition of assets would continue to deteriorate if investment is not made, and this may lead to the loss of important services.
- 10.2 No capital project is without risk. However all schemes are reviewed by the Strategic Investment Group and also subject to on-going monthly monitoring and reporting.

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.

2020/21 Capital Bids - Proposed Block Allocations

APPENDIX 1

Ref	Project Name	Head of Service	Total Project Cost £000	Capital Plan Requirement 2020/21 £000	P B Highways £000	Council Funds £000	TOTAL 2020/21 £000	Brief Description
E01	Minor Adaptations; Community Equipment, Telecare	Phil Gilroy	240	240		240	240	Minor Adaptations and Equipment
E02	Private Sector Housing Assistance	Emlyn Jones	1,200	1,200		1,200	1,200	Housing Improvement Works to Private Sector Dwellings
E03	Schools Capital Maintenance Works	Steve Gadd	9,047	9,047		3,651	3,651	Works to a range of work streams in schools.
E04	Non School Public Buildings Capital Maintenance Works	Steve Gadd	5,697	5,697		1,541	1,541	Works to a range of work streams for Public Buildings
E05/E06/E07	Highways works	Tony Ward	3,663	3,663	1,750	1,113	2,863	Improvements to roads and bridges. Coastal Protection
E08	Traffic Works	Emlyn Jones	875	324		324	324	Road Safety Improvement Schemes.
E09	Sustainable LED Lighting (Salix)	Tony Ward	200	200	200		200	Application for loan to Salix to replace street lighting lanterns - see Note 1
	Capital Contingency					500	500	
	Queens Market Development	Steve Gadd				500	500	Set aside to fund demolition and associated fees pending external grant awards.
	TOTALS		20,922	20,371	1,950	9,069	11,019	

For Information Only:

Note 1 Sustainable LED Lighting (Salix) - Application for loan from Government funded Salix initiative

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The Strategic Investment Group decided to invite bids in line with previously agreed block allocations from services. The Strategic Investment Group has reviewed 9 bids over a number of meetings.

Each bid was submitted with approval of the relevant Head of Service. The proposed allocations are detailed in Appendix 1 and in summary are as follows:

- An allocation of £240k is recommended for Minor Adaptations, Community Equipment and Telecare. This funding is targeted at enabling the elderly and disabled to remain in their own homes.
- It is proposed to allocate £1.2m in support of Private Sector Housing Assistance. The funding will be used in the main on the provision of Disabled Facilities Grants.
- Both the school and non-school capital maintenance bids include provision for essential maintenance such as Asbestos Removal, Fire Risk Assessment Work, Equalities etc. It is recommended that £3.651m be allocated to Schools Capital Maintenance Works. It is also proposed to allocate £1.541m to non-schools capital maintenance work. It is further recommended that the appropriate Heads of Service determine the precise allocations to works required, in order of priority. The full allocations proposed meet the highest priority works identified across the schools and non-schools estate.
- Council on 28th January 2020 approved £100k for Highways as part of the 2020/21 Corporate Plan allocation. This will allow £1.750m of capital expenditure.
- In addition to this, it is proposed to allocate £710k block allocation for structural and other repairs including highway maintenance, street lighting and bridges. Also included within this recommendation is a further £403k for repairs to bridge structures. This is the fourth year of a proposed ten year Highways Structure Backlog Project.
- An allocation of £324k is recommended to carry out road safety improvements.
- The Strategic Investment Group considered a proposal for the continuation of a seven year programme of replacement of all the street lighting lanterns within Denbighshire with new LED lanterns. The programme commenced in 2015/16 and will cost £1.5m in total, providing significant savings on energy costs and on-going maintenance costs. The scheme is funded through the Government Salix funding initiative which provides interest free loans for energy efficient projects and will be repaid using the savings generated. Applications for Salix funding are required on an annual basis, and the strategic Investment Group recommends the submission of an application to take out a Salix loan for year six costs of up to £200k repayable over 6 years.

- The Strategic Investment Group recommends maintaining the allocation set aside for any contingencies at £0.5m, in line with 2019/20.
- Cabinet on 20th November 2018 approved the acceptance of a grant offer from the Welsh Government to acquire the former Savoy Hotel and Queens Market, Hotel and Theatre in Rhyl. The acquisitions and subsequent demolition works are 100% externally funded. However, due to the timing of the grant awards, it is recommended £500k is set aside until such time as the external funding is confirmed.

Report to	Cabinet
Date of meeting	18 th February 2020
Lead Member / Officer	Julian Thompson Hill
Report author	Steve Gadd, Chief Accountant
Title	Finance Report (January 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?

3.1 Members note the budgets set for 2019/20 and progress against the agreed strategy.

3.2 Members approve the revised guidance relating to Business Rate Relief criteria which will then be published on the Council's website and that the transparent scoring matrix is introduced with immediate effect. (see Appendix 6 and Section 6.2)

3.3 Members approve the write-off of Business Rates as detailed in Appendix 7 and Section 6.3.

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 £1.614m (£2.109m last month). Narrative around the current risks and assumptions underlying this assessment are outlined in Section 6 and Appendix 2.

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)

These were reviewed thoroughly last month and resulted in the approved allocation of £616k (of which £440k as base budget allocation) from the Savings Achievement Contingency to offset known non-achievement of savings in year. This equates to approximately 11% of the total savings identified and therefore currently assumes that 89% of savings have been achieved.

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?

6.1 Significant service narratives explaining variances and risks are detailed in Appendix 2, however the following should also be noted:

Corporate Budgets – Contingencies set aside during the budget process last year have been released in order to help fund the service overspends. It also includes an underspend relating to the Pensions Deficit. The three year actuarial review has shown that the Clwyd Pension Fund has performed better than projected and therefore £880k has been released in-year rather than transferring to the Pension Reserve. Members should be assured that the £2.6m already in the reserve is sufficient to fund the risk until the next triennial review. There may be further resources available (around Council Tax Yield etc) later in the financial year, however if projections remain the same £1.614m would need to be funded from Base Level Reserves.

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 £1.315m (£1.272m last month), which represents an increase of £1.144m 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 £31k.

The Housing Revenue Account (HRA). The latest revenue position assumes a decrease in balances at year end of £333k which is £176k more than the budgeted decrease of £157k. HRA balances are therefore forecast to be £1.379m 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 January, the council’s borrowing totalled £233m at an average rate of 4.12%. Investment balances were £6m at an average rate of 0.55%.

A summary of the council’s **Capital Plan** is enclosed as Appendix 4. The approved capital plan is £35.27m with expenditure to date of £19.32m. Appendix 5 provides an update on the major projects included in the overall Capital Plan.

6.2 Denbighshire County Council (DCC) is required by legislation to administer and collect Business Rates on behalf of the Welsh Government. Within the legislation are discretionary powers for Local Authorities to remit part or all of the Business Rates through the award of Discretionary Rate Relief. This is applied to give assistance to charitable and non for profit making organisations that may need support in paying their rates, receive Mandatory Relief and are of benefit to the local community, such as Village Halls, Community Centres, Hospices etc. The Guidance was previously reviewed and approved by members in 2013 when substantial changes were made, ensuring the Council Taxpayers money was spent on the most deserving cases, rather than larger National Organisations with substantial reserves and operating surpluses. The revised guidance was published on the council website and provided a helpful and transparent methodology for current and potential applicants to follow. This in turn has been recognised by other Welsh and English authorities, many of which have used some of the principles adopted by DCC. However it is recognised that since 2013 there has been an increase in demand for greater transparency and the decision making process with Discretionary Rate Relief is no exception.

The Guidance retains the elements which work well and it is suggested we introduce two changes. They are as follows:

- a) Introduce the scoring matrix as defined in Appendix 6, which will provide complete transparency and scrutiny.
- b) Adding an affordability clause to the Sports club section which takes into consideration Citizens on low wages, Welfare Benefits etc. This will have no effect on the value of award to organisations where subscription rates are affordable to all, however for those clubs where the subscription rates are higher and do not meet this test relief will be reduced or not awarded.

All other significant elements of the guidance remain unchanged as it meets the needs of our Citizens and provides a fair system. However there are some minor textural changes in respect of authorised officers and the Council's strategic relationship with its Revenues and Benefits provider.

6.3 Appendix 7 details a total of £57k of unrecoverable Business Rate debt due to two businesses ceasing trading. All efforts have been exhausted to recover these debts and they have already been included in full in the Business Rate Bad Debt Provision. As the Business Rates income is passed over to the National Pool any bad debts are met by the pool, as such there is no cost to DCC.

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 these pressures have been reflected in the Budget Proposals for 2020/21.

Forecasts indicate school balances will decrease this financial year, however 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. The Council's Constitution states that it is the responsibility of Cabinet to approve the calculation of the Council Tax Base. Powers relating to Debt Write-offs are contained within Denbighshire's Financial Standing Orders under Section 25.

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Appendix 1

DENBIGHSHIRE COUNTY COUNCIL REVENUE BUDGET 2019/20

Jan-20	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	4,358	-1,028	3,330	4,764	-1,471	3,293	406	-443	-37	-1.11%	-0
Education and Children's Service	14,145	29,835	-13,825	16,010	22,289	-4,813	17,476	-7,546	9,012	1,466	9.16%	1,445
Business Improvement and Modernisation	4,557	5,381	-878	4,503	5,358	-971	4,387	-23	-93	-116	-2.58%	-60
Legal, HR and Democratic Services	2,650	3,927	-1,329	2,598	4,086	-1,552	2,534	159	-223	-64	-2.46%	-68
Finance and Property	4,432	9,273	-4,446	4,827	9,902	-5,075	4,827	629	-629	0	0.00%	-0
Highways, Facilities and Environmental Services	15,632	30,966	-15,199	15,767	31,890	-15,876	16,014	924	-677	247	1.57%	543
Planning and Public Protection	9,092	16,284	-7,008	9,276	16,927	-7,137	9,790	643	-129	514	5.54%	516
Community Support Services	35,111	53,374	-17,592	35,782	52,389	-15,615	36,774	-985	1,977	992	2.77%	1,075
Leisure - ADM	2,737	9,887	-7,795	2,092	11,934	-9,842	2,092	2,047	-2,047	0	0.00%	-0
Total Services	92,054	163,285	-69,100	94,185	159,539	-62,352	97,187	-3,746	6,748	3,002	3.19%	3,450
Corporate	17,733	46,123	-29,223	16,900	44,735	-29,223	15,512	-1,388	0	-1,388	-8.21%	-1,341
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
Total Corporate	33,729	64,581	-29,223	35,358	63,193	-29,223	33,970	-1,388	0	-1,388	-3.93%	-1,341
Council Services & Corporate Budget	125,783	227,866	-98,323	129,543	222,732	-91,575	131,157	-5,134	6,748	1,614	1.25%	2,109
Schools & Non-delegated School Budgets	68,635	78,860	-9,865	68,995	79,238	-9,130	70,108	378	735	1,113	1.61%	1,069
Total Council Budget	194,418	306,726	-108,188	198,538	301,970	-100,705	201,265	-4,756	7,483	2,727	1.37%	3,178
Housing Revenue Account	630	16,613	-16,456	157	16,691	-16,358	333	78	98	176		148

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Appendix 2 - Service Variance Narrative

Service	Variance Last Month £000	Variance This Month £000	Movement £000	Description
Communities and Customers	0	-37	-37	The service would like to carry forward the underspend in order to fund known costs/pressures including replacing iCam print kiosks & Book Return kiosks in libraries and some staff related exit costs within the service as a whole.
Education and Children's Service	1,445	1,466	21	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 £1.466m. The placement pressure has been caused by 7 new residential placements and 11 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 £202k following the finalisation of pupil numbers which has resulted in increased numbers and a further shortfall in income from other Local Authorities attending our special schools.
Business Improvement and Modernisation	-60	-116	-56	Underspend largely due to a number of vacancy savings. A number of IT contracts are currently under negotiation which may increase costs going forward. Additional funding has been received by the service for the Digital Futures Projects which had previously been assumed would be funded by the service.
Legal, HR and Democratic Services	-68	-64	4	Underspends relating to vacancy savings in preparation of a service review and an increase in Registrars income. Additional exit costs have further reduced the underspend.
Finance and Property	0	0	0	No significant risks to report
Highways, Facilities and Environmental Services	543	247	-296	The main areas of concern are: <ul style="list-style-type: none"> • Waste Service – The service is currently £1.6m overspent , but is utilising £1.2m from the Waste Services Reserve. This is only possible for one more year and a pressure of £1.4m has been included in the Budget Proposals 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. The projected costs in this area have reduced and have also been delayed until next financial year now. • 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.

Service	Variance Last Month £000	Variance This Month £000	Movement £000	Description
Planning and Public Protection	516	514	-2	Following the transfer of School Transport to this service, it is now projected that Planning and Public Protection will overspend by £602k. School Transport has been allocated £900k additional funds during the two previous budget rounds and a pressure of £600k has been included in the Budget Proposals fro 2020/21. 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. Vacancy savings across the service have helped reduce the impact of this overspend.
Community Support Services	1,075	992	-83	This projection assumes that the remaining service reserve of £821k is applied in year. The decrease from last month is mainly due to the application of a confirmed winter pressures WG grant. A pressure of £2.6m has been included in the current budget proposals. There is a possibility that further late grants from WG will help lower this overspend further.
Leisure - ADM	0	0	0	Break-even position following allocation of central contingency and projected use of reserves
Corporate & Miscellaneous	-1,341	-1,388	-47	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 £1.388m.
Precepts & Levies	0	0	0	There are no risks in this area
Capital Financing	0	0	0	The position on capital financing is very much related to progress on capital projects and variances do not crystallise until later in the financial year.
Council Services & Corporate Budget	2,109	1,613	-496	

APPENDIX 3 - 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	300
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 3 - 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 3 - 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	

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APPENDIX 3 - 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	
						3,852

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

APPENDIX 4

Position to end January 2020

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	17,229	12,894	4,058	0
Total Estimated Payments - Major Projects:					
Housing Improvement Grants		1,241			
Rhyl, New 3-16 Catholic School	9,636	8,500	1,010		
Ysgol Llanfair, New School	995	1,243	399		
Ysgol Carreg Emlyn, New School	1,460	372	822		
Highways Maintenance	4,695	5,185			
East Rhyl Coastal Defence Scheme	2,417	500	11,660	10,000	5,500
Rhyl Waterfront and Waterpark	530	494			
Contingency	505	505	500	500	500
Total	37,249	35,269	27,285	14,558	6,000
External Funding	19,659	15,167	15,267	4,809	4,809
Receipts and Reserves	1,931	6,713	1,227		
Prudential Borrowing	15,659	13,389	16,290	14,058	5,500
Unallocated Funding	0	0	(5,499)	(4,309)	(4,309)
Total Capital Financing	37,249	35,269	27,285	14,558	6,000

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

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Appendix 5 - Major Capital Projects Update – February 2020

21st Century Schools Programme – Ysgol Llanfair	
Total Budget	£5.369m
Expenditure to date	£4.655m
Estimated remaining spend in 19/20	£0.315m
Future Years estimated spend	£0.399m
Funding	WG £0.180m; DCC £5.189m
Narrative:	
<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 are now complete. The works on site are now in the final stages with the forming and completion of the car park in progress in preparation for handover of the new building in mid- February. The move to the new site has been scheduled for February half term with an extended half term arranged to provide sufficient time for the decant.</p> <p>The school have begun the process of preparing for the move. Site demonstrations for the new school building are scheduled to take place before half term in preparation for the move.</p>	
Forecast In Year Expenditure 19/20	£1.243m

21st Century Schools Programme – Ysgol Carreg Emlyn	
Total Budget	£4.340m
Expenditure to date	£3.446m
Estimated remaining spend in 19/20	£0.072m
Future Years estimated spend	£0.822m
Funding	WG £0.221m; DCC £4.119m
Narrative:	
<p>This scheme is within the Band A proposals for 21st Century Schools Programme. The project has provided a new school building on a new site in Clocaenog to allow the two sites located in Cyffylliog and Clocaenog to be declared surplus.</p> <p>Ysgol Carreg Emlyn moved in to the new building in June 2018 and are now settled into the new building and have familiarised themselves with the operation of the new systems on site.</p> <p>Work to decommission the old sites has now been completed. Over the coming months the sites will be declared surplus and considered as part of the corporate asset management strategy. Work for a long term solution for the drainage at the school site remains ongoing.</p>	
Forecast In Year Expenditure 19/20	£0.372m

21st Century Schools Programme – Rhyl, Christ the Word School	
Total Budget	£23.813m
Expenditure to date	£20.861m
Estimated remaining spend in 19/20	£ 1.942m
Future Years estimated spend	£ 1.010m
Funding	WG £5.541m; DCC £18.272m
Narrative:	
<p>This scheme is within the Band A proposals for 21st Century Schools Programme.</p> <p>Work continues to progress on the groundworks. There will be some phasing of the site over the coming weeks as sections are completed and handed over to the school.</p> <p>Work is ongoing with the school and contractor to ensure that the pupil access is safely maintained until the externals are completely handed over in April.</p> <p>Officers continue to work alongside the Contractor and the school to deal with any snagging issues as they arise.</p>	
Forecast In Year Expenditure 19/20	£8.500m

Rhyl Queens Market Redevelopment	
Total Budget	£5.000m
Expenditure to date	£3.839m
Estimated remaining spend in 19/20	£ 0.060m
Future Years estimated spend	£ 1.101m
Funding	WG £5.000m (£2.5m subject to formal confirmation)
Narrative:	
<p>The Council completed the acquisition of the former Savoy Hotel and the Queen's Market, Theatre and Hotel in Rhyl on 11th March 2019 after formally accepting a £2.5m grant from the Welsh Government.</p> <p>The removal of Asbestos from the Queens Hotel is now complete and the remaining surveys continue to be carried out on the entire site. These include ecological, party wall, structural and asbestos surveys. Additional asbestos has been identified above the Queen's Arcade but the extent of this is not yet known until the survey is complete.</p> <p>All tenants from the Market Hall have now vacated either to alternative premises or ceased trading, and it is now not accessible by the public. All other equipment and materials are due to be removed by the end of February.</p> <p>The Council continues to work with the development partner on the future development of the site.</p>	
Forecast In Year Expenditure 19/20	£0.900m

Waste Service Remodelling	
Total Budget	£15.149m
Expenditure to date	£1.463m
Estimated remaining spend in 19/20	£0.707m
Future Years estimated spend	£12.979m
Funding	WG £8.145m , DCC £7.004m
Narrative:	
<p>Work is ongoing in preparation for a change to the household waste collection model to begin main roll out from Autumn 2021. The new service model will see a move to weekly collection of kerbside sorted recyclable material with a 4 weekly collection of residual/non-recyclable waste. Weekly food waste collection will continue as at present and additional services around collection of absorbent hygiene products (AHP), textiles, small electricals and batteries will also be available and will be introduced in the run up to or during the main roll out of the new service.</p> <p>A number of work streams are being taken forward to include:</p> <ul style="list-style-type: none"> • Development of a new single central waste transfer station depot on land adjacent to the Colomendy Industrial Estate in Denbigh; the purchase of the land is ongoing and is anticipated to be completed before end of the Financial Year. A Planning Application for the site was submitted at the end of November 2019 and is due to go to Planning Committee on March 11th 2020. Subject to approval, enabling work will commence on the site in late spring/early summer 2020 with the new facility being ready for operation by autumn 2021; • Specification of the new fleet required to support the new model now completed following a number of trials/tests with the aim to undertake a procurement exercise for the new waste collection vehicles required in the first quarter of 2020 with delivery of the new fleet anticipated from late spring/early summer 2021 in readiness for the planned new service; • An Options Appraisal exercise with key stakeholders and interested parties on the detail of the new recycling container design is due to be undertaken in spring 2020 prior to formal approval of a preferred option, followed by a subsequent tender and delivery schedule in time for roll out associated with proposed service change; • A number of mobilisation and communication activities are ongoing to prepare for the service change and include developing the new collection routes; planning for any staffing changes/requirements and ongoing engagement and communication with stakeholders and residents. 	
Forecast In Year Expenditure 19/20	£1.245m

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DCC Rate Relief Criteria

1 Introduction

If an organisation occupies a property on which it pays National Non Domestic Rates (NNDR) it may be eligible for up to 100% Discretionary Rate Relief if it is operated within some or all of the following guidelines.

The guidelines for determining relief are not intended to be a rigid set of rules; neither are all the guidelines applicable to every organisation. Each case will be judged on its merits taking into account the contribution which each organisation / business makes to the County's amenities, objectives and its residents' lifestyles and wellbeing.

2 Qualifying Property

Property Eligible for Rate Relief	Rate Relief	Amount of Relief
Property wholly or mainly used for charitable purposes which is occupied by a registered charity or registered Community Amateur Sports Club (CASC) or can clearly demonstrate it meets the conditions set down in the Charities Act 2006 & 2011.	Mandatory Discretionary	80% 20% (maximum)
Property, all or part of which is occupied for the purposes of a non-profit making: a) Institution or other organisation whose main objects are philanthropic or religious or concerned with social welfare, education, science, literature or the fine arts. b) Club ,society or other organisation and is used for the purposes of recreation.	Discretionary	100% (maximum)
Property, all or part of which is occupied for the purposes of a profit making organisation	Discretionary	100% (maximum)
Charity Shop – where solely or mainly selling donated goods	Mandatory	80%

3 Scope

The guidelines will be adhered to by all employees and members involved with consideration of Rate Relief applications.

4 Applications

Applications must be supported by the organisation's constitution, its main purposes and objectives e.g. written constitution, memorandum of association, membership rules etc. For registered charities these will be available to view on the Charity Commission website.

For an established body a full set of audited accounts for the latest financial year at the application date will be required to be supplied. If the applicant is a newly formed organisation or company then a copy of the projected accounts with the business plan will be required.

Details will be required as to how the organisations / businesses meet the criteria within the guidelines.

Applications from excepted businesses / organisations that cannot be considered are those occupied by a billing or precepting authority e.g. Parish, Town or County councils or Police Authorities.

5 Period of Relief

Relief will be granted for up to a maximum period of two years at a time, however interim reviews may be conducted on an annual basis. The granting of relief will be reviewed at the conclusion of this period and those in receipt of relief will be asked to supply or confirm relevant information for the purposes of the review.

6 Approval

Initial recommendations, on a 'Client Officer Decision Record' are to be made by the Business Rates team. This is then checked and countersigned by either a Team Manager or the Business Rates Manager. The case is then passed for consideration and approval from an authorised Council employee.

Applicants will be notified in writing of any decision whether they are successful or not. A revised bill will be sent where appropriate.

There is no stated time limit for applications to be made in respect of discretionary relief; however authorities must determine applications within six months after the end of the financial year for which the application for relief is made. If a decision is not made on an application until more than 6 months after the end of the financial year in respect of which the application is made, the decision is invalid.

7 Legal Powers

Relief is granted in accordance with the following legislation as appropriate:

- Section 43 of the Local Government Finance Act (LGFA) 1988
- Section 47 LGFA 1988
- Section 47-49 LGFA 1988
- Section 45a LGFA 1988

8 Costs to the Council

Rate Relief Cost Apportionment

Where relief is granted, the cost of granting that relief is borne by the National Pool and the Tax payers of Denbighshire in the following proportions:

	National Pool	DCC
Mandatory Rate Relief (80% of the bill)	100%	0%
Charitable Bodies top up Relief (up to 20% of the residual bill)	25%	75%
Community Amateur Sports Club (CASC) (up to 20% of the residual bill)	25%	75%
Non Profit Making Organisations e.g. sports & social Clubs,	90%	10%
Hardship Relief (up to 100% of the bill)	75%	25%
Discretionary Relief under the Localism Act to Profit Making Organisations (up to 100% of the bill)	0	100%

9 Rights of Appeal

Unsuccessful applicants can request a review of their case, stating their reasons for not agreeing with Council's decision and submitting any further evidence to support this claim. The case will then be reconsidered, a decision made and communicated to the Ratepayer.

If the Ratepayer still remains aggrieved at the Council's decision and reconsideration then they should write to the Council's Contracts and Performance Manager who will arrange for their case to be brought before the Head of Finance and the Lead Cabinet Member for a final reconsideration.

If the applicant is still aggrieved then following the Liability Order hearing at the Magistrates Court they would be required to submit the relevant details to the High Court for a Judicial Review.

Guidelines for Rate Relief

Mandatory Charitable Relief

If an organisation fulfils the criteria shown below, then the Council must grant 80% Mandatory Charitable Relief, regardless of the organisation's financial position. Mandatory Charitable Relief is paid where the premises are occupied or mainly occupied by:

- A Registered Charity or trustees for a charity; or,
- A charitable organisation such as a CASC, Community Interest Company, Academy School, uniformed youth / children's organisation; or
- A charity shop that sells solely or mainly donated goods, as measured by the donated goods being over 50% of the total sales.

Discretionary Charitable Relief – Top Up

The Council has the discretion to grant relief to top up an organisation's 80% Mandatory Charitable Relief.

Under Denbighshire County Council's guidelines, relief is assessed using the points system shown at Appendix A and the relief granted is based on a sliding scale of between 0% and 20%. The guidelines have been reviewed and amended, taking into consideration the changes in legislation and Economic conditions over the last few years.

Classification of groups or clusters

It is recognised that there are certain classes of occupier and property that should either be included or excluded from the maximum amount of top up relief and the guidelines have been amended to take this into consideration.

Included

The following types of organisations which provide a significant benefit to the local community and meet the corporate priorities or policy intent would automatically be considered for the 20% top up.

- Trustees of Village Halls or playing fields
- Uniformed youth and children's groups
- Local Groups running Community Centres
- Eligible organisations managing divested functions on behalf of the Council
- Hospices caring for terminally ill residents of the Council

Excluded

The following types of organisations would not be considered for any top up relief.

- National or Regional Charities (defined as having premises in many other billing authority areas – due to potential state aid issues)
- Registered Providers (Housing Associations)
- Education or Religious establishments
- Charity Shops
- Where the organisation has restrictive practices, on the basis of members only
- Club or membership fees are not affordable to all members of the community
- Where the organisation has either a significant operating surplus (above £25k) or in excess of £100k in unrestricted reserves

Those organisations applying for relief whose work involves young children, young people or vulnerable adults must be able to demonstrate that appropriate checks have been carried out on staff and volunteers, and that sound child protection policies are in place.

Discretionary Non-Profit Making Relief

This relief can be granted to a non-profit making organisation where the premises are occupied by:

- An institution or organisation not conducted for profit and whose main objectives are philanthropic, social welfare, science literature or the fine arts, i.e. not a charity, or
- The premises are used wholly or mainly for recreation and are occupied by a club, society or other organisation not conducted for profit.

Appendix 6

Discretionary relief can only be awarded if the organisation is not excepted (a billing authority or precepting authority) and

1	The main objects of the organisation are concerned with	<ul style="list-style-type: none"> • relief of poverty • advancement of religion • advancement of education • social welfare • science • literature • fine arts • recreation • in other ways that are beneficial to the community
2	Meets local needs in the County and benefits local people	<ul style="list-style-type: none"> • If the premises are used for the purposes of a national organisation or a semi-national organisation the Council will not normally grant any discretionary relief. • If the premises are used for a local organisation the extent to which the County and its residents benefit from the organisation will be taken into account.
3	Provides a valuable service to the community	<ul style="list-style-type: none"> • which is complementary to those services provided by or supported by the Council or • which relieves the need for the Council to provide such services.
4	Is open to all sections of the community	<ul style="list-style-type: none"> • or access is restricted by providing a service for a specific sector of the community for justifiable reasons such as addressing inequality
5	Is able to demonstrate that the way in which it operates does not discriminate against any section of the community	<ul style="list-style-type: none"> • please see (1) below
6	Is non-profit making	<ul style="list-style-type: none"> • as a guide, no more than 12 months expenditure in unrestricted reserves unless a Business Plan exists detailing how these reserves are to be used to the benefit of the local community

Appendix 6

If the organisation has licensed bar facilities - please see (2) below.

If the organisation requires a membership or entry fee – please see (3) below.

(1) Discrimination

In order to qualify for Discretionary Rate Relief clubs must be able to show that all facilities are available to members without discrimination. Discrimination includes indirect discrimination and encompasses:

- Discrimination on grounds of ethnicity, nationality, sexual orientation, religion or beliefs.
- Discrimination on grounds of sex, age or disability, (except as a necessary consequence of the requirements of a particular sport).

This does not prevent a club from having different classes of membership depending on:

- The age of the member
- Whether the member is a student
- Whether the member is waged or unwaged
- Whether the member is a playing or a non-playing member
- How far from the club the member lives or
- Any restriction on the days or times when the member has access to the club's facilities

Sports Clubs

There are additional considerations in the case of sports clubs. If a club effectively discriminates by only accepting members who have already reached a certain standard, rather than seeking to promote the attainment of excellence by enhancing access and the development of sporting aptitude, then it does not have an open membership policy. It follows that a club selecting members on the basis of existing attainment would not come within the requirements.

Although clubs should be open to all without discrimination, single sex clubs may be permitted where such restrictions are not discriminatory in intent but a genuine result of physical constraints (such as changing room facilities) or the requirements of the sport.

(2) Organisations with Licensed Bar Facilities

Sports Clubs/Other Organisations

Any Discretionary Rate Relief award will be aimed at the sporting activity of the club.

- If the bar income aids the overall operation and development of the organisation this would be allowable as long as the sporting activity remains the overall objective of the organisation. It should be noted the bar income should be ancillary to primary function, rather than being the main function. This will be particularly relevant where the organisation is the only such one in the Parish.

If the organisation requires a membership or entry fee the Council will consider whether:

- The subscription rates or fees are set at a high level which excludes the general community, such as members of the community who are in receipt of Welfare Benefits, such as Universal Credit, Income Support, and Pension Credit etc.
- Significant fee reductions are offered for certain groups such as under 18s or over 60s.
- Membership is encouraged from particular groups such as young people, older age groups, persons with disabilities or ethnic minorities
- Facilities are available to people other than members, e.g. schools, public sessions.
- The percentage of members residing in the Denbighshire area.

Relief is assessed using the points system shown at appendix A. The relief granted is based on a sliding scale up to 100%.

The same principles for Inclusion / Exclusion of categories for top up relief are adopted for Discretionary non-profit making relief.

Community Amateur Sports Clubs (CASC)

If a sports club is registered with HM Revenue and Customs (HMRC) as a CASC it will be entitled to 80% mandatory relief. The club may also be awarded 20% discretionary rate relief. Normally sports clubs that can register with HM Revenue & Customs as a CASC and have not done so will not be awarded discretionary rate relief.

Details can be found on the HMRC website at: <https://www.gov.uk/topic/community-organisations/community-amateur-sports-clubs>

Appendix 6

Since 1st April 2012 the Council has the discretion to award up to 100% Discretionary Rate Relief to profit making organisations. However the Council must act within the State Aid Laws, in terms of limiting the value of any such award. Careful consideration will be undertaken before any such award as the full cost is borne by the Council Taxpayer.

Each application should be accompanied by a copy of the business plan and cashflow forecast for the ongoing development of the company. Established companies must provide an up to date copy of their current trading accounts plus copies of the last two years audited accounts.

A blanket approach, either to award or not to award relief, will not be adopted by the Authority, as each application should be considered on its own merits. The Council will consider the following criteria in assessing eligibility for this relief.

- The application and subsequent award must provide positive benefits to the Denbighshire area, through job creation, positive economic / socio economic factors, re-development of unused land etc.
- The 'interests' of local tax payers in an area may go wider than direct financial interests. For example, where the employment prospects would be worsened by a company transferring to another region outside Denbighshire, or the amenities of an area might be reduced by, for instance, the loss of the only shop in a village.
- Discretionary relief will only be awarded to a business actively trading from the address for which the claim is being made.
- The relief will normally be considered for new 'start-up' companies or expanding companies moving to larger premises, who can show that the business will bring new or increased benefit to the local community and will develop and enhance the local area.
- This relief will be granted for a period of six months. If a further period is requested then a further application, accompanied by an up to date copy of the current trading accounts is to be provided within 30 days of the expiry of this period.

Appendix 6

Up to 100% relief can be awarded.

Legislative requirements (Section 49, Local Government Finance Act 1988) -

The billing authority has the power to reduce the amount a person is liable to pay provided the Authority is satisfied that the following apply:

- The ratepayer would sustain hardship if the authority did not grant relief; And
- It is reasonable for the Authority to grant the relief having due regard to the interests of the Council Tax payers.

Although there is no statutory definition of hardship some guidance has been provided by the government to assist in the consideration of hardship applications.

A blanket approach, either to give or not to give relief, should not be adopted by the Authority, each application should be considered on its own merits

- Any relief granted should be the exception rather than the rule
- The test of hardship need not be confined to 'financial', all relevant factors affecting the ability of a business to meet its liability for rates should be taken into account
- The 'interests' of local tax payers in an area may go wider than direct financial interests. For example, where the employment prospects would be worsened by a company going out of business, or the amenities of an area might be reduced by, for instance, the loss of the only shop in a village
- Where the granting of the relief would have an adverse effect on the financial interests of local tax payers, the case for reduction of rates may still on balance outweigh the cost to the local tax payers.

Considerations for the award of Hardship Relief

- Any decision must be balanced against the wider interests of the tax payers of the County.
- There must be proof that hardship exists.
- Evidence must be provided to support the application.
- A copy of the previous two years audited accounts for the organisation should be provided.
- The amount of rates that will be remitted will depend upon the circumstances of each case.
- Applications will be effective for a specific period and may then be reviewed. Relief will be withdrawn on the sale of the business.
- The purpose of this policy is to support local businesses in the community.

Appendix A

Relief will be calculated as a percentage of the Business Rates bill. Should the Business Rates bill reduce within the period Discretionary Rate Relief is granted, the relief will be reduced proportionately.

If the Business Rates bill increase within the period Discretionary Rate Relief is granted i.e. an increase in rateable value, the amount awarded will not automatically be increased. In such cases, Denbighshire County Council, will reconsider the application and may award additional relief.

In the interests of transparency the following criteria and scoring matrix will be used, to determine the levels of either Discretionary or Top up Discretionary Relief.

Each of the criteria carries a maximum of 8 points and an application receiving a certain level of points will qualify for a fixed percentage of Discretionary rate relief, as follows:-

Scoring Values	Discretionary Relief	Top up Discretionary Relief
More than 35 points	100% Awarded	20% Awarded
Between 30 to 35 points	75% Awarded	15% Awarded
Between 20 to 30 points	50% Awarded	10% Awarded
Between 10 to 20 points	25% Awarded	5% Awarded
Less than 10 points	0% Awarded	0% Awarded

The only exceptions to cases subject to the criteria are the 'Included' categories, as stated previously. These cases will be granted the additional "top up" of 20% discretionary relief, automatically

Scoring Matrix Discretionary Relief for Charities & Non Profit making Organisations

Measure 1 – Alignment to relevant corporate priorities

How is it measured?

The organisation must demonstrate its alignment to the relevant corporate priorities, through the application form, its constitution, aims, objectives and physical delivery to the community.

Description	Measure	Points
How does the organisation's objectives link into the relevant Corporate priorities.	Significantly aligned	8
	Mostly aligned	6
	Partially aligned	4
	Limited alignment	2
	No alignment	0

Measure 2 – Access to services & affordability

How is it measured?

Appendix 6

The organisation must demonstrate its access to services, any charging policies, and concessionary rates, through the application form, its website, its constitution or any other evidence.

Description	Measure	Points
Open to all	Free service provision and / or positive discrimination to enable affordability to less well-off groups	8
Open to most	Majority of service provision is free and any charges are affordable to all groups	5
Open to some	Elements of free service provision and some concessions for less well-off groups and any membership fees are affordable.	2
Closed Members only	Annual membership with no concessions for citizens of different groups	0

Measure 3 – Service provision & availability of alternatives

How is it measured?

Appendix 6

The organisation must demonstrate how its service provision compliments or substitutes for Council Services and whether there are any other service providers within the area that deliver the same or similar services, through the application form, its constitution, aims, objectives and physical delivery to the community.

Description	Measure	Points
Sole provider	Sole provider of services that meet the needs of the Council and its residents	8
Two providers	Two organisations providing the same services to meet the needs of the Council and its residents	6
Three Providers	Three organisations providing the same services to the Council's residents	4
Four or more Providers	Multiple providers giving the same services to the Council's residents.	2

Measure 4 – Residents Participation

How is it measured?

The organisation must demonstrate what proportion of the Council's community is benefitting from the service provision, through the application form, its website or other collateral and specific group feedback within the community.

Description	Measure	Points
Exclusive to the Council Area	90% or more of service users live within the Council area.	8
Primarily within the Council Area	Between 50% and 90% of the service users reside within the Council area.	6
Open to some	Between 25% and 50% of the service users reside within the Council area.	4
Open to few	< 25% of the service users reside within the Council area	1

Appendix 6

Measure 5 – Financial Status & Funding

How is it measured?

The organisation must demonstrate where its funding streams come from, through the application form, accounts, Charity Commission or an initial income forecast if recently created.

Description	Measure	Points
Annual surplus is less than the Business Rates payable or making a loss	The expenditure on activities is either equal to or greater than the annual unrestricted income. All funding is received through grants or donations.	8
Annual surplus is more than the Business Rates payable but less than £10k per annum.	The expenditure on activities is less than the annual unrestricted income. All funding is received through grants or donations.	6
Annual surplus is more than the Business Rates payable and is £10k - £20k per annum.	The expenditure on activities is less than the annual unrestricted income. Funding is received through grants, donations or income generation.	4
Annual Surplus is more than the Business Rates payable and greater than £20k per annum	The expenditure on activities is less than the annual unrestricted income. Funding is received through membership fees or income generation.	2

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Summary of Business Rate Write-offs

The report is to seek approval from Cabinet to write off business rates for companies and individuals where recovery action cannot continue because they have either been subject to insolvency action or have absconded. The balances outstanding have for some time had to be accounted for in the bad debt provision and on statutory returns to Welsh Government.

Denbighshire County Council (DCC) is required by legislation to administer and collect Business Rates on behalf of the Welsh Government. An annual bill is issued providing businesses 10 monthly instalments in which to pay. Failure to make payment will result in the issue of reminders, final notices and summonses to attend Magistrates' Court.

At the Magistrates court DCC asked for and was granted liability orders in the cases below. The liability order provides Denbighshire the authority to take more rigorous recovery action. The day following the granting of a liability all accounts are issued to the Enforcement Agent for collection unless the business had made a prior arrangement and is paying.

As the Business Rates income is passed over to the National Pool any bad debts are met by the pool, as such there is no cost to DCC

The first case relates to Saturn Trading Ltd, which traded under the title of Store 21 at The White Rose Centre, Rhyl. The company which had shops across the United Kingdom suffered a significant downturn in trade, which triggered it going into a Company Voluntary Arrangement (CVA) on 4th June 2018. Unfortunately the trading position did not get better and the company received a winding up order on 6th February 2019. It has subsequently been put into liquidation on 10th May 2019.

There were significant outstanding liabilities (£1.7m) to unsecured creditors and no assets to make any payments against these debts. Because of this all unsecured creditors, including DCC have been advised no dividend payment would be made.

The shop in the White Rose centre has now been taken on by a new company.

Appendix X

The second case relates to KJ Storage Solutions Ltd, Marsh Road, Rhuddlan. The company here traded as a self-service storage facility, however despite all efforts from us and other creditors in pursuing the debts, very few payments were ever made. The account was subject to all of the recovery methods and also extended telephone debt calling but this resulted in only £500 being paid.

The Company petitioned to be struck off on 10th April 2018 and whilst DCC objected it only delayed the inevitable and the company was formally wound up by the Insolvency service on 6th November 2018. There were no assets available to creditors and as such the debt is irrecoverable.

Table 1: Summary of write offs

Company name	Financial Year	Amount
Saturn Trading Ltd	2017/18	£22,075.90
	2018/19	£13,215.02
KJ Storage Solutions Ltd	2015/16	£7,282.00
	2016/17	£7,846.00
	2017/18	£6,908.35
Total		£57,327.27

Cabinet Forward Work Plan

Meeting	Item (description / title)		Purpose of report	Cabinet Decision required (yes/no)	Author – Lead member and contact officer
24 Mar 2020	1	Implementation of an Alternative Delivery Model (ADM) for various leisure related activities/functions: approval of contract award to Denbighshire Leisure Ltd	To seek approval of contract award to Denbighshire Leisure Ltd	Yes	Councillors Bobby Feeley & Julian Thompson-Hill / Graham Boase / Siân Lloyd Price
	2	Work Opportunity and Day Activity Services Review	To seek approval to pursue proposals relating to the setting up of social firms relating to two activities carried out by the service	Yes	Councillor Bobby Feeley / Phil Gilroy / Alan Roberts
	3	Finance Report	To update Cabinet on the current financial position of the Council	Tbc	Councillor Julian Thompson-Hill / Steve Gadd
	4	Items from Scrutiny Committees	To consider any issues raised by Scrutiny for Cabinet's attention	Tbc	Scrutiny Coordinator
28 Apr 2020	1	Contract Procedure Rules	To consider the reviewed contract procedures rules which will require adoption and form part of the council constitution	Tbc	Councillor Julian Thompson-Hill / Lisa Jones / Helen Makin

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Meeting	Item (description / title)		Purpose of report	Cabinet Decision required (yes/no)	Author – Lead member and contact officer
	2	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
	3	Finance Report	To update Cabinet on the current financial position of the Council	Tbc	Councillor Julian Thompson-Hill / Steve Gadd
	4	Items from Scrutiny Committees	To consider any issues raised by Scrutiny for Cabinet's attention	Tbc	Scrutiny Coordinator
26 May 2020	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
30 Jun 2020	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	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
			Cabinet's attention		
28 July 2020	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

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Note for officers – Cabinet Report Deadlines

<i>Meeting</i>	<i>Deadline</i>	<i>Meeting</i>	<i>Deadline</i>	<i>Meeting</i>	<i>Deadline</i>
<i>March</i>	<i>10 March</i>	<i>April</i>	<i>14 April</i>	<i>May</i>	<i>11 May</i>

Updated 22/01/20 - KEJ

Cabinet Forward Work Programme.doc

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