

To: Members of the Cabinet

Date: 24 June 2020

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Dear Councillor

You are invited to attend a remote meeting of the **CABINET** to be held at **10.00 am** on **TUESDAY, 30 JUNE 2020**.

PLEASE NOTE: DUE TO THE CURRENT RESTRICTIONS ON TRAVEL AND THE REQUIREMENT FOR SOCIAL DISTANCING THIS MEETING WILL NOT BE HELD AT ITS USUAL LOCATION. THIS WILL BE A REMOTE MEETING BY VIDEO CONFERENCE AND NOT OPEN TO THE PUBLIC.

Yours sincerely

G. Williams
Head of Legal, HR and Democratic Services

AGENDA

1 APOLOGIES

2 DECLARATION OF INTERESTS

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

3 URGENT MATTERS

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

4 MINUTES (Pages 5 - 12)

To receive the minutes of the Cabinet meeting held on 26 May 2020 (copy enclosed).

5 DENBIGHSHIRE COUNTY COUNCIL CORONAVIRUS RESPONSE
(Pages 13 - 28)

To consider a report by Councillor Hugh Evans, Leader and Lead Member for the Economy and Corporate Governance (copy enclosed) updating Cabinet on the management of the impacts of the coronavirus pandemic in Denbighshire and North Wales and seeking agreement on the process for managing recovery.

6 FINANCE REPORT (2019/20 FINANCIAL OUTTURN) (Pages 29 - 44)

To consider a report by Councillor Julian Thompson-Hill, Lead Member for Finance, Performance and Strategic Assets (copy enclosed) detailing the final revenue position for 2019/20 and proposed treatment of reserves and balances.

7 FINANCE REPORT (Pages 45 - 64)

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.

8 CABINET FORWARD WORK PROGRAMME (Pages 65 - 68)

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

MEMBERSHIP

Councillor Hugh Evans
Councillor Bobby Feeley
Councillor Huw Hilditch-Roberts
Councillor Richard Mainon

Councillor Tony Thomas
Councillor Julian Thompson-Hill
Councillor Brian Jones
Councillor 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 remote meeting of the Cabinet held on Tuesday, 26 May 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; Brian Jones, Lead Member for Waste, Transport and the Environment; Richard Mainon, Lead Member for Corporate Services and Strategic Direction; Tony Thomas, Lead Member for Housing and Communities; Julian Thompson-Hill, Lead Member for Finance, Performance and Strategic Assets, and Mark Young, Lead Member for Planning, Public Protection and Safer Communities

Observers: Councillors Joan Butterfield, Martyn Holland, Alan James, Tina Jones, Gwyneth Kensler, Barry Mellor, Peter Scott, Glenn Swingler, Joe Welch and Emrys Wynne

ALSO PRESENT

Chief Executive (JG); Corporate Directors: Communities (NS) and Economy and Public Realm (GB); Heads of Service: Legal, HR and Democratic Services (GW) and Finance and Property (SG), Democratic Services Manager (SP), Scrutiny Coordinator (RE), ICT Business Partner (MJ), Communications Officer (MJ) and Committee Administrator (KEJ)

The Local Democracy Reporter was also in remote attendance to observe proceedings.

POINTS OF NOTICE

[Due to the current restrictions on travel and the requirement for social distancing as a result of the coronavirus pandemic the meeting was held remotely by video conference and was not open to the general public. Political Groups had been invited to nominate up to three members to attend as observers and the Local Democracy Reporter had also been invited to observe the proceedings.]

The Leader welcomed everyone to the first formal meeting of the Cabinet held since the onset of the coronavirus pandemic and he highlighted the devastating impact at all levels and began the meeting with a moment of silent reflection to remember those affected.

The Leader also took the opportunity to thank officers for their work on the frontline in Denbighshire in very difficult circumstances and to those who had been redeployed to where they were most needed, which provided both an assurance to residents in the continuation of services and support through the crisis. The Chief Executive also took the opportunity to thank staff for their flexibility and fortitude over recent times.

1 APOLOGIES

There were no apologies.

2 DECLARATION OF INTERESTS

No declaration of interest had been raised.

3 URGENT MATTERS

At this point, and at the invitation of the Leader, Councillor Bobby Feeley, Lead Member for Well-being and Independence made the following statement –

“As Lead Member I am very concerned about coronavirus and the impact that can be seen now in care homes, hospitals and communities. Although numbers generally across Wales are now reducing, there are still people getting sick and some, sadly, dying. Our thoughts are with those who have lost someone to this terrible virus.

Unfortunately the numbers of positive cases in North Wales, including Denbighshire, are still increasing. This is partly due to access to testing and we are working with colleagues in Betsi Cadwaladr University Health Board and Public Health Wales to learn more about the differing levels of infection.

That being said coronavirus is still with us and our Council Officers continue to provide support to care homes and social care providers to protect our most vulnerable residents.

Can I finish by urging everyone to adhere to the Welsh Government guideline to –
Stay at Home – Protect the NHS – Save Lives.”

4 MINUTES

The minutes of the Cabinet meeting held on 18 February 2020 were submitted.

Matters Arising – Pages 7 & 8, Item No. 6 Recommendations of the Strategic Investment Group & Item No. 7 Finance Report – Councillor Peter Scott raised questions regarding subsequent outcomes following the recent storm damage sustained in the county. Councillor Brian Jones advised that the planned flood meeting with the First Minister had not taken place but matters had since moved on. A request for funding for specific projects arising from the storm damage across Denbighshire had been made to the Welsh Government, including bridges and highways, and a response was currently awaited. With regard to the assessment of the wider impacts the Chief Executive confirmed that the planned work had been paused as a consequence of Covid 19 but it would be revisited at a future date.

RESOLVED that the minutes of the meeting held on 18 February 2020 be received and confirmed as a correct record.

5 APPROVAL OF STRATEGIC INVESTMENT GROUP (SIG) RECOMMENDATIONS

Councillor Julian Thompson-Hill presented the report seeking Cabinet approval for two Business Cases relating to the Design Phases of Coastal Defence Schemes in Rhyl and Prestayn costing over £1m (100% grant funded by Welsh Government).

The report set out details of the two grant funded projects summarised as follows –

- Central Prestatyn Coastal Defence Scheme – would provide 1 in 200 year standard of protection to 2045 residential and 62 non-residential properties plus additional protection against predicted sea level rise for the next 100 years. Approval required to commence design and development of scheme at estimated cost of £1,487,180. A grant submission had been made to the Welsh Government (WG) for that element and it was expected WG would fund at 100%
- Central Rhyl Coastal Defence Scheme – would provide 1 in 200 year standard of protection to 548 residential and 33 non-residential properties plus additional protection against predicted sea level rise for the next 100 years. Approval required to commence design and development of the scheme at estimated cost of £2,550,950. A grant submission had been made to the Welsh Government (WG) for that element and it was expected WG would fund at 100%

Both projects had been recommended for approval to the design stage only by the Strategic Investment Group on the basis that there would be no financial risk to the Council and that proceeding with the design phase did not commit the Council to the construction phase and subsequent further funding. Decisions about future funding would need to be made when the full financial impact of the current coronavirus pandemic became clear and therefore it was important to manage expectations in that regard in terms of the potential to progress the schemes. Councillor Brian Jones added his support to the report recommendations given the current flood risk and the protection to be afforded to both residents and businesses which he considered provided value for money in terms of the investment required.

Cabinet recognised the importance of the schemes to protect against future flood risk and carefully considered the report recommendations in the present context.

During the ensuing debate Councillor Mark Young questioned whether it would be appropriate to proceed to the design stage at this time given the significant cost of the process (albeit would be met by WG) in the current financial climate with no guarantee of future progression and pending review of the Council's priorities. He was also keen to ensure that approving the recommendations would not prejudice any future decision on those priorities. Councillor Bobby Feeley agreed there may be merit in delaying a decision to proceed given the significant outlay and current deficit position which resulted in uncertainty over future progress. The Leader responded that the design phase would be fully funded by the WG and there was no commitment for the Council to proceed beyond that stage. The situation would be reviewed at the appropriate time in terms of future capital investment but given the scale of investment and number of properties that would benefit, if it was decided to progress the schemes, the Council would be well placed to access grant funding which may otherwise be lost. Councillor Brian Jones added that the WG may be able to fully fund the schemes in future years. Councillor Thompson-Hill confirmed that the process of reviewing priorities would soon be carried out but for

the purposes of the report it had been made clear that approval to the design stage did not prejudice the decision to proceed on that basis and did not assume approval going forward. There would be no risk to the Council in taking the schemes forward to the design stage and the WG had allocated funding for that specific purpose and approval would ensure the Council was best placed for the next phase in the event that the schemes did progress. Councillor Tony Thomas also supported the report recommendations highlighting the need to be prepared in addressing flood risk for the benefit of communities.

At the invitation of the Leader Councillor Barry Mellor addressed the Cabinet and spoke in favour of proceeding to the design stage highlighting that lives could be lost if measures were not taken to address the flood risk in those communities at the earliest opportunity. He was also concerned that any delay to the process may lead to loss of grant funding and result in future increases in project costs.

RESOLVED that Cabinet –

- (a) *approve the design stage of the Central Prestatyn Coastal Defence Scheme, which would be 100% grant funded by the Welsh Government, on the understanding that there was no risk to the Council and that it did not commit the authority to the construction phase and further funding (as detailed in Section 4.2 of the report and Appendix 1 to the report), and*
- (b) *approve the design stage of the Central Rhyl Coastal Defence Scheme, which would be 100% grant funded by the Welsh Government, on the understanding that there was no risk to the Council and that this did not commit the authority to the construction stage and further funding (as detailed in Section 4.3 and Appendix 2 to the report).*

6 FINANCE REPORT (COVID 19 FINANCIAL STRATEGY)

Councillor Julian Thompson-Hill presented the report setting out the financial impact of COVID 19 on the Council's 2020/21 budget, which was a combination of additional costs as well as a significant loss in income, and proposed a strategy for responding to the crisis and mitigating that impact in the short to medium term.

Cabinet was advised that the impact of the coronavirus pandemic would be significant and that business as usual from a financial perspective was not possible if the Council was to respond to the crisis. Councillor Thompson-Hill outlined the financial impact together with the short and medium term response proposed taking into account the impact on cash flow and base budget. In summary –

- **Effects of COVID 19 on Income and Expenditure up to end of June** – A net increase of £2.1m in expenditure was projected for the quarter to the end of June (additional expenditure of £2.8m alongside a decrease in expenditure of £747k). Income losses of £6.3m were forecast for the same period (the largest impact of £2.22m on Denbighshire Leisure Limited). Welsh Government (WG) was expected to provide funding for the additional expenditure but no firm announcement for funding loss of income had been made to date. The Welsh Local Government Association (WLGA) had submitted information to WG to

inform that process and it was expected that funding announcements would be made before the end of May. The net impact of £8.3m per quarter, if not funded, would have a devastating impact on the Council finances if the lockdown continued for an extended period. It was noted that the projected figures were subject to change and did not include the impact on levels of Council Tax Reduction Scheme claimants or payment of Council Tax itself

- **Short Term Response Phase** – partnership working had been ongoing with all Welsh local authorities, WLGA and WG to help define the scale of the problem and develop solutions. The recommended strategy over the next few months was to identify a way to ensure the financial stability of the Council for 2020/21 and beyond to include (1) continuing to work in partnership to try and achieve financial help to cover the overspend due to losses of income; (2) to continue to identify and define the financial impact to achieve an increasingly more accurate picture; (3) keep under review decisions that had led to decreases in income, and (4) to ensure the financial flexibility to deal with any residual overspends and continue to deliver efficient and effective services. This included identifying current underspends, review of non-statutory services, review of reserves and balances and exploring the capitalisation of revenue losses
- **Medium Term Response and Recovery Phase** – this would be dependent on the outcome of the response phase. It was hoped the Council could build on the learning of the crisis to take advantage of opportunities for better and more resilient ways of working. This would involve the identification of new priorities, areas of ongoing savings and areas that required investment. Work to be completed over the coming months included: production of the Medium Term Financial Strategy; Revenue Budget Setting Process and Timetable, and a Review of Capital Priorities and Projects.

The Head of Finance and Property added that it was a fast changing situation and he provided a further update, since the report was written, regarding the regulations and administration arrangements surrounding the grant funding made available by WG in respect of direct costs and social care together with free school meals and digitally excluded learners. In terms of the availability of extra funding indications were that a significant sum of money would be made available in the supplementary budget to be announced on 27 May which would inform future financial planning.

The following matters were raised during debate –

- Councillor Mark Young expressed his thanks for the hard work undertaken in administering the business grants scheme and ensuring charities had access to resilience funding which had made a significant difference to those affected
- in response to subsequent questions raised by Councillor Mark Young, the Lead Member for Finance and Head of Finance and Property confirmed that the UK Government would be borrowing for a range of purposes and any areas of borrowing involving devolved issues would result in a Barnett formula consequential for Wales and WG would decide where to allocate that additional funding; with regard to future solvency the report set out the pressures for the first quarter and the funding announced would cover the first quarter expenditure – it was hoped that tomorrow's announcement would go some way to cover the

income shortfall for the same period and, depending on the outcome, a shortfall of approximately £2m was likely, hence the measures detailed within the report. Following the outcome for quarter 1 attention would turn to quarter 2 and work to lobby for that funding – if there was an easing of the lockdown after June it might be possible for some income streams to be resumed. Finally the Leader and Chief Executive confirmed that local authorities had been expected to undertake additional work, including the Track, Trace and Protect Programme, which required a significant resource, and there had been some financial commitment from the UK Government in that regard. Given that some officers had already been committed to alternative duties and others would be required for when services resumed it would be a challenge to allocate and redirect staff for that purpose, particularly if funding was not forthcoming

- Councillor Brian Jones sought assurances that the highways underspend for 2019/20 would be carried over and that the capital spend for highways in 2020/21 would remain intact. The Lead Member for Finance explained the usual practice of bringing the financial outturn report to Cabinet in June detailing recommendations for carry forward or otherwise of service overspend – it was likely that if the slippage in spend had been due to Covid 19 then funding would be carried forward. For the next financial year the block allocations for investment in assets, including highways, would carry forward but those allocations were submitted on an annual basis and therefore as yet not approved – it was assumed they would continue provided funding was available
- Councillor Bobby Feeley acknowledged the significant financial impact of the coronavirus pandemic and the identified measures to respond to that which potentially included a review of non-statutory services – she highlighted the value of non-statutory services, many of which affected people's wellbeing and quality of life, and indicated that she would resist any proposals to dismiss those services in favour of savings made from modernised and different ways of working that did not impact on service delivery. Councillor Thompson-Hill highlighted the Council's legal duty to provide a balanced budget and the need for all options to be identified to achieve that. However it would be the worst case scenario depending on the Council's financial position. The Head of Finance and Property added that the report set out the strategy for working in partnership to try and secure additional funding but given the risk that funding was not forthcoming then action would need to be taken to use one or more of the measures identified to meet the funding gap which was in line with the usual budget process. The Chief Executive confirmed that many lessons had been learnt in terms of operational and working practices but if sufficient funding was not received from WG then difficult choices would need to be made.

The Leader highlighted the challenges and uncertainties for local authorities arising from the pandemic including the financial impact if funding losses were not met. However he was pleased to report on the positive relationship with Ministers through the WLGA and regular meetings where there was recognition that local government had a key role in delivering services together with the financial challenges faced. Those challenges were further impacted by the fast changing circumstances creating difficulties for future financial planning. As part of the recovery process it was important that local authorities responded to the challenges faced and opportunities had been provided to work differently and more efficiently. He highlighted the importance of ICT and Democratic Services working together to

ensure democratic processes continued as expected and there were greater opportunities for more modern ways of working. The Leader also agreed that the non-statutory services were important for residents and would await the outcome of the forthcoming budget announcement from WG to inform future budget planning.

Lead Members responded to issues raised by non-Cabinet members as follows –

- Councillor Brian Jones provided an update on the opening of recycling centres and reasoning behind the slight delay due to technical issues. Councillor Emrys Wynne also asked for timely and clear guidance to be provided to both members and residents prior to the resumption of various services and facilities
- Councillor Julian Thompson-Hill confirmed that the reference in the report to major regeneration projects referred to the North Wales Hospital Redevelopment Scheme. He also referred to the definitions in law as regards to the classification of statutory and non-statutory services and the Head of Legal, HR and Democratic Services clarified the legal interpretations and obligations in that regard, particularly in terms of the wellbeing element in response to questions from Councillor Gwyneth Kensler which the Council had to have regard to but was not a statutory service as such.

RESOLVED that Cabinet –

- (a) *note the forecasts around the financial impact of the Covid 19 pandemic on the Council, and*
- (b) *approve the Draft Financial Strategy as outlined in the report.*

7 CABINET FORWARD WORK PROGRAMME

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

- Financial Outturn Report 2019/20 – June
- North Wales Growth Deal Governance Agreement 2 – November

RESOLVED that Cabinet's forward work programme be noted.

The meeting concluded at 11.43 hrs.

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Report to	Cabinet
Date of meeting	30 th June 2020
Lead Member / Officer	Hugh Evans, Leader, Judith Greenhalgh, Chief Executive
Report author	Judith Greenhalgh, Chief Executive
Title	Denbighshire County Council Coronavirus Response

1. What is the report about?

To update cabinet on the management of the impacts of the coronavirus pandemic in Denbighshire and North Wales and on the process for managing recovery.

2. What is the reason for making this report?

For cabinet to consider and agree the various elements of the response

3. What are the Recommendations?

That cabinet note the contents of this report, support the actions taken and agree the next steps as set out below

4. Report details

Emergency Response

4.1. Denbighshire County Council stood up its Strategic Emergency Management Team on 16th March as a response to the Coronavirus pandemic.

4.2. The Council has well established emergency planning arrangements to deal effectively with short term emergencies such as a flood or fire and with pandemic flu. The nature of coronavirus drove the need for these plans to be quickly adapted to the situation

- 4.3. SEMT is chaired by the Chief Executive, and comprises corporate directors, heads of service, the Council's senior HR officer and ICT officers and it attended by the leader and deputy leader. In the early days of the pandemic, SEMT met three times weekly; it now meets once weekly. Meetings are supported by an officer from the Regional Emergency Planning Team and a loggist to record decisions made and actions taken.
- 4.4. With all formal member meetings suspended, SEMT reported to cabinet who have been meeting informally. Decision making has largely been carried out under powers delegated to Heads of Service or Lead Members, where appropriate in consultation with cabinet.
- 4.5. The terms of reference for SEMT are attached at appendix one. Broadly, the meetings focussed on tackling both strategic and operational issues around a number of key themes; the initial key themes are shown at appendix 2 but have evolved over time as the pandemic situation developed.
- 4.6. The initial task for SEMT was to safely close down or remodel services in light of the lockdown. All non-critical services closed at the end of March, with many of their staff being transferred to supporting critical services or delivering new ones relevant to Covid-19
- 4.7. Staff sickness had remained low throughout the period since the start of the pandemic. Incidences of Covid have broadly been low amongst our staff group. However, the instruction to all staff with underlying health conditions to self-isolate, whilst being the correct thing to do, has put pressure on some services due to staff shortages, most notably our waste services.
- 4.8. The Council has responded extremely positively to the challenge of Covid-19. Innovative new services and approaches to service delivery have been developed, decisions have been made quickly and staff and trade unions flexible and collaborative in the actions we needed to take to keep our citizens safe.
- 4.9. Key actions and innovations in our response include the following:
- Establishing 'hub' schools for key worker children
 - Making direct payments to everyone eligible for free school meals

- Distributing PPE across the County, including to private care homes and providers
- Pro-actively calling everyone in the 'shielded' group and contacting residents over 70 to offer support with shopping and other tasks or 'just a chat'
- Working with the voluntary sector to link vulnerable residents to community services
- Processing and paying grants to small businesses
- Contacting businesses, providing advice and signposting to help available in Wales
- Setting up a 'redeployment bureau' which has moved over 200 staff in to new roles including front line social care, community calling and support response, drivers and contact tracing and testing
- Pro-active communications through our website, social media and press releases
- Supporting 7 day a week discharges from hospitals
- Establishing a local TTP (Track, Trace and Protect) 'cell' to deliver contact tracing in Denbighshire

4.10. Regionally, the Covid-19 emergency response has been overseen by the Strategic Command Group (SCG), chaired by the police and including the Chief Executives of Local Authorities, Welsh Government, Public Health, NRW, BCU, blue light services and other key partner agencies. On behalf of the region, the SCG has co-ordinated:

- Information and intelligence sharing
- The establishment of three 'field hospitals', currently on standby in the event of a second 'wave' of Covid-19 and to assist with other emerging pressures
- A regional approach to TTP
- Oversight and co-ordination of PPE

4.11. Overall, both local and regional arrangements have worked well in an unprecedented and challenging time.

Recovery

4.12. Most emergencies move from a short 'response' phase to a longer 'recovery' phase. The nature of the Covid-19 pandemic means that 'response' is likely to continue for some time but that simultaneously we will need to start on the 'recovery' process, restarting services in a safe manner, collaborating regionally with partners, planning for the future and focussing on how our organisations, businesses and communities can start to recover from the impact of Covid-19

4.13. The Council has determined its internal governance around recovery, with operational issues being discussed at the Senior Leadership Team and with work again focussed around a number of key 'themes', each with a designated lead officer and lead member. The governance proposal is attached at appendix 3, but the key issues for the Council to consider include:

- How to safely restart public facing services and Council buildings in the short to medium term
- Maintaining staff welfare, health and safety and returning staff to their substantive roles
- Restarting the democratic operations of the Council through remote working
- Managing the likely budget deficit as a consequence of additional costs and income losses and planning the budget for future years
- Dealing with backlogs in maintenance in our buildings, housing stock, highways and bridges
- Supporting Denbighshire businesses and restarting the tourism sector
- Supporting our communities
- Phased re-opening of schools, including transport to schools and children with special educational needs
- Working with Denbighshire Leisure (DLL) to manage the financial and operational impact of Covid-19 on the company
- Re-evaluation of our corporate projects and priorities, given the financial position, public priorities and the draw on resources to managing the response and recovery from the Covid-19 pandemic
- Embedding lessons learned and new ways of working in to how the Council operates in the future

4.14. Regionally, the recovery process will be led by a multi-agency Recovery Co-ordination Group. Mirroring the situation within the Council, the regional

recovery effort will need to run alongside the ongoing response. Key regional recovery themes include:

- Business and economic recovery
- Health and Social Care
- Community support and resilience
- Public Health and TTP

4.15. It should be noted that delivering the response and recovery programmes will need to be the key focus of work for the Council over at least the next 12 months and will leave little capacity for further new initiatives to be safely introduced.

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

5.1. Covid-19 has had a significant and long-lasting effect on services and the residents and businesses of Denbighshire. An effective response to dealing with the pandemic and a well-executed recovery plan will be fundamental to protecting the health and prosperity of the County

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

6.1. The financial impact of Covid-19 on the Council has already been significant, with major income losses and additional costs incurred.

6.2. There may be further additional costs associated with recovery actions that are yet to be determined. The scale of further income losses depends on when lockdown is released, the appetite of citizens to return to using services and the state of the overall Denbighshire economy.

6.3. The collective resources of the Council, both front line and back office services will need to focus predominantly on this major piece of work for the foreseeable future

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

7.1. Not required

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

8.1. In the absence of formal scrutiny meetings, political group leaders have been informed and consulted on the matters set out in this report

9. Chief Finance Officer Statement

Obviously the core focus at the moment is the financial response and recovery in recovery in relation to the Covid 19 pandemic. Although the pressures are very large the Council enters this period with the following advantages:

- A strong track record of financial management in response to over 10 years of real terms budget reductions. The systems and processes in place should help DCC in its response.
- The Council has relatively healthy financial reserves and balances of the Council.
- The Settlement and Budget set for 2020/21 allowed the Council to address a number of pressures in Social Care, Waste services, School Transport, Education and Schools. This does not mean that there are no ongoing business as usual pressures, however it does mean that we are in a better position than previous years.

The regular Finance Cabinet Report will keep members up to date and regular updates are provided to informal Cabinet.

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

10.1. Covid-19 has and will continue to pose a significant risk to the health and well-being of our citizens and staff, the delivery of our services and the economy of our County

10.2. The current uncertainty over financing is a significant risk to the Council. Some funding has been made available to make up the emerging shortfalls but the complete position is by no means clear

11. Power to make the decision

11.1. s2 Civil Contingencies Act 2004

Denbighshire County Council
Coronavirus (Covid 19) SEMT
Terms of Reference
Version 1 30 March 2020

Introduction:

The purpose the Coronavirus (Covid 19) SEMT is to provide a regular meeting of the Council's Senior Leadership Team, with appropriate lead Officer and if necessary Lead Member support, to discuss relevant emergency planning, business continuity and all other related work-streams in order to identify and prioritise our strategic and tactical approach to the emergency.

Aims:

To agree and record Decisions and Actions to ensure that DCC responds in the most appropriate way to the emergency.

To ensure SEMT is aware of the national and regional context to the emergency and to prepare DCC representatives at national and regional meetings so they are communicating DCC's position/opinion

Structure:

Membership will be (16 No.)

All of SLT (12 No.)

Eleri Evans (Organiser & Loggist)

Catrin Roberts (HR)

Barry Eaton (ICT)

Madeleine Henri-Joy (Regional Emergency Planning)

SEMT will meet 3 times a week (Mon am, Wed pm & Fri am).

The meeting will be "held" in County Hall with the majority of participants expected to "dial in".

The meetings will be Chaired by the CEO. If the CEO is unavailable one of the 2 Corporate Directors will Chair.

Eleri Evans will act at the meetings Loggist, producing Minutes, Action Log and Decision Log for circulation after each meeting. These will be by CET.

Eleri Evans will need deputies. These will be discussed and a decision will be reported to SEMT in due course.

The meetings are currently in the diary until 15 June.

Sub Groups:

SEMT will need to establish Sub Groups. No Sub Group will be established until agreed by SEMT.

Sub Group should normally be Chaired by an allocated SEMT Member who will lead the work of the Sub Group and report back to SEMT as required.

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Report to	Group Leaders
Date of meeting	28 May 2020
Lead Member / Officer	Cllr Richard Mainon /Judith Greenhalgh
Report author	Graham Boase
Title	Covid19 Recovery; Interim arrangements for updating and involving Members

1. What is the report about?

- 1.1. Proposed interim arrangements for discussion on how Cabinet and SLT intend to keep the wider Council Membership updated regarding the Recovery response to Covid19

2. What is the reason for making this report?

- 2.1. For Group Leaders to consider and agree the proposed interim arrangements for keeping Members updated on the Council's Recovery response to Covid19.

3. What are the Recommendations?

- 3.1. Group Leaders support the approach as laid out in this Report and attached Appendix 1.

4. Report details

4.1 To date the main focus of SLT and Cabinet has been on responding to the Covid19 emergency. Whilst dealing with the emergency response is still important, we now need to prioritise developing and implementing the Council's Covid19 Recovery Plan.

4.2 SLT and Cabinet have considered the broad "themes" that our Recovery Plan should include, along with which members of SLT/Cabinet might lead on those

themes. The proposed themes and leads are included as **Appendix 1** to this report. The general principle being the leads for each theme will work closely together, with the SLT lead reporting back to SLT and the Cabinet Leads reporting back to informal Cabinet/Cabinet as appropriate. The Cabinet and SLT leads will need to identify priorities for each theme (considering capacity, logistics, risks, needs, expectations etc), align service priorities with these arrangements and implement safe ways of working for staff and residents.

4.3 In accordance with our established procedures, decisions regarding recovery will either be delegated to the relevant Officer or via the formal Lead Member Delegated Decisions or at formal Cabinet. The exact route for each decision will be determined during the discussions between the relevant leads, including discussions at SLT and Informal Cabinet.

4.4 Cabinet and SLT recognise the importance of keeping all Members informed and engaged in the formation and delivery of the Recovery Plan. However it is unlikely that “normal” procedures will be established immediately, hence the need for interim arrangements to be agreed between Cabinet and Group Leaders.

4.5 Until established political arrangements, such as Scrutiny can be re-introduced it is proposed that the Leader and the Chief Executive (or their nominated substitutes) update Group Leaders via a weekly WebEx meeting.

4.6 These weekly meetings will comprise verbal updates on a range of matters but will increasingly focus on recovery. Where appropriate written reports will be provided in advance for consideration by Group Leaders. For certain issues a reasonable time for Group Leaders to consult with their Groups and provide feedback will be given.

4.7 In most cases it is considered matters for consideration will be relatively straight forward, the implementation of which will be delegated to Officers. However “high profile” and/or more “controversial” matters will need further consideration. These matters should form the focus of the weekly meetings, with feedback from the Groups via their Group Leaders helping to shape the proposals. If needed WebEx meetings with individual Groups could be arranged to further discuss such proposals. Ultimately the decisions on such matters are likely to be taken in the

usual way i.e. either via Lead Member Delegated Decision or Cabinet. Either of these two decision making routes will of course allow for “call in” and Scrutiny procedures in the normal way.

4.8 Given the current situation it is hoped that the need for decisions to be “called in” can be avoided through close working between Cabinet, Officers and the Groups via Group Leaders.

4.9 It is accepted that we are in unprecedented times and we hope the arrangements for engagement with the Political Groups via Group Leaders as laid out in this report represents a reasonable and acceptable interim compromise until we can return to “business as usual”. It is also accepted that these interim arrangements need to be flexible to address different circumstances and the need for urgent decisions.

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

5.1. The Council’s short term Priority is to “recover” from the impacts of Covid19. The Recovery Themes in Appendix 1 will need to be developed having regard to the existing priorities in the Corporate Plan.

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

6.1. The cost of recovery is currently not known, but each Recovery Theme will have regard to costs. SLT, Cabinet and the Budget Board will retain an overview of the costs of recovery within the context of the overall budget position of the Council.

6.2. All service areas will be impacted by recovery.

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

7.1. The Recovery Plan has not been subject to a Well-being Impact Assessment, although each Theme may need to consider the need for such an Assessment.

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

8.1. SLT and Cabinet have been involved in the development of the Recovery Themes and the detail in this report.

Chief Finance Officer Statement

8.2. Not considered necessary at this time.

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

8.3. There are no specific risks associated with this report.

Power to make the decision

8.4. This is an internal process for Group Leaders to consider in light of the Covid19 emergency.

Proposed Recovery Themes & SLT/Cabinet Leads

Transitional Phase	Lead Officer / Lead Member
How to get services back up and running & buildings open in the short term as lockdown restrictions are gradually eased.	Alan Smith (working with relevant HoS) Cllr R Mainon (working with relevant Lead Members)
Business as Usual Phase Themes/Priorities	Lead Officer / Lead Member
Staffing	Catrin Roberts Cllr R Mainon
Democratic Processes	Gary Williams Leader & Cllr R Mainon
Finance	Steve Gadd Cllr J Thompson-Hill
Infrastructure – Council Buildings	Steve Gadd Cllr J Thompson-Hill
Infrastructure – Highways and Public Realm	Tony Ward Cllr B Jones
Infrastructure – Housing	Liz Grieve Cllr T Thomas

Business Support	Emlyn Jones Leader & Cllr M Young
Communications	Liz Grieve Cllr H Hilditch-Roberts
Community Resilience	Nicola Stubbins Cllr B Feeley
Schools	Karen Evans Cllr H Hilditch-Roberts
Embedding New Ways of Working	Alan Smith Cllr R Mainon
Review of Corporate Priorities	Graham Boase Leader
Denbighshire Leisure	Jamie Groves Cllr B Feeley

Report to	Cabinet
Date of meeting	30 th June 2020
Lead Member / Officer	Julian Thompson Hill
Report author	Steve Gadd, Head of Finance and Property
Title	Finance Report (2019/20 Financial Outturn)

1. What is the report about?

Cabinet has received regular monitoring reports throughout the financial year on the performance of expenditure against budget and savings agreed as part of the Medium Term Financial Plan. This report details the final position at financial year end.

The first draft of the Annual Statement of Accounts for 2019/20 is on target to be submitted to the external auditors by 15th June. The audited accounts will then be presented to the Corporate Governance Committee in September for formal approval.

2. What is the reason for making this report?

To report the final revenue position and approve the proposed treatment of balances.

3. What are the Recommendations?

3.1 Members note the final revenue outturn position 2019/20

3.2 Members approve the proposed treatment of reserves and balances as described in the report and detailed in Appendices 1, 2 and 3

3.3 Members note the details of transfers to and from Earmarked Reserves as set out in Appendix 4

4. Report details

The final Revenue Outturn figures are detailed in Appendix 1, along with the proposed treatment of service year end balances. The final position on service and corporate budgets (including schools) is an overspend of £0.928m (0.46% of the net revenue budget). Appendix 5 details the majority of service positions and reasons for variances however the following should also be noted:

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 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.

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. An overall school deficit balance is to be carried forward into 2020/21 of £1.388m, which represents an increase of £1.217m 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. The budget agreed for 2020/21 includes a total net additional investment in schools delegated budgets of £2.876m.

Appendix 4 details the transfers to and from Earmarked Reserves in full. The majority of the movements have been budgeted for or have been approved in previous monitoring reports to cabinet. In particular it shows the planned use of funds to cover overspends in Community Support Services (Adult Social Care Reserve) and Highways and Environment (Sustainable Waste Management Reserve). It should be noted that all reserves are currently under review as part of the Covid 19 Financial Strategy agreed at Cabinet in May.

Underspends relating to **Corporate Budgets** have been reported during the year, however the key elements of the underspend of £2.401m are reproduced in the table below:

Service Area	Description	£000
Pension Deficit Over-recovery	Release of underspend usually transferred to Pension Deficit Reserve in light of Triennial Actuarial Review savings	932
Council Tax Reduction Scheme	Budgeted increase in caseload not required in full	98
NNDR Inflation	Business Rates' Inflation offset by revaluation savings	201
Insurance Re-tender	Underspend relating to re-tendering of Corporate Contract	350
Historic Pension Costs	Decrease in costs more than projected	39
Housing Benefits Overpayments	Civica project to identify and collect Housing Benefit overpayments	150
Energy	Inflationary rise not required - due to warm weather / energy efficiency	417

Due to the improved service position and planned release of corporate contingencies and the impact of the Capital Financing underspend the Final Outturn position has only required utilising £0.974m of the planned £2m from the Budget Mitigation Reserve. The change results in maintaining a reserve of £2.111m, of which £0.685m is required for 2020/21 as per the agreed budget. This leaves £1.426m to further mitigate the budget position, whether to cope with pressures in 2020/21 or helping to balance the budget in future years.

Given the overall position within services and the availability of corporate funds, it is proposed that services carry forward the net under spends listed as Committed Service Balances in **Appendix 1** to help deliver the 2020/21 budget strategy and meet existing commitments. **Appendix 2** summarises the service proposals.

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?

The council's net revenue budget for 2019/20 was £198.538m. The final position on service and corporate budgets was a net overspend £0.187m (0.09% of the net revenue budget). Taking account of funding, the variance on the total budget was an overspend of

£0.928m (0.46% of net revenue budget). The net overspend figure includes £1.217m overspend within schools which is carried forward separately. Where services have highlighted legitimate expenditure commitments against 2019/20 balances, it is proposed that those services carry the net balance forward to 2019/20. All services that underspent were asked to release an element of their underspends in order to help the overall financial position of the authority in light of the financial impact of Covid 19. The position within each service and intended use of brought forward service balances will be reviewed during 2020/21.

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

Well-being Impact Assessments for the savings summarised in Section 4 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.

However, despite the 2020/21 Budget approved in January addressing a number of the key pressures and investing in core priority services such as schools, the new financial

pressures associated with Covid 19 represent a huge challenge for the Council. Strategies are currently being worked on which will help the Council cope, although ultimately additional Welsh Government funding will be required.

Although school balances have decreased this financial year, this largely relates to a small number of schools and the position will be kept under close review. Not only are Education Finance working closely with schools to help develop robust plans, but chief and senior officers in Education and Finance meet regularly to review those plans and take remedial action if necessary. We are particularly working closely with a small number of schools who are experiencing particularly difficult circumstances.

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

This remains a challenging financial period and failure to deliver the agreed budget strategy will put further pressure on services in the current and future financial years. Obviously the scale of the known impacts of Covid 19 and the huge uncertainty around how this will be funded represents a huge risk to the Council. A formal Financial Strategy was presented and approved by Cabinet in May and work is ongoing to implement that strategy in partnership with the WLGA and Welsh Government.

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.

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	Outturn Position			Schools Position £'000	Committed Service Balances £'000	Service Balances £'000
	Budget £'000	Outturn £'000	Variance £'000			
Services						
Communities and Customers	3,611	3,497	-114		-91	-23
Education and Children's Service	16,061	17,095	1,034		0	1,034
Business Improvement and Modernisation	4,589	4,478	-111		-69	-42
Legal, HR and Democratic Services	2,606	2,423	-182		-89	-94
Finance and Property	3,950	3,897	-53		-35	-18
Highways, Facilities and Environmental Services	16,043	16,038	-5		-5	0
Planning and Public Protection	9,312	9,806	495		0	495
Community Support Services	35,834	36,490	656		0	656
Leisure - ADM	2,375	2,411	37		0	37
Service Budgets	94,380	96,136	1,756		-289	2,044
Schools						
Schools Delegated	74,351	75,567	1,217	1,217		0
Schools Non-delegated	-5,066	-5,138	-71		0	-71
Corporate Budgets						
Corporate	16,416	14,015	-2,401		0	-2,401
Capital Financing/Investment Interest	13,652	13,339	-313			-313
Levies	4,806	4,806	0			0
Total Services & Corporate Budgets	198,538	198,725	187	1,217	-289	-741
FUNDING						
Welsh Government Funding						
RSG B03	113,040	113,040	0			0
NNDR B15	30,597	30,597	0			0
	143,637	143,637	0			0
Council Tax & Balances	54,901	54,161	741			741
Total Funding	198,538	197,797	741	0	0	741
In-year Position	0	928	928	1,217	-289	0

RESULTING POSITION AT 31/03/2018

School Balances Brought Forward	-171
In Year requirement	-1,217
School Balances Carried Forward	<u>-1,388</u>

Earmarked Balances**Services**

Communities and Customers	91
Business Improvement and Modernisation	69
Legal, HR and Democratic Services	89
Finance and Property	35
Highways, Facilities and Environmental Services	5
Total	<u>289</u>

Budget Mitigation Reserve

Balance Brought Forward	3,085
In-year Movement	0
Year End Contribution	-974
Balance Carried Forward	<u>2,111</u>

Future Year Commitments:

Budget Contribution 2019/20 Included in published MTFP	-685
Cash Left for Budget mitigation	<u>1,426</u>

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Appendix 2 - Summary of Service Commitments & Proposals

Service:	Requests for Funding	Service Total
Description of Request for Carry Forward	£	£
Communities and Customers: <ul style="list-style-type: none"> ➤ Youth Service - £40K requested to carry forward for refurbishment of toilets and kitchens at Youth Centre's ➤ Print kiosk replacement/upgrades ➤ Payment kiosk Cammex software - windows 10 upgrade ➤ Contact centre post - underachieved element of saving offered ➤ Contribution to planned exit costs 	40	
	15	
	9	
	24	
	3	
		91
Legal, HR & Democratic Services: <ul style="list-style-type: none"> ➤ Additional investment in ensuring that the democratic process can continue to evolve and improve using latest technology for webcasting and virtual decion making 	89	
		89
Business Improvement and Modernisation: <ul style="list-style-type: none"> ➤ Maternity cover ➤ Archive conservation work on quarter session rolls ➤ Archives Joint Merger:- <ul style="list-style-type: none"> Employment of an apprentice Archives website - (Joint) Project Manager to develop bid to Jan 21 - 2 days per wk Consultant to draw up a business case for expanding the attraction at Ruthin Gaol 	11	
	5	
	53	
		69
Finance and Property: <ul style="list-style-type: none"> ➤ Pay for exploratory work within Revenues and Benefits around the use of data (eg to target Homelessness help earlier) which will hopefully improve service across the Council 	35	
		35
Highways, Facilities and Environmental Services: <ul style="list-style-type: none"> ➤ General contribution to expected Waste pressures 	5	
		5
TOTAL COMMITTED SERVICE BALANCES		289

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Primary School Balances As at 31.03.2020

0.5 = Nursery

(Red) = DEFICIT

Cost Centre	School	Balance as at 31.03.2019	Balance as at 31.03.2020	Movement in Year	Total Pupil Nos Sept 2019	Balance per Pupil	School Budget 2019/2020	Balance as %age of Budget
114	Ysgol Betws Gwerfil Goch	36,817	31,914	(4,903)	38	840	226,620	14.08%
116	Ysgol Y Faenol	36,989	43,033	6,044	141	306	615,675	6.99%
117	Ysgol Bodfari	(12,314)	(37,347)	(25,033)	27	(1,383)	210,883	-17.71%
136	Ysgol Carrog	24,791	50,265	25,474	45	1,117	280,274	17.93%
140	Ysgol Cefn Meiriadog	14,264	17,663	3,399	60	294	302,916	5.83%
147	Ysgol Carreg Emlyn	108,338	77,288	(31,050)	73	1,059	417,161	18.53%
162	Ysgol Caer Drewyn	51,251	52,354	1,103	110	478	486,465	10.76%
165	Ysgol Bro Dyfrdwy	41,185	35,594	(5,591)	122	293	506,918	7.02%
168	Ysgol Y Parc Infants	1,934	27,125	25,191	182	149	756,261	3.59%
169	Ysgol Frongoch Juniors	(9,934)	22,124	32,058	202	110	692,721	3.19%
172	Ysgol Twm o'r Nant	33,117	19,769	(13,348)	281	70	1,083,441	1.82%
173	Ysgol Pendref	(117,403)	(132,730)	(15,327)	126	(1,053)	767,331	-17.30%
176	Ysgol Hiraddug	16,053	(30,142)	(46,195)	199	(151)	785,880	-3.84%
196	Ysgol Gellifor	13,011	41,007	27,996	45	922	311,531	13.16%
210	Ysgol Bro Elwern	22,321	40,526	18,205	50	819	300,569	13.48%
219	Ysgol Henllan	18,962	32,501	13,539	61	533	347,777	9.35%
247	Ysgol Bro Famau	26,832	14,286	(12,546)	78	184	429,187	3.33%
249	Llanbedr Controlled	26,026	29,705	3,679	56	530	298,045	9.97%
251	Ysgol Dyffryn Ial	15,351	3,709	(11,642)	47	79	283,558	1.31%
255	Ysgol Bryn Clwyd	15,036	10,193	(4,843)	32	319	244,578	4.17%
258	Ysgol Llanfair D.C.	18,204	668	(17,536)	103	6	453,473	0.15%
266	Ysgol Bryn Collen	8,836	24,898	16,062	154	162	629,105	3.96%
268	Ysgol Bro Cnimeirch	48,180	59,779	11,599	86	695	403,573	14.81%
284	Ysgol Melyd	69,055	21,618	(47,437)	129	168	616,774	3.51%
325	Ysgol Pentrecelyn	(16,080)	(29,418)	(13,338)	34	(878)	230,546	-12.76%
332	Ysgol Bodnant Community School	(46,738)	2,187	48,925	432	5	1,536,803	0.14%
333	Clawdd Offa	143,948	149,975	6,027	364	413	1,379,107	10.87%
336	Ysgol Penmorfa	54,473	123,233	68,760	431	286	1,605,435	7.68%
337	Ysgol Y Llys	71,962	48,106	(23,856)	380	127	1,309,676	3.67%
338	Ysgol Pantpastynog	9,478	11,546	2,068	78	148	326,384	3.54%
351	Ysgol Rhewl	55,693	0	(55,693)	0	0	0	0.00%
361	Ysgol Y Castell	(15,058)	(24,525)	(9,467)	207	(119)	781,247	-3.14%
364	Ysgol Bryn Hedydd	28,834	6,153	(22,681)	444	14	1,458,693	0.42%
365	Christ Church C.P.	72,897	(94,288)	(167,185)	425	(222)	1,727,973	-5.46%
366	Ysgol Dewi Sant	49,135	68,764	19,629	436	158	1,632,740	4.21%
367	Ysgol Emmanuel	171,701	152,914	(18,787)	427	358	1,724,532	8.87%
368	Ysgol Llywelyn	13,118	(23,234)	(36,352)	666	(35)	2,298,105	-1.01%
369	Ysgol Mair R.C.	42,082	0	(42,082)	0	0	0	0.00%
373	Ysgol Borthyn Controlled	(40,818)	(45,045)	(4,227)	100	(453)	500,566	-9.00%
374	Rhos St. C.P.	28,406	63,891	35,485	180	355	735,386	8.69%
375	Ysgol Penbarra	27,993	10,072	(17,921)	264	38	1,001,467	1.01%
390	St. Asaph Infants V.P.	5,529	(3,780)	(9,309)	81	(47)	435,163	-0.87%
392	Ysgol Esgob Morgan	27,826	36,887	9,061	115	321	451,041	8.18%
405	Ysgol Trefnant Controlled	12,683	4,306	(8,377)	82	53	351,600	1.22%
408	Ysgol Tremerchion	8,147	15,834	7,687	71	225	369,917	4.28%
467	Ysgol Gymraeg Y Gwernant	40,945	5,927	(35,018)	138	43	588,667	1.01%
TOTAL		1,253,059	935,305	(317,754)	7,791		31,895,767	2.93%

* Closed 31.08.2018

* Closed 31.08.2019

Average

120

Secondary School Balances

Cost Centre	School	Balance as at 31.03.2019	Balance as at 31.03.2020	Movement in Year	Total Pupil Nos Sept 2019	Balance per Pupil	School Budget 2019/2020	Balance as %age of Budget
513	Denbigh High School	(514,591)	(694,559)	(179,968)	501	(1,386)	3,059,862	-22.70%
527	Ysgol Dinas Bran	103,110	90,061	(13,049)	1,051	86	5,646,230	1.60%
537	Prestatyn High School	(352,793)	(952,314)	(599,521)	1,438	(662)	6,877,825	-13.85%
541	Rhyl High School	(140,454)	(194,903)	(54,449)	1,138	(171)	5,578,012	-3.49%
543	Blessed Edward Jones High School	(513,673)	0	513,673	0	0	0	0.00%
549	Ysgol Brynhyfryd	(392,521)	(163,624)	228,897	1,000	(164)	5,565,300	-2.94%
553	Ysgol Glan Clwyd	159,465	144,894	(14,571)	1,007	144	5,325,224	2.72%
TOTAL		(1,651,455)	(1,770,445)	(118,990)	6,135		32,052,452	-5.52%

* Closed 31.08.2019

Average (289)

Special School Balances

Cost Centre	School	Balance as at 31.03.2019	Balance as at 31.03.2020	Movement in Year	Total Pupil Nos Sept 2019	Balance per Pupil	School Budget 2019/2020	Balance as %age of Budget
619	Ysgol Plas Brondyffryn	402,039	77,006	(325,033)	95	811	3,125,563	2.46%
655	Ysgol Tir Morfa	120,541	198,132	77,591	101	1,962	2,270,517	8.73%
TOTAL		522,580	275,138	(247,442)	196		5,396,080	5.10%

Average 1,404

Middle School Balances

Cost Centre	School	Balance as at 31.03.2019	Balance as at 31.03.2020	Movement in Year	Total Pupil Nos Sept 2019	Balance per Pupil	School Budget 2019/2020	Balance as %age of Budget
790	St. Brigid's	(295,038)	(417,474)	(122,436)	492	(849)	2,320,388	-17.99%
795	Christ the Word	0	(410,112)	(410,112)	647	(634)	2,686,240	-15.27%
TOTAL		(295,038)	(827,586)	(532,548)	1,139		5,006,628	-16.53%

* Opened 01.09.2019,

Average (727)

TOTAL ALL SCHOOLS		(170,854)	(1,387,588)	(1,216,734)	15,261		74,350,928	-1.87%
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Average balance per pupil - all schools

Average (91)

Transfers to/from Earmarked Reserves	Balance at 31/03/2019 £000	Transfers Out 2019/20 £000	Transfers In 2019/20 £000	Balance at 31/03/2020 £000
Schools				
School Balances	171	2,419	(1,202)	1,388
Schools Financial Resilience	(265)	0	(35)	(300)
Schools IT Network Development	(15)	2	0	(13)
ALN Reforms	(370)	22	(206)	(554)
NW Schools Framework	(52)	52	(10)	(10)
School Closure Costs	(818)	818	0	0
Free School Meals	(150)	0	0	(150)
Grant & Capital Related				
Capital Schemes	(6,261)	164	(3,878)	(9,975)
Planning Delivery for Wales	(195)	0	0	(195)
Sustainable Waste Management	(2,260)	2,068	0	(192)
Revenue Grants Unapplied	(490)	25	(280)	(745)
External Funding Administration	(116)	0	(26)	(142)
Modified Loan Reserve	(4,676)	64	0	(4,612)
Legal Obligations/Commitments				
Town & County Planning Act (s.106) Requirements	(1,157)	9	(12)	(1,160)
CESI Pooled Budget	(33)	18	0	(15)
Coroner	(282)	10	0	(272)
Social Care				
Adult Social Care Reserve	(821)	821	0	0
Social Care Amenity Fund	(14)	0	0	(14)
Modernising Social Care	(212)	0	0	(212)
Children with Disabilities	(31)	31	0	0
Health & Social Care Support Workers	(47)	1	0	(46)
Social Care in Partnership	(17)	6	0	(11)
Social Service Improvement Agency	(116)	0	0	(116)
Safeguarding Business Unit	(348)	237	0	(111)
Delivering Transformation	(410)	410	(454)	(454)
Regional Commissioning Team	(45)	0	(21)	(66)
Service & Corporate				
Environmental Services	(181)	42	0	(139)
Modernising Education	(93)	0	(29)	(122)
Leisure Strategy	(373)	251	0	(122)
Insurance Fund	(1,219)	0	(61)	(1,280)
Major Events Reserve	(109)	4	(8)	(113)
Elections	(85)	0	(37)	(122)
Risk Management Fund	(442)	0	(60)	(502)
IT Networks Development	(229)	8	(501)	(722)
IT Systems Development (EDRMS)	(69)	0	0	(69)
ECA Board	(202)	61	0	(141)
Severe Weather (incorporating Winter Maintenance)	(438)	0	0	(438)
LDP Future Costs	(147)	4	(20)	(163)
Design & Development	(120)	0	0	(120)
Area Member Reserve	(15)	0	0	(15)
Superannuation Recovery	(2,630)	0	0	(2,630)
Training Collaboration	(30)	0	0	(30)
Finance & Legal Reserves	(184)	0	(10)	(194)
Signing Schemes	(35)	21	0	(14)

APPENDIX 4

Transfers to/from Earmarked Reserves	Balance at 31/03/2019 £000	Transfers Out 2019/20 £000	Transfers In 2019/20 £000	Balance at 31/03/2020 £000
Pont y Ddraig Bridge	0	0	(50)	(50)
2017 Corporate Priorities	(910)	379	(437)	(968)
Resident Survey	(34)	0	(4)	(38)
Revenues & Benefits	(452)	0	(12)	(464)
Budget Mitigation	(3,085)	974	0	(2,111)
Cefndy Enterprises	(8)	8	0	0
Facilities	(184)	0	0	(184)
Picturesque Project	(152)	0	0	(152)
Family Information Service Training	(41)	41	0	0
Rhyl Regeneration	(21)	12	0	(9)
Travelodge	0	0	(18)	(18)
Growth Bid	(50)	0	0	(50)
Leadership Development	(5)	0	(3)	(8)
Total	(30,573)	8,982	(7,374)	(28,965)

Appendix 5 - Service Variance Narrative

Service	Financial Outturn £000	Description
Communities and Customers	-114	The majority of the underspend relates to vacancy savings and staff not being at the top of grades and maximisation of grant income. In addition some maintenance costs at both Ruthin and Llangollen Youth Centres have been funded by Property which were expected to be paid from the service.
Education and Children's Service	1,034	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 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 £214k 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	-111	The underspend is largely due to a number of vacancy savings and an increase in the utilisation of Project Managers working on chargeable projects within the Council. Also 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	-182	Registrars income has increased by £58k compare to 2018/19 (now a cost neutral service 1 year in advance of Audit requirement even after future savings have been deducted). Additional grant for election reform and translation services work has also been applied in year. There were also underspends relating to vacancy savings in preparation of a service review.
Finance and Property	-53	The underspend relates to the maximisation of capital recharges of staff time and ongoing vacancy savings including the ongoing Chief Accountant post which has been delayed due to the Covid 19 restrictions.
Highways, Facilities and Environmental Services	-5	The service had been projecting an overspend for most of the year, however there has been a delay in the implementation of the Legacy Tips solution due to the Floods and pandemic priorities. These costs will now need to be incurred in 2020/21. It should be noted that the Waste 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.
Planning and Public Protection	495	The service has overspend due to the transfer of School Transport to this service (£680k overspend offset by service underspends). 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 for 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.

Service	Financial Outturn £000	Description
Community Support Services	656	The demographic and inflationary costs of service provision in this area are well known and have been a feature of budget round discussions for a number of years. The overspend is after the application of the remaining service reserve of £821k and a number of late grant awards by WG for winter pressures. A pressure of £2.6m has been included in the 2020/21 Budget that was approved in January.
Leisure - ADM	37	The projected overspend relates to income losses due to the Lockdown in response to the Covid 19 pandemic.
Schools Non-delegated	-71	Minor underspends across a number of areas
Corporate & Miscellaneous	-2,401	See body of report for details
Precepts & Levies	0	There are no risks in this area
Capital Financing	-313	An underspend has occurred in this area largely due to the slippage of schemes following the Covid 19 pandemic.
Council Services & Corporate Budget	-1,028	

Report to	Cabinet
Date of meeting	30 th June 2020
Lead Member / Officer	Julian Thompson Hill
Report author	Steve Gadd, Head of Finance and Property
Title	Finance Report (May 2020/21)

1. What is the report about?

The report gives details of the council's revenue budget and savings as agreed for 2020/21. 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 2020/21.

3. What are the Recommendations?

3.1 Members note the budgets set for 2020/21 and progress against the agreed strategy.

4. Report details

The report provides a summary of the council's revenue budget for 2020/21 detailed in Appendix 1. The council's net revenue budget is £208.302m (£198.538m in 19/20). The position on service and corporate budgets is a forecast overspend of £7.393m. This overspend does not assume any 'income loss' grant that may be received from Welsh Government as it is currently unknown how much grant is available, how the grant will be allocated and what categories of loss will be eligible. It is currently estimated that between

£2-4m may be received by Denbighshire. Narrative around the current risks and assumptions underlying this assessment are outlined in Section 6 and Appendix 2.

The 2020/21 budget required service savings and efficiencies of £4.448m to be identified and agreed as detailed below:

- Corporate savings identified relating to the triennial actuarial review of the Clwyd Pension Fund (£2m)
- Schools savings of 1% (£0.692m)
- Service efficiencies and savings (£1.756m) – see Appendix 3 for details

The corporate savings have already been achieved and the schools' savings are delegated to the governing bodies to monitor and deliver. On top of this £1.086m of the service savings had originally been designated as savings that have already been implemented. However under the current rapidly changing situation it is really important that we review and monitor achievement of these savings and we will report progress in future reports.

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

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

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

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

Impact of Corona Virus - A full report was presented to Cabinet last month which detailed the possible financial impact and the financial strategy setting out how the Council will cope with these pressures. The current short term strategy of working with Welsh Government has helped secure the following funding:

- Major Grants for Wales as a whole have been announced – all claimed through the same process:
 - £30m initial Hardship Fund – working well (for Q1)
 - £40m Social Care Grant (April & May only at present)
 - £33m additional Free School Meal Grant (to end of August)

DCC have claimed: March (£61,701), April (£666,927) May (£1,200,170) = £1.929M

March and April claims have been paid.

- Up to £78m announced in Supplementary Budget for losses of income in Quarter 1. Not all this money will be available as WG want to use it for other things such as recovery. A 'dummy' claim is being prepared for submission and it is only when we have feedback from this when we will know how much of the pressures will be funded. This would give everyone a guide of what to expect and would be followed by a more formal claim.

However most of this funding only relates to Quarter 1 pressures and no announcements have been made regarding ongoing pressures, although information gathering is ongoing.

Leisure ADM – This budget line holds the residual budgets associated with Leisure including the management fee that pays for the services that would be provided in a normal year. The overspend reported here is based on the loss of income projected for quarters 1 and 2 with no significant relaxation of lockdown. It is hoped that WG announcements over the coming weeks may allow for some opening up of the sector, however if lockdown is maintained throughout the year then a further £1.9m shortfall may be seen. Denbighshire Leisure Limited (DLL) is reporting monthly to the Contract Management Board on the rapidly changing financial position in this area. The Strategic Board met on 19th June to consider a number of requests from DLL and the board resolved as follows:

1. The Board agrees in principle to the deferral of the payroll invoices for Quarter 1 and Quarter 2 subject to review upon receipt of funding support from Welsh Government in respect of loss of income.
2. The Board requests that DCC finance officers and DLL finance officers work together on the potential solutions for the year end position through the Contract Management Board to identify the most mutually beneficial arrangement to deal with the final deficit.
3. That the Board receives a report in Autumn 2020 on the progress of that work in order that the Board may make a recommendation to Cabinet by the end of calendar year 2020.

Corporate Budgets –Although currently showing a nil variance it is likely that all discretionary spend and contingencies will be released in order to help fund the position.

However, risks remain around Council Tax Yield and the Council Tax Reduction Scheme which could wipe out those underspends. Un-earmarked General Balances of £7.135m were carried forward into 2020/21, with prudent minimum level of £5m or 2% of Net Revenue Budget (£4.2m) whichever is the highest. This may need to be reviewed on a short term basis if further Welsh Government funding is not announced.

Schools - The budget agreed by Council for 2020/21 included a total net additional investment (excluding increases in Welsh Government grants) in schools delegated budgets of just over £2.9m. The latest projection for school balances to be carried forward into 2021/22 is a net deficit balance of £1.653m, which represents an increase of £0.265m on the deficit balances brought forward into 2020/21 of £1.388m. There is a small underspend in non-delegated budget of £55k.

The Housing Revenue Account (HRA). The latest revenue position assumes a decrease in balances at year end of £1,090k which is £877k more than the budgeted decrease of £213k due to the revised plan to increase the revenue contribution to capital. HRA balances are therefore forecast to be £1.576m at the end of the year. The Capital budget of £19.2m is largely allocated between planned improvements to existing housings stock (£5.3m) and new build developments and acquisitions (£13.8m).

Treasury Management – At the end of May, the council's borrowing totalled £246.8m at an average rate of 3.93%. Investment balances were £33.6m at an average rate of 0.04%.

A summary of the council's **Capital Plan** is enclosed as Appendix 4. The approved capital plan is £41.55m with expenditure to date of £4.09m. Appendix 5 provides an update on the major projects included in the overall Capital Plan.

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

A Well-being Impact Assessments for the Council Tax rise was presented to Council on 21 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. The School Budget Forum have been included in the proposals through-out the year. Trade Unions have been consulted through Local Joint Consultative Committee. This year also saw an engagement exercise with the public using social media, the experience of which will be built on in future years.

9. Chief Finance Officer Statement

Obviously the core focus at the moment is the financial response and recovery in recovery in relation to the Covid 19 pandemic. Although the pressures are very large the Council enters this period with the following advantages:

- A strong track record of financial management in response to over 10 years of real terms budget reductions. The systems and processes in place should help DCC in its response.
- The Council has relatively healthy financial reserves and balances of the Council.
- The Settlement and Budget set for 2020/21 allowed the Council to address a number of pressures in Social Care, Waste services, School Transport, Education and Schools. This does not mean that there are no ongoing business as usual pressures, however it does mean that we are in a better position than previous years.

The regular Finance Cabinet Report will keep members up to date and regular updates will continue to be provided to informal Cabinet.

Risk areas remain evident in social care budgets (both Adults' and Children's), School Transport and Waste services despite the investment included in the 2020/21 budget (totalling £6.1m). These areas will continue to be monitored closely throughout the year.

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

This is obviously the most challenging financial period DCC has faced. The Financial Strategy agreed by Cabinet in May aims to mitigate the following key risks:

- Failure to have a robust funding strategy could impact on the financial stability and sustainability of the Council.
- Impact on ability for the Council to deliver core services.
- Impact on capacity of the Council to achieve its priorities.

11. Power to make the decision

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

Appendix 1

DENBIGHSHIRE COUNTY COUNCIL REVENUE BUDGET 2020/21

May-20	Net Budget	Budget 2020/21			Projected Outturn						
	2019/20	Expenditure	Income	Net	Expenditure	Income	Net	Expenditure	Income	Net	Net
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	%
Communities and Customers	3,339	4,345	-1,019	3,326	4,297	-971	3,326	-48	48	0	0.00%
Education and Children's Service	16,027	35,004	-17,945	17,059	21,003	-3,874	17,129	-14,001	14,071	70	0.41%
Business Improvement and Modernisation	4,501	5,330	-898	4,432	5,367	-983	4,384	37	-85	-48	-1.08%
Legal, HR and Democratic Services	2,597	3,818	-1,350	2,468	3,599	-1,171	2,428	-219	179	-40	-1.62%
Finance and Property	4,836	8,995	-4,389	4,606	8,613	-3,848	4,765	-382	541	159	3.45%
Highways, Facilities and Environmental Services	15,768	32,098	-15,079	17,019	27,858	-8,663	19,195	-4,240	6,416	2,176	12.79%
Planning and Public Protection	9,246	16,867	-7,133	9,734	16,091	-6,139	9,952	-776	994	218	2.24%
Community Support Services	35,775	55,534	-17,512	38,022	52,119	-13,118	39,001	-3,415	4,394	979	2.57%
Leisure - ADM	2,109	2,957	0	2,957	6,836	0	6,836	3,879	0	3,879	131.18%
Total Services	94,198	164,948	-65,325	99,623	145,783	-38,767	107,016	-19,165	26,558	7,393	7.42%
Corporate	16,888	45,943	-29,223	16,720	45,943	-29,223	16,720	0	0	0	0.00%
Precepts & Levies	4,806	4,899	0	4,899	4,899	0	4,899	0	0	0	0.00%
Capital Financing	13,652	13,724	0	13,724	13,724	0	13,724	0	0	0	0.00%
Total Corporate	35,346	64,566	-29,223	35,343	64,566	-29,223	35,343	0	0	0	0.00%
Council Services & Corporate Budget	129,544	229,514	-94,548	134,966	210,349	-67,990	142,359	-19,165	26,558	7,393	5.48%
Schools & Non-delegated School Budgets	68,994	81,604	-8,268	73,336	81,198	-7,652	73,546	-406	616	210	0.29%
Total Council Budget	198,538	311,118	-102,816	208,302	291,547	-75,642	215,905	-19,571	27,174	7,603	3.65%
Housing Revenue Account	157	16,833	-16,620	213	17,433	-16,342	1,091	600	278	878	

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Appendix 2 - Service Variance Narrative

Service	Variance This Month £000	Description
Communities and Customers	0	
Education and Children's Service	70	This is despite new monies of £1.5M being allocated to Children's Services this financial year. The main pressure areas are; high cost placements £106K, In House fostering £192K, Little Acorns Childcare, £96K, Oaktree Centre, £45K, Christ the Word childcare £35K. Most of these pressure areas are offset by underspend on staffing due to vacant posts. The pressures on both childcare settings are due to loss of income due to COVID 19. No costs have been included for any new placements commencing throughout the year. The budget will obviously be monitored carefully over the coming months
Business Improvement and Modernisation	-48	Underspend due to a vacancy saving and one-off external income for a specific project.
Legal, HR and Democratic Services	-40	Underspends due to vacancy savings following delay due to Covid 19
Finance and Property	159	The overspend relates to the shortfall in income due to the decision to forego rents for industrial units for April to July in response to the Covid pandemic. These costs are offset by vacancy savings (Chief Accountant post) due to the lockdown and an overall cost reduction exercise in case WG help with income loss is not forthcoming.
Highways, Facilities and Environmental Services	2,176	£1.25m of the overspend relates to the loss of income from schools meals - this projection assumes no income for term 3 and a reduced level for the beginning of term 1. £695k relates to the spend required on legacy - a lot of which was delayed from last year due to the lockdown restrictions at year end. A further £337k relates to Waste due to reduced income in quarter (green waste, trade waste etc). It is hoped that funding will be forthcoming for the reduction in income.
Planning and Public Protection	218	The overspend in car parking and planning fees is offset by a reduction in costs relating to school transport (75% contract payments). The service is also holding some vacancies which have further mitigated the losses.
Community Support Services	979	The project is due to additional costs over and above the £2.6m estimated and included in the budget for 2020/21. The main areas of concern are homelessness and Community Care packages. The projection assumes that the service will again receive the £800k Workforce & Sustainability Grant. No assumption has been made about grant funding for winter pressures which tend to be announced by WG in the autumn and during the winter itself.
Leisure - ADM	3,879	See body of report for details

Service	Variance This Month £000	Description
Corporate & Miscellaneous	0	See body of report for details
Precepts & Levies	0	There are no risks in this area
Capital Financing	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	7,393	

SERVICE EFFICIENCY SAVINGS 2020/21

Ref	SERVICE	TITLE	RAYG Status	2020/21 £000	Service Totals
SERVICE SAVINGS AND EFFICIENCIES THAT HAVE ALREADY BEEN IMPLEMENTED					
BIM001 to 4	Business Improvement and Modernisation	Non-filling of vacant post/hours	GREEN	100	110
BIM005	Business Improvement and Modernisation	Review of ICT training provision	GREEN	6	
BIM006	Business Improvement and Modernisation	Remove unrequired Corporate Plan production budget due to more efficient printing	GREEN	4	
C&C001 & 2	Communities and Customers	Non-filling of vacant post/hours	GREEN	35	91
C&C004	Communities and Customers	Reduce annual contribution to Major Events reserve - National and Urdd Eisteddfod will be funded - other events funded from corporate in-year contingencies	YELLOW	5	
C&C005	Communities and Customers	Website Income Target following successful pilot of advertising on the corporate website with no negative impact.	GREEN	2	
C&C007	Communities and Customers	Increased capacity to the Contact Centre team to be time-limited due to completion of project	YELLOW	30	
C&C008	Communities and Customers	Tourism blog to be produced in-house, rather than contracting out	GREEN	1	
C&C010	Communities and Customers	Youth Service - Reduce Programme Budget by sourcing other funding streams	GREEN	6	
C&C011	Communities and Customers	Oak Tree Centre - Increased Income - Increase room hire opportunity for external use, implement activity programmes that generate income	GREEN	5	
C&C012	Communities and Customers	Oak Tree Centre - Increased Income budget to match actual income received as Childcare take-up continues to increase (NB this relates to increase in numbers and not any increase in actual charge)	GREEN	3	
C&C013	Communities and Customers	Family Information Service - Budget Reduction by sourcing other funding streams	GREEN	4	
PPP002	Planning and Public Protection	Reduction in Head of Service contingency budget	GREEN	20	
PPP001,4 & 6	Planning and Public Protection	Non-filling of vacant post/hours	GREEN	74	
HES008	Highways and Environmental Services	Non-filling of vacant post/hours	GREEN	11	39
FAH010	Highways and Environmental Services	School Re-organisation savings - impact on catering provision	GREEN	18	
FAH014	Highways and Environmental Services	Office Accommodation - Civic Office Housekeeping	GREEN	10	
LHRDS001	Legal, HR and Democratic Services	Welsh Translation - increase in fees for grant funded translation to reimburse DCC administration costs	GREEN	6	65
LHRDS004	Legal, HR and Democratic Services	Administration Management - full cost recovery	GREEN	25	
LHRDS005	Legal, HR and Democratic Services	Civic Budget -remove regular surplus at year end	GREEN	2	
LHRDS007	Legal, HR and Democratic Services	Renegotiation of System Contracts	GREEN	12	
LHRDS008	Legal, HR and Democratic Services	HR Postage Savings as a result of implementing electronic recruitment process	YELLOW	5	
LHRDS010	Legal, HR and Democratic Services	Miscellaneous Surplus Budget following budget realignment exercise	GREEN	15	
FIN001	Finance	CIVICA Contract Savings - extension of contract agreed by Cabinet	GREEN	100	172
FIN002	Finance	Non-filling of vacant post/hours	GREEN	52	
FIN003	Finance	External income maximisation - regional grant funding	GREEN	20	
ECS001	Education and Children's Service	EAL Service - reinstatement of grant income	GREEN	60	180
ECS007	Education and Children's Service	Reprofiling of 21st century schools programme	GREEN	120	

Ref	SERVICE	TITLE	RAYG Status	2020/21 £000	Service Totals
CSS001	Community Support Services	Reduction in Voluntary Organisation Grants currently unallocated	GREEN	100	335
CSS002	Community Support Services	Removal of agency and professional fees budget across Workforce Development and Admin to reflect current underspend	GREEN	22	
CSS004	Community Support Services	Non-filling of vacant post/hours	GREEN	45	
CSS006, 7, 9 & 11	Community Support Services	Review of service requirements and restructure in line with Corporate Services Review	YELLOW	138	
CSS008	Community Support Services	Tighter Efficiency Controls / Virtual meetings - reduce travel / Pool Car Use / Personal Mobiles / Stationery & Printing	GREEN	30	
					1086

SERVICE SAVINGS AND EFFICIENCIES THAT HAVE NOT YET BEEN IMPLEMENTED

BIM007	Business Improvement and Modernisation	Reduce core budget in Programme Office - reduced capacity to provide unfunded projects	YELLOW	10	20
BIM008	Business Improvement and Modernisation	Increased income Generation by Records Bureau through expansion of box storage facility to external organisations	YELLOW	10	
C&C006	Communities and Customers	Non-filling of vacant post/hours	AMBER	54.3	54.3
PPP003	Planning and Public Protection	New income from Primary Authority partnerships in Public Protection - Income from new partnerships with businesses to provide regulatory advice.	YELLOW	10	30
PPP004	Planning and Public Protection	Countryside & Heritage budget reduction - various minor reduction in support budgets, charges etc	GREEN	20	
HES002	Highways and Environmental Services	Review charging and income policy for waste service	GREEN	100	123
HES007	Highways and Environmental Services	Increase Streetworks charges to utility companies for works on the highway	GREEN	5	
HES009	Highways and Environmental Services	Cemetery fees increase in line with Fees and Charges Policy	GREEN	5	
FAH007	Highways and Environmental Services	Community Buildings - Waste Management Contracts Review	GREEN	4	
FAH017	Highways and Environmental Services	Office Accommodation - Water Coolers	GREEN	9	
LHRDS003	Legal, HR and Democratic Services	Registration service - full cost recovery	GREEN	15	43
LHRDS006	Legal, HR and Democratic Services	Delaying recruitment for all posts within the service by 1 month	AMBER	25	
LHRDS009	Legal, HR and Democratic Services	Travel Cost Reductions	AMBER	3	
ECS002	Education and Children's Service	Non-filling of vacant post/hours	GREEN	89	366
ECS004	Education and Children's Service	Review of Recoupment Fees to ensure full cost recovery	AMBER	77	
ECS006	Education and Children's Service	Realignment of grant expenditure in line with regional practice	AMBER	200	
CSS003	Community Support Services	Maes y Felin Community Building lease arrangements	GREEN	5	34
CSS005	Community Support Services	Reduce Regional Emergency Duty Team Contribution	GREEN	20	
CSS013	Community Support Services	Local Authority community living schemes	AMBER	9	
					670

Denbighshire County Council - Capital Plan 2019/20 - 2022/23
Position to end May 2020

APPENDIX 4

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

Waste Service Remodelling

Contingency

Total

Capital Financing

External Funding

Receipts and Reserves

Prudential Borrowing

Unallocated Funding

Total Capital Financing

	2019/20 OUTTURN POSITION £000s	2020/21 ORIGINAL ESTIMATE £000s	2020/21 LATEST ESTIMATE £000s	2021/22 LATEST ESTIMATE £000s	2022/23 LATEST ESTIMATE £000s
Total Estimated Payments - Other	12,091	13,293	19,062	690	350
Total Estimated Payments - Major Projects:					
Housing Improvement Grants	1,602	1,200	1,200		
Rhyl, New 3-16 Catholic School	7,834	1,010	1,422		
Ysgol Llanfair, New School	1,088	399	236		
Ysgol Carreg Emlyn, New School	382	822	812		
Highways Maintenance	3,136	3,253	5,294		
East Rhyl Coastal Defence Scheme	628	11,660	11,953	10,000	5,575
Rhyl Waterfront and Waterpark	422	36	73		
Waste Service Remodelling	1,312	9,475	1,000	13,172	
Contingency	0	500	500	500	500
Total	28,495	41,648	41,552	24,362	6,425
External Funding	13,827	18,163	20,780	11,009	4,809
Receipts and Reserves	1,517	3,874	6,843	1,000	
Prudential Borrowing	13,151	19,611	13,929	16,662	5,925
Unallocated Funding	0	0	0	(4,309)	(4,309)
Total Capital Financing	28,495	41,648	41,552	24,362	6,425

Note: 2020-21 Original Estimate is the position as approved by Council on 25th February 2020

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Appendix 5 - Major Capital Projects Update – May 2020

21st Century Schools Programme – Ysgol Llanfair	
Total Budget	£5.051m
Expenditure to date	£4.815m
Estimated remaining spend in 20/21	£0.236m
Future Years estimated spend	£0.000m
Funding	WG £0.180m; DCC £4.871m
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 Llanfair DC.</p> <p>Due to the Coronavirus pandemic work has been impacted on the decommissioning of the former site. Plans are now in place to resume the decommission process in the coming weeks, now that lockdown restrictions have been eased to allow work on site to resume with the correct social distancing controls in place.</p> <p>The swap in land whereby the Church in Wales St. Asaph Diocese will receive the footprint of the land at the new school site and the Council will receive ownership of the land in Diocese ownership at the former school site is currently still in progress. Negotiations are ongoing between the both parties and it is hoped that a completion can be reached shortly. Once the former site is in the Council's possession, discussions on the future use for the former school site will commence.</p>	
Forecast In Year Expenditure 20/21	£0.236m

21st Century Schools Programme – Ysgol Carreg Emlyn

Total Budget	£4.340m
Expenditure to date	£3.528m
Estimated remaining spend in 20/21	£0.812m
Future Years estimated spend	£0.000m
Funding	WG £0.221m; DCC £4.119m
<p>Narrative:</p> <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>The school successfully moved into the new building and opened on the 4th June. Following the school taking occupancy of the site, any defects and teething issues have been logged via the defect recording process. The contractor has responded quickly to attempt to resolve any issues which has resulted in minimal disruption for the school. The Defect period has now finished and the clerk of works has compiled a final defect list for the contractor to complete and currently this is being progressed. With the current restrictions in place with the Coronavirus pandemic, this may impact on the completion of some aspects of this work, but DCC and the contractor are progressing the works where possible.</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.</p>	
Forecast In Year Expenditure 20/21	£0.812m

21st Century Schools Programme – Rhyl, Christ the Word School	
Total Budget	£23.558m
Expenditure to date	£22.136m
Estimated remaining spend in 20/21	£ 1.422m
Future Years estimated spend	£ 0.000m
Funding	WG £5.541m; DCC £18.017m
Narrative:	
<p>This scheme is within the Band A proposals for 21st Century Schools Programme.</p> <p>Delays and restrictions due to Covid-19 has affected the handover of the external areas to the school. The delays were around the completion of the car park and the grass pitch at the front of the school.</p> <p>Handover of these areas is now due on 16th June 2020.</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 20/21	£1.422m

Rhyl Queens Market Redevelopment	
Total Budget	£5.160m
Expenditure to date	£3.891m
Estimated remaining spend in 20/21	£1.270m
Future Years estimated spend	£0.000m
Funding	WG £2.811m (Additional £2.5m subject to formal confirmation. DCC Asbestos £0.252m. DCC £2.097m
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>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. The only area's that are still to be cleared are the Queen's Arcade and Unit J. Asbestos has been removed from the Savoy and Queen's Hotel, but a substantial amount of sprayed asbestos has been identified above the Arcade. This will be very time consuming and costly to remove, which the asbestos team are working on options for currently. A number of updates will take place during June with Cabinet Briefing, Rhyl MAG, the MP and AM, prior to commencing consultation with the public in July. Aiming to start demolition work on site in late Autumn. The Council continues to work with the development partner on the future development of the site.</p>	
Forecast In Year Expenditure 20/21	£1.270m

Waste Service Remodelling	
Total Budget	£16.430m
Expenditure to date	£2.258m
Estimated remaining spend in 20/21	£1.000m
Future Years estimated spend	£13.172m
Funding	WG £9.145m , DCC £7.190m
Narrative:	
<p>Work is ongoing in preparation for a change to the household waste collection model. 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. Purchase of the site was completed late March 2020 and Planning for the development was granted at Planning Committee on March 11th with issue of Decision Notice on May 18th following completion of S106 Agreement. Work is ongoing on detailed design with aim to issue a Tender for the works in Autumn 2020 with a site start in early 2021. • Specification of the new fleet required to support the new model is now completed following a number of trials/tests with the aim to undertake a procurement exercise for the new waste collection vehicles required towards the end of 2020 / early 2021 with delivery of the new fleet anticipated in the three months leading up to the planned new service roll out. • An Options Appraisal exercise with key stakeholders and interested parties on the detail of the new recycling container design is now due to be undertaken in Autumn 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 20/21	£1.000m

East Rhyl Coastal Defence Scheme	
Total Budget	£27.528m
Expenditure to date	£3.135m
Estimated remaining spend in 20/21	£8.818m
Future Years estimated spend	£15.575m
Funding	WG £23.400m; DCC £4.128m
Narrative:	
<p>This planned coastal defence scheme at East Rhyl will provide an appropriate standard of flood protection for around 1650 properties.</p> <p>Work commenced on site on 16th April and is proceeding in accordance with the programme and within the approved budget.</p> <p>The main site compound has been established at Marine Drive with a satellite compound set up at Garford Road Car Park. Work is currently underway selecting suitable rock armour stone and crushed stone at quarries in North Wales and at Glensanda quarry, Scotland.</p>	
Forecast In Year Expenditure 20/21	£11.953m

Cabinet Forward Work Plan

Meeting	Item (description / title)		Purpose of report	Cabinet Decision required (yes/no)	Author – Lead member and contact officer
28 July 2020	1	Additional Licensing for Houses of Multiple Occupation (HMOs)	To seek approval for the re-designation of Rhyl for Additional HMO Licensing and to expand the scheme to include the areas of Denbigh, Llangollen & Prestatyn	Yes	Councillor Tony Thomas / Emlyn Jones / Andrew Lord
	2	Finance Report	To update Cabinet on the current financial position of the Council	Tbc	Councillor Julian Thompson-Hill / Steve Gadd
	3	Items from Scrutiny Committees	To consider any issues raised by Scrutiny for Cabinet's attention	Tbc	Scrutiny Coordinator
22 Sept	1	Final draft Revised Housing & Homelessness Strategy & Action Plan	To seek Cabinet's support and recommendation that Council approve the document	Yes	Councillor Tony Thomas / Angela Loftus
	2	Annual Performance Review	To consider current performance against Corporate Plan priorities 2019-2020	Tbc	Councillor Julian Thompson-Hill / Iolo McGregor
	3	Proposed sale of land formerly part of Lodge Farm in Denbigh	To seek Cabinet's authorisation to the proposed sale.	Yes	Councillor Julian Thompson-Hill / Mair Jones

Cabinet Forward Work Plan

Meeting	Item (description / title)		Purpose of report	Cabinet Decision required (yes/no)	Author – Lead member and contact officer
	4	Finance Report	To update Cabinet on the current financial position of the Council	Tbc	Councillor Julian Thompson-Hill / Steve Gadd
	5	Items from Scrutiny Committees	To consider any issues raised by Scrutiny for Cabinet's attention	Tbc	Scrutiny Coordinator
20 Oct	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
24 Nov	1	Corporate Plan Quarter 2 Performance Report	To monitor the Council's progress in delivering the Corporate Plan 2017-22	Tbc	Councillor Julian Thompson-Hill / Iolo McGregor
	2	Denbighshire and Flintshire Joint Archive Project	To approve the proposals and deliver a new building and commit to allocate match funding for the project	Yes	Councillor Tony Thomas / Alan Smith / Helen Vaughan-Evans
	3	North Wales Economic Ambition Board Growth Deal: Governance Agreement for relevant partners	To seek agreement to recommend the Governance Agreement 2 to full Council	Tbc	Councillor Hugh Evans / Graham Boase

Cabinet Forward Work Plan

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

Note for officers – Cabinet Report Deadlines

<i>Meeting</i>	<i>Deadline</i>	<i>Meeting</i>	<i>Deadline</i>	<i>Meeting</i>	<i>Deadline</i>

Cabinet Forward Work Plan

<i>July</i>	<i>14 July</i>	<i>September</i>	<i>8 September</i>	<i>October</i>	<i>6 October</i>
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Updated 09/06/2020 - KEJ

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