

CABINET

Minutes of a meeting of the Cabinet held in the Council Chamber, County Hall, Ruthin and by video conference on Tuesday, 28 June 2022 at 10.00 am.

PRESENT

Councillors Jason McLellan, Leader and Lead Member for Economic Growth and Tackling Deprivation; Gill German, Deputy Leader and Lead Member for Education, Children and Families; Gwyneth Ellis, Lead Member for Finance, Performance and Strategic Assets; Elen Heaton, Lead Member for Health and Social Care; Julie Matthews, Lead Member for Corporate Strategy, Policy and Equalities; Barry Mellor, Lead Member for the Environment and Transport; Win Mullen-James, Lead Member for Local Development and Planning, Rhys Thomas, Lead Member for Housing and Communities, and Emrys Wynne, Lead Member for Welsh Language, Culture and Heritage

Observers: Councillors Ann Davies, Karen Edwards, Pauline Edwards, Chris Evans, Bobby Feeley, Huw Hilditch-Roberts, Alan James, Paul Keddie, Merfyn Parry, Andrea Tomlin and Huw Williams

ALSO PRESENT

Chief Executive (GB); Corporate Director: Communities (NS); Heads of Service: Legal, HR and Democratic Services (GW), Finance and Property (SG), and Planning, Public Protection and Countryside Services (EJ); Joint Acting Head of Business Improvement and Modernisation (NK); Public Protection, Regeneration and Economic Development Manager (GR); Framework Manager, Procurement (TS) and Committee Administrators (KEJ & SJ [Webcaster])

1 APOLOGIES

Councillor Win Mullen-James.

2 DECLARATION OF INTERESTS

No declarations of interest had been raised.

3 URGENT MATTERS

No urgent matters had been raised.

4 MINUTES

The minutes of the Cabinet meeting held on 7 June 2022 were submitted.

Matters Arising – Page 11, Item 8 Cabinet Forward Work Programme – The Head of Legal, HR and Democratic Services advised that a report on the Sustainable Learning for Communities Programme would be brought before Cabinet in July.

RESOLVED that the minutes of the meeting held on 7 June 2022 be received and confirmed as a correct record.

5 UK GOVERNMENT LEVELLING UP FUND BID APPROVAL - CLWYD WEST CONSTITUENCY

Councillor Jason McLellan presented the report on the UK Government Levelling Up Funding bid relating to Clwyd West, recommending Cabinet reiterate its support for the proposed projects previously supported by Cabinet, and delegate authority to named officers in consultation with the Leader to agree a standalone bid.

The Head of Planning, Public Protection and Countryside Services and the Public Protection, Regeneration and Economic Development Manager were also present for the item and together with the Leader provided some background to the report and change in circumstances leading to the current position to date.

In November 2021, Cabinet had approved submission of the bid, in partnership with Conwy County Borough Council (CCBC), for Clwyd West with CCBC acting as lead bidder. UK Government guidance had stated that, where a constituency crossed multiple local authorities, those local authorities should work together to develop a joint bid. However, revised guidance in March 2022 made provision for a bid from each local authority who crossed a constituency boundary which allowed a single bid from both DCC and CCBC for Clwyd West. High level discussions with CCBC and David Jones, MP had taken place in that regard and whilst DCC's preference had been to continue with a joint bid, CCBC had chosen to progress its own bid. Consequently, Cabinet support was now required for DCC to pursue a single bid.

The projects previously supported by Cabinet remained unchanged and officers/consultants were confident that the DCC element remained strong in the event of a standalone bid. David Jones, MP was supportive of both bids but could only provide "prioritisation/primary support" to a single bid and had chosen to prioritise DCC's submission. The Leader thanked David Jones, MP for backing DCC's bid, which was an important element of the scoring process, and had been testament to the hard work of officers in the development of the bid application.

Councillor Emrys Wynne referred to the recent Ruthin Member Area Group (MAG) meeting at which members welcomed the progress made and the support of David Jones, MP for DCC's bid, and the opportunity for transformational change and investment in Ruthin and surrounding areas. However, concerns had been raised over the potential implications of CCBC's decision to submit its own bid and local members had been alerted to that news through rumour rather than official channels. The Leader and officers explained that discussions had been ongoing for some weeks but no decision had been made until very recently. Once CCBC had made their decision to submit a single bid both Cabinet and Ruthin MAG had been updated on the situation. Members were also encouraged to contact officers directly in the event of rumours so that the facts of the matter could be established.

Councillors Bobby Feeley and Huw Hilditch-Roberts (Ruthin Members) also paid tribute to the hard work of officers in development of the bid and thanked David Jones, MP for his support, highlighting the significant benefits to Ruthin and the

surrounding area if the bid was successful. The Leader and officers responded to subsequent questions/comments from the two local members as follows –

- UK Government colleagues and consultants considered that DCC had a strong, cohesive bid with a clear theme and from that perspective CCBC's decision to pursue a single bid would not have a detrimental impact on DCC's bid
- in theory, the move to a single bid would allow DCC to access up to £20m instead of the previous £10m. However, given the tight timescales involved and complexities of the application process it was considered too late to make any amendments. The possibility of increasing the contingency to cover the existing projects had been considered but the consultant was confident there was sufficient contingency and coverage in the current figures in that regard
- work would be carried out in consultation with members on those regeneration projects not taken forward as part of the bid with a view to seeking alternative funding streams to progress them as appropriate
- there may be merit in further discussing the issue of communication between members and officers in this case outside of the meeting and whether it could be improved upon from both a member and officer perspective
- from discussions with CCBC it was unclear as to why they wished to pursue their own bid but the change in guidance to allow for a single bid prompted that decision and they clearly felt that a solo bid would be a stronger bid for them
- there was confidence in the DCC bid and reference was made to the assessment criteria with DCC being priority 1 status and being able to deliver the projects within the necessary timescale and having a clear strategic theme. However, if the bid was unsuccessful then other funding streams would be sought with a view to progressing those projects going forward
- lessons could be learned from the process of developing the bids for the three constituency areas within Denbighshire which would stand the authority in good stead in the event that future funding allocations followed a similar process.

The Head of Legal, HR and Democratic Services referred to the closing date for bid applications of 6 July 2022. Given the tight timescale involved, Cabinet was asked to formally record in their resolution that the decision be implemented immediately, without a call-in, to ensure that the deadline for bid applications could be met.

RESOLVED that Cabinet –

- reiterates its support for the proposed projects that were previously supported by Cabinet and the broad indicative value of each project;*
- provides delegated authority to the Chief Executive Officer and Head of Planning, Public Protection and Countryside Services in consultation with the Section 151 Officer, Head of Legal, HR and Democratic Services and the Leader, to refine the projects and project costs as required and to agree for a standalone bid from Denbighshire County Council to be submitted for Round 2 of UK Government's Levelling Up Fund for the constituency of Clwyd West, and*
- confirms that this decision be implemented immediately without call-in.*

6 STRATEGIC EQUALITY AND DIVERSITY IN DENBIGHSHIRE COUNTY COUNCIL

Councillor Julie Matthews presented the report detailing the internal arrangements for supporting the equality and diversity agenda and sought Cabinet approval to form a Member-led Strategic Equality and Diversity Group.

There had been numerous developments on the subject of equality and diversity over recent months both at a national level (Wales Programme for Government, Race Equality Action Plan, Local Government and Elections Act) and local level (equality-focused research in DCC's Local Assessment of Well-being). Consequently, the Cabinet of the 2017-22 administration recommended establishing a Strategic Equality and Diversity Group to oversee internal arrangements to support and monitor equality and diversity in the current term (2022-27). Councillor Matthews highlighted the need to promote and embed inclusion to ensure a more equal and fairer Denbighshire and drew attention to the Group's remit and terms of reference. The Joint Acting Head of Business Improvement and Modernisation provided further context to the formation of the Group in order to respond to the equality and diversity agenda.

During debate, the Leader advised that equality and diversity was a key theme of the Council to ensure a more equal and diverse Denbighshire, and that the strategy around equality and diversity was an ongoing issue and priority for the Council. Cabinet acknowledged the work of the previous Council and Cabinet with regard to this issue and the importance of supporting the equality and diversity agenda. Councillor Gill German highlighted steps already taken in terms of gender balance in the Cabinet and diversification within the Council's Labour Group, and had been pleased to note the wider ongoing work planned to deal with those issues.

The Lead Member, Head of Legal, HR and Democratic Services, and Acting Joint Head of Business and Improvement responded to members' questions as follows –

- elaborated on the former Leader's 'Women in Politics' discussion with all female councillors in November 2021 regarding their experiences of the barriers faced in both standing for election and once elected, with a few to improving the experience. Links were made to the Welsh Local Government Association's work around diversity in democracy and the role of both political parties and the authority in removing some of those barriers faced, with further work currently in progress in that regard and upholding a good standard of conduct and discourse
- there was a commitment to review the Group's effectiveness after twelve months which would also include responding to changes in legislation that might add a particular subset of protected characteristics, and assurances given that the Council would also respond to any such issues arising in its communities
- explained the reasoning behind a twelve monthly review to consider the effectiveness of the Group itself and work undertaken, but that any issues coming to the fore during those meetings would be escalated as appropriate
- clarified that a new process was currently being drafted in terms of member relationships/conduct, as a separate process to the Group, as to how group leaders managed the culture and conduct of members internally. That draft would be subject to consultation with the wider council membership

- whilst the focus on the 'Women in Politics' discussion had been on female councillors, the equality and diversity agenda was all encompassing and included making Denbighshire fairer and more equal for everyone
- there were separate processes for dealing with issues such as bullying/harassment and issues between members and/or members and officers. Whilst the Group would monitor internal culture, it had a much broader role in terms of service delivery and equality and diversity across the board.

The Leader thanked Councillor Ann Davies for sharing her experience of the 'Women in Politics' discussion and emphasised that equality and diversity was an ongoing conversation and encouraged everyone to come forward and take part.

RESOLVED that Cabinet notes recent developments, and approves the formation of a Member-led Equality and Diversity Group (to be reviewed after 12 months to consider whether the Group needs to cease, alter and/or celebrate achievements).

7 FUTURE OF THE NORTH WALES CONSTRUCTION PARTNERSHIP - MAIN CONTRACTOR FRAMEWORK

Councillor Julie Matthews presented the report seeking Cabinet approval to extend the current North Wales Construction Partnership Framework (NWCP) for one year, to allow time for projects to continue to be let as per the programme and for the forthcoming new UK and Welsh Government procurement legislation to be embedded into processes and utilised when procuring a new framework.

The NWCP had been very successful and the Framework Manager provided some background to the creation of the framework and its management by Denbighshire on behalf of the six North Wales local authorities. The framework played an important role as the main procurement vehicle for large public sector construction projects in North Wales. Details of the value of the five procurement lots were provided in order to maximise benefits for local contractors who could deliver projects in the lower value bands and national contractors to the higher value bands but with a commitment to use the local supply chain. Details of the projects and value of those projects to date were provided together with benefits achieved over the last few years, including community benefits, job creation, training opportunities, and a host of other qualifications in the local supply chain. The current framework expired in May 2023 and the Framework Manager outlined how the effect of Covid-19, the current economic climate, and the nature of how capital projects were funded had impacted the delivery of the NWCP works programme together with the rationale behind the recommendation to extend the current framework.

Councillor Emrys Wynne welcomed the success of the framework and its positive impact on Denbighshire and the region and hoped that any forthcoming changes to the procurement legislation would allow those positive practices to continue. The Framework Manager confirmed it remained an objective to continue to deliver training and recruitment to the local communities to deliver projects and to target individuals further from the market and incentivise young people in schools to join the construction industry, and to embed best practice developed through the framework into the Council, providing illustrative examples of those practices.

Councillor Merfyn Parry felt there would be merit in reviewing the value of the procurement lots given the significant rise in inflation and construction costs which may allow more local contractors to access higher value bands. The Framework Manager advised that the procurement process was governed by regulation and the framework was required to operate throughout its life by the way it had been designed at the outset. However, when embarking on the re-procurement process the value bands would be reviewed together with other approaches and lessons learned under the existing framework, and much work had been carried out to maximise benefits to local businesses. In response to a follow up question, the framework was explained as the process by which projects were delivered but each project was considered individually and matched with a procurement lot depending on its value, providing the opportunity to bid for those projects. To re-procure a new framework at this time would divert resources from project delivery into delivering the framework but an extension to the current framework for one year would provide more time for the relevant legislation to come through and the lots to be set up in the procurement strategy for the framework, and also provided time to concentrate on individual projects. Councillor Matthews added that legislation was also expected in relation to social partnership with further ambitions to support local businesses. A one-year extension would provide a greater opportunity to shape the procurement in line with the Council's vision for Denbighshire and maximise opportunities for local businesses and benefits to the local economy and residents.

RESOLVED that Cabinet approve extending the Framework for one year which will provide time for projects to continue to be let as per the programme and allow time for expected new UK and Welsh Government procurement legislation to be released and/or embedded into the processes, to be utilised when procuring a new Framework.

At this point (11.25 am) the meeting adjourned for a refreshment break.

8 FINANCE REPORT

Councillor Gwyneth Ellis presented the report detailing the revenue budget and savings as agreed for 2022/23 together with the Budget Summary Report 2022/23.

A summary of the Council's financial position was provided as follows –

- the net revenue budget for 2022/23 was £233.693m (£216.818m in 2021/22)
- an overspend of £1.000m was forecast for service and corporate budgets
- highlighted current risks and assumptions relating to corporate budgets and individual service areas together with the impact of coronavirus and inflation
- detailed service saving and efficiencies of £0.754m including operational savings and fees and charges increases; no savings having been requested from Community Support Services or Schools
- provided a general update on the Housing Revenue Account, Treasury Management, Capital Plan and major projects.

Cabinet was also asked to note the Budget Summary Report and agree to its publication and to approve the write off of unrecoverable Business Rates.

The Head of Finance and Property added that figures in the Budget Summary were as approved by Council earlier in the year and the budgets would change following the budget monitoring later in the month; he was happy to take any detailed queries on that document via email. He also explained that Cabinet was required to approve the technical write off the unrecoverable Business Rates given the value exceeded £20k in each case and all means of recovery had been exhausted.

Cabinet's attention was drawn to the forecasted overspend in Education and Children's Services which largely related to new residential and independent fostering placements which were difficult to predict. Councillor Rhys Thomas accepted the difficulties in predicting the number of children coming into the system and the high expenditure in order to respond to the needs of children as they arose, and he reminded members of the Council's priority with regard to looked after children and duty as a corporate parent. The Head of Finance and Property confirmed that the Council would spend what was needed to care for those children but it was appropriate that any overspend as a result be reported to Cabinet. In terms of the pressures in Community Support Services, it was hoped that they would be contained within budget given the cash reserve available. The main risks to the budget were inflation, in particular pay inflation, which would continue to be monitored through the negotiation process to the pay settlement. The two main capital schemes ongoing in relation to Rhyl Queen's Market Redevelopment and Waste Service Remodelling had already taken into account the increase in inflation and were funded, with any new schemes coming forward being reviewed in light of inflation. Finally, with regard to schools' budgets officers would be reviewing school plans shortly to ensure appropriate measures were in place to spend that funding.

RESOLVED that Cabinet –

- (a) *note the budgets set for 2022/23 and progress against the agreed budget strategy;*
- (b) *note the Budget Summary document included at Appendix 1 to the report and, as in previous years, agree to its publication on the internet, and*
- (c) *approve the write off of unrecoverable Business Rates as set out in Section 6.9 of the report.*

9 CABINET FORWARD WORK PROGRAMME

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

- Sustainable Learning for Communities (Band B) – July
- Ysgol Plas Brondyffryn (consultation findings) – September
- Queen's Market: Operator Contract Award – September
- Ysgol Plas Brondyffryn (final outline/full business case) – December

RESOLVED that Cabinet's forward work programme be noted.

The meeting concluded at 11.50 am.