

To: Members of the Cabinet

Date: 19 April 2023

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Dear Councillor

You are invited to attend a meeting of the **CABINET** to be held at **10.00 am** on **TUESDAY, 25 APRIL 2023** in the **COUNCIL CHAMBER, COUNTY HALL, RUTHIN AND BY VIDEO CONFERENCE.**

Yours sincerely

G. Williams
Monitoring Officer

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 7 - 14)

To receive the minutes of the Cabinet meeting held on 28 March 2023 (copy enclosed).

5 APPLICATIONS SHORTLISTED FOR SHARED PROSPERITY FUNDING
(Pages 15 - 52)

To consider a report **(which includes confidential appendices)** by Councillor Jason McLellan, Leader and Lead Member for Economic Growth and Tackling Deprivation (copy enclosed) on the application and shortlisting process and seeking Cabinet's approval to fund the projects as recommended by the Core Partnership Group.

6 MANAGED SERVICE FOR THE PROVISION OF AGENCY WORKERS
(Pages 53 - 88)

To consider a report by Councillor Julie Matthews, Lead Member for Corporate Strategy, Policy and Equalities (copy enclosed) seeking Cabinet approval to commence a tendering process for the provision of external agency staff via a managed service, and delegated authority to award a new contract.

7 NATIONAL EISTEDDFOD OF WALES - EXPRESSION OF INTEREST
(Pages 89 - 92)

To consider a report by Councillor Emrys Wynne, Lead Member for Welsh Language, Culture and Heritage (copy enclosed) seeking Cabinet's approval of the submission of an expression of interest on behalf of the Council to host the National Eisteddfod of Wales.

8 MEDIUM TERM FINANCIAL STRATEGY UPDATE 2024/25 TO 2026/27
(Pages 93 - 100)

To consider a report by Councillor Gwyneth Ellis, Lead Member for Finance, Performance and Strategic Assets (copy enclosed) setting out the revised financial projections for the 3 year period 2024/25 to 2026/27 together with the proposed budget strategy for setting the budget for 2024/25.

9 CABINET FORWARD WORK PROGRAMME (Pages 101 - 106)

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

MEMBERSHIP

Councillor Gwyneth Ellis
Councillor Gill German
Councillor Elen Heaton
Councillor Julie Matthews
Councillor Jason McLellan

Councillor Barry Mellor
Councillor Win Mullen-James
Councillor Rhys Thomas
Councillor Emrys Wynne

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LOCAL GOVERNMENT ACT 2000

Code of Conduct for Members

DISCLOSURE AND REGISTRATION OF INTERESTS

I, *(name)*

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

Denbighshire County Council

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

Date of Disclosure:

Committee *(please specify)*:

Agenda Item No.

Subject Matter:

Nature of Interest:

*(See the note below)**

Signed

Date

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

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CABINET

Minutes of a meeting of the Cabinet held in the Council Chamber, County Hall, Ruthin and by video conference on Tuesday, 28 March 2023 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 Ellie Chard, James Elson, Karen Edwards, Huw Hilditch-Roberts, Terry Mendies, Arwel Roberts, Gareth Sandilands, Peter Scott

ALSO PRESENT

Chief Executive (GB); Corporate Directors: Governance and Business/Monitoring Officer (GW), and Environment and Economy (TW); Head of Finance and Property (SG); Project Manager (PC); Strategic Planning and Housing Manager (AL); Principal Planning Officer (LG); Principal Built Project Surveyor (AF); Lead Officer – Corporate Property and Housing Stock (DL); Property Operations Manager (MC), and Committee Administrators (KEJ & RTJ [Webcaster])

1 APOLOGIES

There were no apologies.

2 DECLARATION OF INTERESTS

No declaration of interest had been raised.

3 URGENT MATTERS

No urgent matters had been raised.

4 MINUTES

The minutes of the Cabinet meeting held on 21 February 2023 were submitted.

RESOLVED that the minutes of the meeting held on 21 February 2023 be received and confirmed as a correct record.

5 TERMINATION OF THE CONTRACT FOR A MAIN CONTRACTOR FOR THE WASTE DEPOT PHASE 2

Councillor Barry Mellor presented the report on the termination of the contract between Denbighshire County Council and R L Davies Ltd (RLD) for RLD to be the main contractor for the Waste Depot Phase 2 on Colomendy Estate, Denbigh.

The Corporate Director: Environment and Economy guided members through the report. In summary, at their last meeting (under urgent matters) Cabinet had been informed that RLD had gone into administration, and that the Corporate Director: Environment and Economy had made an urgent decision, under 2.9 of the Council's constitution, to terminate the contract between the Council and RLD for them to act as the main contractor for the Waste Depot Phase 2 on Colomendy Estate, Denbigh. The constitution allowed for an urgent delegated decision to be made where such a decision could not wait until the first available meeting of Cabinet.

In addition to formally reporting on that urgent delegated decision, the report also set out how the contract award was made, including the delegation of the decision to award the contract to the Chief Executive by Cabinet on 12 April 2022 given the impact of the local elections and timescales for awarding the contract, together with the tender process and evaluation, including the necessary financial checks, and management of risk. RLD had legitimately ranked first in the tender process and there had been no valid reason to discount it. Given the medium risk of utilising the company the contract had been monitored more closely and some of the more significant sub-contractors had been paid directly to mitigate the risk. Reference was also made to the options for taking the project forward, with submission of a report back to Cabinet in May on the preferred option for completing the construction of the project. In the meantime, work continued on the site with key sub-contractors directly appointed under the management of the Project Team. All the necessary procurement approvals would be put in place for that work.

Cabinet reiterated their sadness that RLD, a local and longstanding business, had gone into administration and thoughts were with the employees and all affected. During the ensuing debate, Cabinet sought further clarity regarding the time pressures in delivering the project, particularly the impact of any delay to Phase 2 in terms of project roll out and cost implications. Assurances were also sought regarding the continuation of work on-site in the interim period.

In response to those issues and further questions raised by members, the Corporate Director: Environment and Economy and Project Manager advised that –

- it would not be possible to roll out the new service until the depot was in place, therefore any delay in completing the depot would result in a delay in rolling out the new service. It was considered that the depot could still be delivered on schedule with no current plans to delay the roll out
- any delay in delivering the project would have cost implications both in terms of the depot build itself given the rises in inflation and the operational cost to the service. The current system also required mixed recycling to be taken to an off-site facility for sorting at an increasing cost to the Council; once the new model was introduced an income would be received from the recycling
- following termination of the contract with RLD, the Council had directly appointed key sub-contractors to ensure works continued to progress on site in

the interim to deliver the programme. A finance check had been carried out on each of the sub-contractors with all scoring above the minimum threshold applied in the tender process with no cause for concern. Prompt payments were being made directly to sub-contractors to ensure no issue with cash flow

- with regard to the contract award to RLD following the medium risk score, it had been acceptable to do so within the procurement processes in place with steps taken to mitigate any risk. RLD had legitimately won the tender with no sufficient grounds not to award the contract under the procurement procedures. Not awarding the contract meant the whole process would need to be restarted with a different approach and there remained a time pressure to deliver the project with any delay resulting in financial pressures to maintain the current model and increased construction costs. All things considered, the decision had been the reasonable and right decision to make at the time
- the financial impact on the Council as a result of RLD going into administration formed part of the assessment of options being considered for completing the project which was currently being worked on with a view to reporting back to Cabinet in May with a recommended preferred option.

Cabinet noted the complexities with the project and were pleased that work continued to progress in the interim period with the direct appointment of the sub-contractors. The environmental benefits of the new waste model and new system of separating and recycling were highlighted and supported, and the increasing cost of continuing with the current system was noted. Cabinet looked forward to receiving the options report for taking the project forward and the necessary procurement approvals required. The Leader took the opportunity to thank the Corporate Director and Lead Member for all their hard work.

RESOLVED that Cabinet note the urgent delegated decision referred to in paragraph 2.1 of the report.

6 REPLACEMENT LOCAL DEVELOPMENT PLAN PREFERRED STRATEGY - REPORT OF CONSULTATION

Councillor Win Mullen-James presented the report on the Preferred Strategy Consultation Report for the replacement Local Development Plan (LDP) and sought Cabinet's support for the LDP Preferred Strategy with the recommended changes to go forward to Council for final approval.

The Strategic Planning and Housing Manager and Principal Planning Officer attended for this item. The covering report to Strategic Planning Group on 23 February 2023 (Appendix 1 to the report) summarised the recommended changes to the Preferred Strategy. The Preferred Strategy Consultation Report (Appendix 2 to the report) set out the full details of the consultation undertaken, responses received, and recommended amendments to the LDP Preferred Strategy. The proposed amendments had been assessed via the Sustainability Appraisal and Habitats Regulations Assessment and had shaped the final proposed amendments.

In brief, key changes to the Preferred Strategy included increased prominence and emphasis on elements such as climate change mitigation, carbon reduction and active travel in the vision, objectives and key policies; reduction in the amount of

green field new Class B land use employment land to be allocated in the growth strategy following the consultants' review of the evidence base, and removal of the Bodelwyddan Strategic Site in the spatial strategy following concerns around its deliverability in view of changes to growth deal funding. It was also recommended that the affordable housing target be increased. The actual target would be informed by the Local Housing Market Assessment. Finally, reference was made to the Strategic Planning Group's work and open invitation for all members to attend.

Cabinet acknowledged the importance of progressing work on the LDP to ensure the Council had a local influence on types and location of developments across the county, and provided the opportunity to change policies and allocations to reflect new issues and areas such as climate change. Cabinet welcomed the key changes, particularly the renewed emphasis on climate change mitigation, active travel, the Welsh Language and increasing the affordable housing target. The input from councillors, professional officers, and the good response from the public consultation was also welcomed, with specific mention to the hard work of the Strategic Planning Group (SPG). As a member of the SPG, Councillor Peter Scott highlighted the hard work already undertaken and further work going forward, and he paid tribute to the hard work of officers, and fully endorsed the report.

The following points were raised during the ensuing debate –

- the need for detail in the Deposit LDP on the Council's intentions, including elements relating to climate change was highlighted and officers provided assurances that further reports would be taken forward, firstly to the SPG, on the detail and wording of policies to cover those issues which would provide members with the opportunity to be involved at an early stage in that work
- the report referred to the provision for a level of growth supported by land for 3,775 new homes to meet a housing requirement of 3,275 dwellings, with the difference relating to a contingency to ensure the 3,275 dwellings were delivered. Since the start of the plan period in 2018 around 1200 dwellings of the total 3,275 had already been built, and around 1000 dwellings were either currently under construction or sites where planning permission had been granted and would likely come forward in the next few years. Therefore, land provision for around 1000 dwellings would likely be sought for new allocations
- Councillor Arwel Roberts referred to the potential for particular brownfield sites, which had been left undisturbed for some time, having high biodiversity value and Councillor Emrys Wynne agreed, also highlighting the importance of protecting the best greenfield sites for agriculture and food production, and the need for balance. There was some debate on balancing aspirations for providing affordable homes and employment land against the need to address the climate emergency, and an acknowledgement of the good work already undertaken in that regard. It was noted that the Biodiversity and Climate Change Team and Planning Team worked closely together. Officers confirmed that when looking at site allocations in the LDP there was a need to balance various key considerations, including biodiversity and agricultural land value. There would also be a requirement on sites for net biodiversity gain moving forward which was a positive step, to both protect and make improvements.

RESOLVED that Cabinet –

- (a) *confirms it had read, understood and taken account of the Well-being Impact Assessment (Appendix 3 to the report) as part of its consideration;*
- (b) *recommends the Preferred Strategy as amended by the report to Council for final approval, and*
- (c) *recommends that the approved Preferred Strategy as amended by the report forms the basis for developing the Deposit Replacement Local Development Plan for consultation.*

7 PROVISION OF A DYNAMIC PROCUREMENT SYSTEM FOR DELIVERY OF DISABLED GRANT FACILITIES

Councillor Rhys Thomas presented the report seeking Cabinet approval of the development and implementation of a Dynamic Procurement System (DPS), in partnership with Flintshire County Council, to deliver the Mandatory Disabled Facilities Grant in line with current Contract Procedure Rules (CPRs).

Local authorities were statutorily required to provide adaptations, via Disabled Facilities Grant (DFG), to vulnerable persons to enable them to live safely and independently within their own home. The current procurement of adaptation works did not accord with the Council's CPRs and therefore a DPS had been recommended, in partnership with Flintshire County Council, which would allow both local authorities to deliver DFGs across the border via a good cross section of competent contractors. The current procurement process and new DPS system was explained. The DPS was similar to an approved list of contractors but provided greater flexibility and operated as a completely electronic process which would be open throughout the validity of the purchasing system to any firm that satisfied the selection criteria. The intention was to provide a further report at the end of the procurement process with regard to implementation of the DPS.

Cabinet acknowledged the benefits of the proposed DPS which would provide greater flexibility and value for money, with a wider pool of contractors who could apply for different lots as work became available, and to best meet the needs of those requiring disabled facilities in a timelier manner. The Strategic Planning and Housing Manager and Principal Built Project Surveyor responded to questions, confirming that the annual capital allocation had increased to £1.5m given the increased cost of adaptations due to inflationary pressures. The mandatory grant remained at £36k but the amount given as a grant before a charge on the property had increased from £5k to £10k which provided greater flexibility to put in the majority of medium adaptations, such as stair lifts and ramps, that accorded with the Welsh Government's changes to means testing for disability adaptations.

The Leader was pleased to note that the internal audit had identified the improvement required and welcomed the new improved process, congratulating all those involved and the hard work undertaken in that regard to enable home adaptations for the benefit of people with disabilities and a better quality of life.

RESOLVED that Cabinet approve the development and implementation of a Dynamic Procurement System (DPS) in partnership with Flintshire County Council to deliver the Mandatory Disabled Facilities Grant in line with current Contract Procedure Rules.

8 RENEWAL OF THE HOUSING MAINTENANCE VOIDS CONTRACTOR FRAMEWORK

Councillor Rhys Thomas presented the report seeking Cabinet approval to commence a procurement and enter into a contract to appoint a number of contractors to a framework to undertake refurbishment work to empty domestic properties owned by the Council (known as voids).

Some background was provided which included the Council's approach to improve the quality of empty properties before re-letting which did impact on turnaround times and increased costs. The Property Operations Manager explained that the current framework had been established following an internal audit in 2017 but was due to expire in September 2023. Given its success, the intention was to re-tender the framework, going back out to the market to ensure best value. Cabinet was advised that the provision of a framework would reduce costs and time in respect of undertaking works on void housing units, and increase income into the Housing Revenue Account while maintaining the exceptional standard that has been set in terms of quality housing for the Council's housing tenants.

Cabinet acknowledged the need to reduce costs and turnaround times for empty properties given current housing pressures, but also advocated the need for appropriate works to be undertaken to ensure fit for purpose, quality homes were re-let which in turn would be respected and well looked after by tenants, and members were pleased that quality housing was considered a priority. Cabinet was also pleased to note the expected increase in void turnaround times as part of the new framework and the opportunities for local businesses and small traders in Denbighshire. In terms of the 'buying back' of council housing, it was confirmed that the framework itself was not specifically for 'buy backs' but contractors on the framework could be utilised for works required on purchased properties.

RESOLVED that Cabinet –

- (a) *approves the re-tendering of the voids framework, and*
- (b) *confirms that it has read, understood and taken account of the Well-being Impact Assessment (Appendix 1 to the report) as part of its consideration.*

9 FINANCE REPORT

Councillor Gwyneth Ellis presented the report detailing the latest financial position and progress against the agreed budget strategy.

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

- the net revenue budget for 2022/23 was £233.696m (£216.818m in 2021/22)

- an overspend of £2.846m was forecast for service and corporate budgets (£2.249m overspend last month)
- highlighted current risks and assumptions relating to corporate budgets and individual service areas
- detailed service savings and fees and charges increases (£0.754m)
- provided a general update on the Housing Revenue Account, Treasury Management, Capital Plan and major projects.

Cabinet was also asked to approve the match-funding requirement for the Clwyd West Levelling Up Grant programme together with the 'Four Great Highways' project as part of the Clwyd South Levelling Up Grant programme.

The Head of Finance drew attention to the following elements of the report –

- the £0.6m increased overspend for service and corporate budgets had been due to additional pressures in Children's Services (most of the pressure related to children's placements which were projected to continue longer than previously predicted) and Highways and Environmental Services (where service reserves had been used to mitigate the overspend). Options to fund the overspend included base level and earmarked reserves and the budget mitigation reserve; recommendations would be made when the final outturn position was known
- the Clwyd West bid for Levelling Up funding and the required match-funding had previously been agreed by Cabinet. Following approval of the bid by the UK Government, Cabinet was asked to formally approve the match-funding requirement as previously committed by the Council amounting to £1,038,108. The Clwyd South Levelling Up programme and the required funding had been previously approved in principle by Cabinet. Following a review of the business case by the Budget Board for the 'Four Great Highways' project it was recommended that Cabinet approve the project which exceeded £1m. The principle of both bids had already been approved and both business cases had been reviewed and supported by the Budget Board. Future business case reviews would be undertaken by the new Capital Scrutiny Group. The Leader confirmed that, together with Ruthin Members, he had met with David Jones, MP for Clwyd West to discuss governance issues and spend to deliver projects.

Councillor Gill German referred to the Education and Children's Services element of the report, emphasising the high need in Children's Services with projections that need would continue. She reported on feedback from the service and schools and her own first-hand experience of the impact post pandemic and rise in mental health issues, with a disproportionate impact on children from low income backgrounds. Whilst there was an obvious budgetary pressure, Children's Services had a crucial role in dealing with those issues and supporting health colleagues.

RESOLVED that Cabinet –

- (a) *note the budgets set for 2022/23 and progress against the agreed budget strategy;*

- (b) *approve the match-funding requirement for the Clwyd West Levelling Up Grant programme as detailed in Section 6.8 of the report and Appendix 5 to the report, and*
- (c) *approve the 'Four Great Highways' project as part of the Clwyd South Levelling Up Grant programme, as detailed in Section 6.9 of the report and Appendix 6 to the report.*

10 CABINET FORWARD WORK PROGRAMME

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

- Phase 2 of the Waste Depot in Colomendy, Denbigh – moved from April to May
- National Eisteddfod of Wales (Expression of Interest) – added to April
- North Wales Construction Framework 3rd iteration – added to May
- Long Term Empty and Second Homes Premium – added to May and July
- Welsh Language Strategy – added to June

The Leader referred to the process of progressing the projects for the Clwyd West Levelling Up funding programme and it was agreed to discuss those arrangements at Cabinet Briefing. Councillor Emrys Wynne was keen to clarify the process and those involved to ensure the projects were delivered efficiently and effectively.

RESOLVED that *Cabinet's forward work programme be noted.*

The meeting concluded at 11.30 am.

Report to	Cabinet
Date of meeting	Tuesday 25 April 2023
Lead Member / Officer	Cllr Jason McLellan, Leader
Head of Service	Liz Grieve, Head of Housing & Communities
Report author	Nicola Kneale, Joint Interim Head of Support Service: Performance, Digital & Assets
Title	Applications shortlisted for Shared Prosperity Funding

1. What is the report about?

- 1.1. Recommendations from the Core Partnership Group about which Shared Prosperity Fund applications to approve at Cabinet.

2. What is the reason for making this report?

- 2.1. To inform Cabinet of the process that's been followed to support the application and shortlisting process associated with the Shared Prosperity Fund, and confirm their satisfaction with the process.
- 2.2. A decision is required on whether to approve the shortlisted applications that have been recommended by the Core Partnership Group.
- 2.3. It should be noted that the Appendices to this report contain details of all applications and their associated recommended outcomes. Due to the fact that this information relates to the financial and business affairs of applicant organisations, the appendices will be published under Part 2. Once Cabinet has agreed the projects to be shortlisted and applicants have been notified of their success or otherwise, the outcome of the decision will be published.
- 2.4. Upon being shortlisted, successful applicants will be invited to submit supplementary information ('Stage 2') that will enable due diligence checks, etc.

This is a non-competitive process, but there is a chance that shortlisted projects will be unable to progress should the checks be unsuccessful. Should this occur, this report asks Cabinet to delegate decision-making to the Leader in consultation with the Lead Member for Corporate Strategy, Policy & Equalities, and the Corporate Director: Environment & Economy.

3. What are the Recommendations?

- 3.1. That Cabinet confirms that it has understood the application and shortlisting processes and approves those procedures as being fair and open.
- 3.2. That Cabinet agrees to fund the projects shortlisted by the Core Partnership Group in Appendix C.
- 3.3. That Cabinet grants delegated powers to the Leader to make subsequent decisions, in consultation with the Lead Member for Corporate Strategy, Policy & Equalities, and the Corporate Director: Environment & Economy. These decisions might be required should the circumstances described in paragraphs 4.9 and 4.11 occur.

4. Report details

- 4.1. The application round for year 2 & 3 funding opened on 31 January 2023 and was live until 24 February 2023. This was promoted via social media and through targeted networks such as City, Town & Community Councils; County Councillors; applicants for Community Renewal Funding, partners, etc. Information on DCC's website also noted the level of funding according to themes, and the level of capital and revenue for years 2 and 3 for each theme. This enabled applicants to develop informed bids, based on the levels of funding available.
- 4.2. 110 applications were received by Denbighshire. 70 of the applications received were regional applications (covering Denbighshire plus at least one other county) with the remaining 40 being direct delivery in Denbighshire only. The total value of applications requests received by Denbighshire was £88.7m, compared to a £25.6m allocation. Hence this fund has been heavily oversubscribed. It should also be noted that there were some detailed

parameters as stipulated by UK Government on the levels of funding available for years 2 and 3, and the proportion of capital and revenue funding available for each year, as follows:

Year 2: £5,150m (gross) – minimum 12.5% capital – plus £1,545m for Multiply

Year 3: £13,493m (gross) – minimum 17.9% capital – plus £1,545m for Multiply

Slide 1 of Appendix C gives a full overview of the monies received, including the level reserved for admin in Denbighshire and the regional team, as well as monies previously allocated to DVSC and Cadwyn Clwyd (see paragraph 4.4).

- 4.3. The DCC team that has led on development of the SPF Investment Plan and other arrangements undertook an initial screening of applications to check they passed 3 basic checks. The requirements were noted on our website as people accessed the application form, and the requirements were as follows:
- i. Projects be deliver within the county footprint;
 - ii. The value of the project must be at least £250k;
 - iii. The proposal had to be a strategic fit and not duplicate existing provision.

As a consequence, 11 applications did not pass this initial screening. They are referenced in Appendix A.

- 4.4. In its February meeting, Cabinet approved the Partnership Group's recommendation to commission DVSC and Cadwyn Clwyd (respectively) to deliver on the following themes:
- i. Healthier, Happier, Caring: Community Capacity Building
 - ii. Prosperous: Business Support Across the County

Consequently, applications that requested monies to deliver against these themes were also screened by the DCC team, due to the monies already being allocated. The 39 projects that fall into this category are also listed in Appendix A, and will be signposted to DVSC and Cadwyn Clwyd for further discussion.

- 4.5. It is important to note that those applications that have not been shortlisted are not without merit. For example, it is frequently the case that a project has not been shortlisted due to the total value of applications received exceeding the level of funding available. This points to a healthy appetite for project delivery in

the county, and it must be remembered that Shared Prosperity Funding is only one source of funding available in our county (alongside windfarm funds, lottery, community ownership fund, etc.) In recognition of this, and in support of those projects, all applications that did not make the longlist will be contacted (post-Cabinet's decision) to be informed of the outcome and to be signposted elsewhere for further support as appropriate. For those that didn't pass the basic checks this might be to DCC's Community Development team for funding advice or DCC's Economic & Business Development Team. Those applicants that had bid for monies already allocated to DVSC or Cadwyn Clwyd, will be signposted to those organisations as appropriate.

- 4.6. The actions described in paragraphs 4.3 and 4.4 led to the creation of a longlist of projects for consideration. A synopsis of these projects was circulated to the wider partnership group, who were invited to comment on the proposals in terms of their strategic fit and their deliverability. The wider partnership group consists of stakeholders stipulated under UK Government guidance (other public sector organisations, representatives of the business community, MPs, etc.) plus Chairs of DCC Member Area Groups and SLT. 12 responses were received, and these responses were shared with the Core Partnership Group during deliberations over the longlist. They can be seen at Appendix B.
- 4.7. The Core Partnership Group met on 21 March 2023 to review the longlist with a view to agreeing recommendations to put to Cabinet for decision at its forthcoming meeting on 25 April 2023. To facilitate this, the applications were organised by theme (in line with DCC's Investment Plan), and the Group was provided with information detailing the overall level of capital and revenue available in year 2 & year 3, plus pertinent details about each project (including a year-on-year capital and revenue split). The Group's task was to prioritise the applications against the budget provided.
- 4.8. Appendix C details – by theme - the projects that have been shortlisted (first slide for each theme) and that are recommended for approval, plus those that were considered but not shortlisted (second slide for each theme). The geographic impact spread of the proposed shortlist is as follows:

Countywide	21
Elwy	2
Rhyl	2
Dee Valley /Elwy	1
Dee Valley	1
Ruthin / Dee Valley	1
Rhyl/ Prestatyn / Elwy	1

4.9. A number of the applications are regional. Each local authority in North Wales is at liberty to make its own local decisions on whether to support each application, but differing decisions will have an impact on the regional picture. It's possible that a project that's viable when six authorities in North Wales approve it is no longer viable if only half of the North Wales LAs do so (the decision-making timelines are staggered, so we don't yet know that full picture). For example, the project's value may no longer reach the £250k minimum value threshold. It is therefore recommended that Cabinet give delegated authority to the Leader to make the final decision (as per paragraph 3.3) on whether to continue with regional projects, once the full regional picture is clear (likely to be late May). It should also be noted that the decision-making processes across the region differ; only DCC is taking SPF decisions through its Cabinet, for example.

4.10. It has previously been noted that those that have not been shortlisted are not without merit – there's just a limit to what can be funded. The Group has also therefore recommended some projects to put in reserve, should funds become available. *These are italicised on the second slide for each theme.* Please note,

funds might become available if any of the projects become unviable, are scaled back, etc.; not because we expect more monies under SPF at present.

4.11. The Core Partnership Group was advised by the SPF team that there was a level of tolerance if the value of the applications shortlisted exceeded the monies available, as it's possible that project costs will fluctuate, and some projects could be scaled to ensure affordability. Cabinet is asked to authorise that the Leader is granted powers to make a delegated decision going forward, in consultation with the Lead Member for Corporate Strategy, Policy & Equalities, and the Corporate Director: Environment & Economy, as per recommendation 3.3.

4.12. An important note relates to the People & Skills theme. Some applications duplicate Working Denbighshire's offer, but also potentially offer added value to WD's core work (e.g. in engaging with certain population groups). As DCC is committed to the Working Denbighshire model - and in the interests of mitigating duplication of provision and the consequences that entails – the Partnership Group recommends that these projects are not shortlisted, but, instead, that Working Denbighshire uses the balance of £1,029 million from this theme to commission services from these organisations.

4.13. Following Cabinet's decision, unsuccessful applicants will be contacted and signposted to further advice. Those shortlisted will be asked to provide further detail to enable closer viability and due diligence checks to be made (Stage 2). This will include seeking an exit strategy for each project. The checks to be made will be standard across North Wales under a system designed by Gwynedd County Council as Lead Authority. It is not the intention that this round will enable further shortlisting to be done; rather that it provides assurance that the projects are deliverable and that there is a plan to deal with any liabilities at the end of project delivery.

5. How does the decision contribute to the Corporate Plan 2022 to 2027: The Denbighshire We Want?

5.1. The Investment Plan for the SPF has been developed within the context of our corporate plan themes, and the recommendations have also been made against that context. Most notably, the projects approved will have a positive impact under the following themes:

1. A prosperous Denbighshire
2. A healthier and happier, caring Denbighshire
3. A Learning & Growing Denbighshire
4. A better connected Denbighshire
5. A greener Denbighshire
6. A fairer, safe, and more equal Denbighshire
7. A Denbighshire of vibrant culture and thriving Welsh language

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

6.1 Monies required to deliver are provided by a UK Government grant. Consideration to deliverability has been given throughout this shortlisting process. Any threats to delivery that occur will be dealt with on a case-by-case basis.

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

7.1 This report is about awarding funding under Denbighshire County Council's SPF Investment Plan, hence a Well-being Impact Assessment is not needed. Individual projects that are delivered by DCC with this funding may be subject to a Well-being Impact Assessment, but not this decision.

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

8.1. The longlist has been shared electronically with Denbighshire's SPF Partnership Group (including SLT and MAGs) who were asked to provide feedback. Any feedback received was then subsequently referenced at Denbighshire's SPF Core Partnership Group meeting on 21 March 2023, and is noted at Appendix B.

8.2. A shortlisting session was held with the Core Partnership Group on 21 March 2023.

9. Chief Finance Officer Statement

9.1. This report sets out the process and recommendations from the Core Partnership Group. Obviously grant funding is welcome, however the time limited nature of the current funding for revenue projects in particular will need to be managed carefully over the coming two years.

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

10.1. There is a reputational risk that unsuccessful applicants will be unhappy with this decision. This is why timely correspondence to signpost to future support will be useful, as well as publically noting the level of oversubscription for this fund.

10.2. 75% of the funding is allocated to DCC projects. There is a reputational risk that this is seen as unfair from other applicants. The rationale is that strategic fit was a key consideration, and those projects shortlisted best fit the Investment Plan developed by the Council. With good governance arrangements in place in the Council this outcome is not unexpected. Nevertheless, careful explanation is required about the importance of strategic fit and the opportunity that other organisations have had to feed into decision-making, alongside the offer of ongoing support.

11. Power to make the decision

11.1. General Power of Competence under the Local Government and Elections Wales Act 2021 s.24.

By virtue of paragraph(s) 14 of Part 4 of Schedule 12A
of the Local Government Act 1972.

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Report to	Cabinet Briefing
Date of meeting	03/04/2023
Lead Member / Officer	Cllr Julie Matthews
Head of Service	Louise Dougal
Report author	Rachel Sanders, Procurement Business Partner / Hilary Evans, Lead HR Business Partner
Title	Managed Service for the Provision of Agency Workers

1. What is the report about?

- 1.1. This report is about the current contract in place in which we source external agency staff into the Council through a formal managed service provision.

2. What is the reason for making this report?

- 2.1. The Council currently has a contract in place with an external supplier to provide agency staff via a managed service. This contract is due to end on 28th August 2023. As a result this report seeks to obtain approval to commence a procurement process and request delegated authority to award a new contract following the tendering process in accordance with Section 2.7.2.iii of the Contract Procedure Rules. This will be a collaborative procurement exercise with Flintshire County Council.

3. What are the Recommendations?

- 3.1. To comply with the Authority's Contract Procedure Rules (5.5.4(iii)) we seek approval from Cabinet to commence the tendering process.
- 3.2. That cabinet delegates authority to Head of HR to award the contract to the successful provider in consultation with Monitoring Officer and Section 151 Officer.

4. Report details

- 4.1. The Council has a business need to retain a supply of temporary workers to cover vacancies and unplanned absences, or to fill the requirement for specialist short term staff. Therefore, there is a requirement to have a contract in place with a supplier who

has sufficient capacity and resources to meet the needs of Denbighshire County Council. The contract will enable the Council as a whole to continue to deliver services to the public and services users.

- 4.2. The agency contract with Matrix does not encompass all Council agency spend. It excludes all school requirement for Supply Teachers, which are sourced via the National Procurement Service Framework and Social Services Home Care agency workers, who fall outside of the current Matrix contract.
- 4.3. Currently, the Council has a contract with Matrix SCS. This was a contract awarded under MSTAR2, the previous framework agreement which is due to be replaced by MSTAR4.

The amount the Council spend with Matrix is detailed in the first table below. Therefore, over the period of 4 years under the new contract, it is anticipated the contract spend will be approximately £1m per annum. This figure represents approximately no more than 1% of the total Denbighshire County Council pay bill.

Financial Year	Spend
2018/19	£854,209.50
2019/20	£743,555.80
2020/21	£976,529.40
2021/22	£1,262,262.60
Total	£3,836,557.30

The table below details the spend by service for the financial year 2022 to 2023. During this period the most common roles that agency staff have covered are Refuse Collector, Streetscene Operative, Grounds Maintenance Worker, Social Worker and Administrator.

Financial Year 2022 to 2023 – Spend by Service	
Highways, Facilities & Environmental Services	£685,574
Community Support Services	£276,916
Finance and Property Service	£171,888
Planning, Public Protection & Countryside Services	£167,904
Business Improvement & Modernisation	£48,513
Legal, HR & Democratic Services	£33,902
Education & Childrens Services	£1,817
Total	£1,386,513

- 4.4 To be compliant with the Council’s Contract Procedure Rules and the Public Contract Regulations, a competitive tendering process needs to be undertaken. It is proposed to use the MSTAR4 (Managed Services for Temporary Agency Staff) framework which will

have been set up by ESPO (Eastern Shires Purchasing Organisation). The framework will be available for use nationally by any public sector body in the UK. The framework will be compliant with UK/EU procurement legislation.

- 4.5 It is anticipated that following the tendering process the Council will be in the position to award a new contract by mid-June 2023. Given the potential need to manage the transition from an existing provider to a new provider in readiness for the new contract to take effect at the end of August 2023 resulting in tight timescales we are seeking Cabinet approval to delegate the contract award decision.

5. How does the decision contribute to the Corporate Plan 2022 to 2027: The Denbighshire We Want?

- 5.1 A Prosperous Denbighshire (Theme 2) - Support economic recovery, capitalising on opportunities to enable residents to access decent employment and income. We want to use economic growth as a driver to reduce inequality and poverty.

The agreement will allow for newly established or yet to be created recruitment agencies in Denbighshire to sign up to the managed service at any time during the lifetime of the agreement. This in turn will allow residents of Denbighshire, both now and in the future to seek employment via these agencies. The income provided by these employment opportunities will have the potential to be regenerated into the local economy. The agency workers also have the opportunity to receive on the job training and the option for applying for future job opportunities, both internal and external, as jobs arise.

- 5.2 A well-run, high performing council (Theme 9) - To be a council that is fair, transparent, performs well, represents value for money, and gives consistently good customer service. The council wants to be creative, brave, ambitious, outward-looking, and an excellent employer, backed by strong governance and assurance.

The use of a managed agency service allows the Authority to deliver the standard of services expected by its residents during periods of unexpected resource shortages. The flexibility achieved by the use of agency staff can allow services to develop their operations to deliver efficiencies, whilst maintaining control of its budgets.

The decision will have a neutral contribution to the Council becoming Net Carbon Zero and Ecologically Positive by 2030.

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

- 6.1. The Well-being Impact Assessment summarises the likely impact of the contract on the social, economic, environmental and cultural well-being of Denbighshire, Wales and the World. The outcome of the assessment is that use of the Agency framework offers flexibility for both the Council and the local workforce.
- 6.2. The Council will employ agency workers in circumstances where full time employment is not feasible and the local workforce would not otherwise be employed. The use of agency workers ensures that Council is able to continue to deliver it's services to local residents whilst helping to protect the health and well-being of our employees. The positive impact on local residents is two-fold. Firstly ensuring the services that they expect are maintained and delivered. Secondly by providing local employment opportunities that delivers fair pay, good working conditions, good training, incorporates jobs that require the use of the Welsh language and ultimately opportunities to work on a permanent basis for the Council.
- 6.3. The assessment has been completed by representatives from Human Resources and Procurement departments. The impact assessment was completed in conjunction with the formation of the request for authorisation to re-tender for the provision of agency staff.
- 6.4. A Data Protection Impact Assessment has been completed and is attached for reference.

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

- 7.1. Throughout the current contract period, there have been regular quarterly business review meetings arranged with Matrix, attended by representatives of the Collaborative Procurement Service, Flintshire CC Human Resources Service and Denbighshire CC Human Resources Service. There have been no public consultations or report to Scrutiny.

8. Chief Finance Officer Statement

- 8.1. The proposals in this report support the business needs of the Council and appear to deliver value for money and are therefore supported. The budgets are held within services and it is each Head of Service's responsibility to ensure that agency staff are used efficiently. This will become increasingly important over the coming years as the pressure to identify savings intensifies.

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

9.1. The following key risks have been identified and will be managed by the Collaborative Procurement Unit:

- Legal challenge in relation to the procurement process – managed by the input of specialist legal advice in terms of the process and drawing up the required documentation
- Transition arrangements arising from change of supplier – a transition plan can be agreed between the incumbent supplier and the appointed supplier
- An unplanned rise in the demand for temporary workers - the supplier's ability to cope with rise and fall in demand will be evaluated as part of the procurement process
- If there is a delay to the award of the MSTAR4 framework (expected award due 11th April 2024) a short contract extension to the existing provider may be required until an alternative procurement route can be determined or until MSTAR4 agreement becomes available.

10. Power to make the decision

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

10.2. Cabinet is required to consider the request to authorise the delegation of the decision to award the contract as detailed in Sections 3.2 and 4.5.

10.3 The Council also has power to issue the procurement and enter into contracts pursuant to section 111 Local Government Act 1972 (power to undertake any act to facilitate, or which is conducive or incidental to, the discharge of any of their functions); section 135 Local Government Act 1972 (power to make standing orders to govern entering into Contracts), section 112 Local Government Act 1972 (appoint such officers as they think necessary for the proper discharge by the authority of the authority's functions); section 3(1) Local Government Act 1999 (general duty on a best value authority to make arrangements to secure continuous improvement in the way in which its functions are exercised) and section 1(2) Local Government Contracts Act 1997 (empowers local authorities to enter into a wide range of contracts providing assets or services in connection with the discharge of their functions).

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Agency Workers Procurement: Well-being Impact Assessment Report

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

Assessment Number: 1187

Brief description: The procurement of Agency Worker via a framework tendering process

Date Completed: 11/04/2023 12:10:28 Version: 4

Completed by: Hilary Evans

Responsible Service: Legal, HR and Democratic Services

Localities affected by the proposal: Whole County,

Who will be affected by the proposal? All services with the exception of Care within Adult Social Care & Homelessness Service and Schools procuring Teaching Staff. Existing agencies providing agency staff via MATRIX will be affected however the impact will be determined by which provider is successful.

Was this impact assessment completed as a group? Yes

Summary and Conclusion

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

Score for the sustainability of the approach

2 out of 4 stars

Actual score : 19 / 36.

Summary for each Sustainable Development principle

Long term

The proposal is considered to be short term (less than 5 years). Following completion of this assessment we have identified a need to consider an exit strategy

Prevention

Awarding of the contract will provide local employment for DCC communities and will ensure that agency workers are provided with fair pay and an opportunity to be employed by DCC through access to internal vacancies after 12 weeks agency work.

Integration

The purpose of the contract is to ensure DCC is in a position to continue to deliver services to the required level expected by our communities. The LDP is not considered to be relevant for the contract.

Collaboration

The tendering process will be jointly awarded with Denbighshire CC and Flintshire CC

Involvement

Agency Workers Procurement

The requirement is to re-tender for an Agency Worker provider which will take into account the needs of the services hence this will shape the tendering process.

Summary of impact

Well-being Goals	Overall Impact
A prosperous Denbighshire	Positive
A resilient Denbighshire	Neutral
A healthier Denbighshire	Positive
A more equal Denbighshire	Positive
A Denbighshire of cohesive communities	Positive
A Denbighshire of vibrant culture and thriving Welsh language	Positive
A globally responsible Denbighshire	Positive

Main conclusions

The overall impact is positive.

The use of agency workers ensures that Denbighshire CC is able to continue to deliver its services to local residents whilst helping to protect the health and well being of our employees.

The positive impact on local residents is two-fold - ensuring the services that they expect are maintained and providing employment opportunities that delivers fair pay, good working conditions, good training and ultimately opportunities to work on a permanent basis for the Council

The likely impact on Denbighshire, Wales and the world.

A prosperous Denbighshire

Overall Impact

Positive

Justification for impact

The framework will provide local employment for local people via good quality employment agencies that have been assessed against a national framework. This will ensure fairness, including rates of pay and equality,

Further actions required

The use of a national framework will ensure that positives are maximised. By taking a Joint Procurement approach there is opportunity for greater financial and community benefit.

Positive impacts identified:

A low carbon society

Due to the nature of the contract its very difficult to predict the contribution of agency workers to our net carbon zero objective. However the tender will be open to local agency suppliers

Quality communications, infrastructure and transport

The agency contract supports the delivery of services hence impacting positively on quality communications, infrastructure and transport

Economic development

There are opportunities in the procurement of agency workers to secure community benefit as employment opportunities will be available

Quality skills for the long term

Once a Agency worker is offered a placement they can apply for internal vacancies, receive good

quality on the job training and references once the placement is ended

Quality jobs for the long term

Please see above

Childcare

The Councils own in-house Childcare provision - Oaktree Centre - will be able to access the agencies on the framework to cover employee absences thus ensuring a quality childcare provision is maintained.

Negative impacts identified:

A low carbon society

Due to the nature of the contract its very difficult to predict the contribution of agency workers to our net carbon zero objective. However the tender will be open to local agency suppliers

Quality communications, infrastructure and transport

No known negative impact

Economic development

No known negative impact

Quality skills for the long term

No known negative impact

Quality jobs for the long term

No known negative impact

Childcare

No known negative impact

A resilient Denbighshire

Overall Impact

Neutral

Justification for impact

The impact assessment above indicates a neutral impact. Given that agency workers are required to cover short term and long term employee absences this represents a like for like replacement. The use of agency workers enables departments to sustain their services to the local community.

Further actions required

We will keep it under review for the life of the new contract

Positive impacts identified:

Biodiversity and the natural environment

No known impact

Biodiversity in the built environment

No known impact

Reducing waste, reusing and recycling

The front line service - waste and recycling service - is currently one the biggest users of agency workers. The continuation of being able to procure agency workers via a framework ensures that this service continues to meet its goals and objectives.

Reduced energy/fuel consumption

The expectation is that in the majority of cases an agency worker replaces an existing employee hence there is no reduction in energy/fuel consumption.

People's awareness of the environment and biodiversity

No known impact

Flood risk management

No known impact

Negative impacts identified:

Biodiversity and the natural environment

No known impact

Biodiversity in the built environment

No known impact

Reducing waste, reusing and recycling

No known impact

Reduced energy/fuel consumption

he expectation is that in the majority of cases an agency worker replaces an existing employee hence there is no reduction in energy/fuel consumption.

People's awareness of the environment and biodiversity

No known impact

Flood risk management

No known impact

A healthier Denbighshire

Overall Impact

Positive

Justification for impact

Whilst there is no positive or negative impact for some of the above statements e.g access to good quality, healthy food the overall impact is positive.

Further actions required

The regular review of the contract will provide the opportunity to maximise the benefits.

Positive impacts identified:

A social and physical environment that encourage and support health and well-being

Supporting our own staff and managers to manage service delivery, ensuring their health and well being is supported either when considering their own absences, managing workloads for those in work and providing adequate resources to managers. Providing local employment for our communities to support health and well being of our residents and providing adequate resources to support health and well being.

Access to good quality, healthy food

No known impact

People's emotional and mental well-being

Supporting all our employees to deliver services to the required level. Providing a process that is straightforward requiring the minimum input. Ensuring adequate resources are available to our residents

Access to healthcare

By ensuring adequate resources are available to our Service ensures we continue to deliver service that impact on access to Healthcare. i.e Road maintenance, access to care and support at home to assist independent living.

Participation in leisure opportunities

No known impact

Negative impacts identified:

A social and physical environment that encourage and support health and well-being

No known impact

Access to good quality, healthy food

No known impact

People's emotional and mental well-being

No known impact

Access to healthcare

No known impact

Participation in leisure opportunities

No known impact

A more equal Denbighshire

Overall Impact

Positive

Justification for impact

By using an already established national framework for the recruitment of temporary workers we can ensure that fair and equal recruitment processes are used by the approved agencies listed on the framework as they will have been assessed prior to having access to the framework.

Further actions required

The regular review of the contract will provide opportunity to maximise the benefits.

Positive impacts identified:

Improving the well-being of people with protected characteristics. The nine protected characteristics are: age; disability; gender reassignment; marriage or civil partnership; pregnancy and maternity; race; religion or belief; sex; and sexual orientation

The managed service provider will ensure that fair and equal recruitment processes are in place.

People who suffer discrimination or disadvantage

There will be potential for people who suffer discrimination or disadvantage to gain employment via the agencies on the framework, e.g Refugees

People affected by socio-economic disadvantage and unequal outcomes

The framework will ensure that the hourly rate paid to agency workers are equal to our own pay structure provided for Relief workers. New agency workers will have the same employment experience as our own contracted employees e.g access to good quality training.

Areas affected by socio-economic disadvantage

The tender process will be open to all agencies to include those those that may operate in our more disadvantaged areas

Negative impacts identified:

Improving the well-being of people with protected characteristics. The nine protected characteristics are: age; disability; gender reassignment; marriage or civil partnership; pregnancy and maternity; race; religion or belief; sex; and sexual orientation

No known impact

People who suffer discrimination or disadvantage

No known impact

People affected by socio-economic disadvantage and unequal outcomes

No known impact

Areas affected by socio-economic disadvantage

No known impact

A Denbighshire of cohesive communities

Overall Impact

Positive

Justification for impact

The impact is positive resulting from the continuation of service delivery

Further actions required

The regular review of the contract will provide opportunity to maximise the benefits

Positive impacts identified:

Safe communities and individuals

1. Ensuring continuation of service delivery to include child safeguarding.
2. Ensuring fair work practices are followed both during the initial recruitment phase and during placement within DCC

Community participation and resilience

No known impact

The attractiveness of the area

Ensuring the continuity of service delivery eg.waste and recycling departments

Connected communities

Ensuring continuation of service delivery thereby ensuring access to services is maintained

Rural resilience

Ensuring the continuation of service delivery which may impact on people living in rural areas

Negative impacts identified:

Safe communities and individuals

No known impact

Community participation and resilience

No known impact

The attractiveness of the area

No known impact

Connected communities

No known impact

Rural resilience

No known impact

A Denbighshire of vibrant culture and thriving Welsh language

Overall Impact

Positive

Justification for impact

The framework will be available for all local suppliers. If a post is welsh essential the temporary replacement will be required to meet the essential criteria for the post.

Further actions required

Agency Workers Procurement

The regular review of the contract will provide opportunity to maximise the benefits

Positive impacts identified:

People using Welsh

If a role requires covering by an agency worker and the role is Welsh essential then the agency replacement will be on the same basis

Promoting the Welsh language

Retendering will be available to local suppliers.

Culture and heritage

There is increased potential of empathy and understanding from local suppliers who operate in the local area

Negative impacts identified:

People using Welsh

No known impact

Promoting the Welsh language

No known impact

Culture and heritage

No known impact

A globally responsible Denbighshire

Overall Impact

Positive

Justification for impact

By procuring agency workers via a framework ensures that agencies have been assessed on their recruitment practices prior to being available to DCC.

Further actions required

The regular review of the contract there provide opportunity to maximise the benefits

Positive impacts identified:

Local, national, international supply chains

Local agencies will have access to the framework and local residents will have access to employment opportunities.

Human rights

Employment practices will have already been assessed by the framework to ensure good practices exists. Working conditions will replicate those provided to employees of DCC

Broader service provision in the local area or the region

Continuity of service provision will be maintained

Reducing climate change

The project will provide like for like replacement of a worker, hence neutral impact on reducing climate change

Negative impacts identified:

Local, national, international supply chains

No known impact

Human rights

No know impact

Broader service provision in the local area or the region

No known impact

Reducing climate change

The project will provide like for like replacement of a worker, hence neutral impact on reducing climate change

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DATA PROTECTION IMPACT ASSESSMENT

Title of DPIA: **Managed Service for the Provision of
Agency Workers**

Data Protection Impact Assessments (DPIAs) are a tool which can help the Council identify the most effective way to comply with its data protection obligations under Article 35 of the GDPR.

Version 2.0

June 2018

To be completed by you	
Title of DPIA	Managed Service for the Provision of Agency Workers
Name	Hilary Evans
Email	Hilary.evans@denbighshire.gov.uk
Contact Number	01823 712537
Information Asset Owner	
Is this a change to an existing process?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Anticipated go live date	September 2023

VERSION:	One
DATE	27 th March 2023

Data Protection Impact Assessment (DPIA) Tool

When completed, the DPIA should be stored by you and updated as and when.

It should be referred onto Lisa Jones, Alan Smith and Craig Berry for a decision, should the residual risk be High.

Data Protection Impact Assessments (DPIAs) are a tool which can help the Council identify the most effective way to comply with its data protection obligations. The concept of a Data Protection Impact Assessment is introduced into UK law by Article 35 of the GDPR.

DPIAs are important tools for accountability, as they help the Council to comply with requirements of the GDPR, but also to demonstrate that appropriate measures have been taken to ensure compliance with the law. In other words, a DPIA is a process for building and demonstrating compliance.

Under the GDPR, non-compliance with DPIA requirements can lead to fines imposed by the ICO. Failure to:

- carry out a DPIA when the processing is subject to a DPIA (Article 35(1) and (3) -(4)); or
- carry out a DPIA in an incorrect way (Article 35(2) and (7) to (9)); or
- failing to consult the ICO where required (Article 36(3)(e))

is an offence and can result in an administrative fine.

However, an effective DPIA will enable the Council to identify and fix problems at an early stage, reducing the associated costs and damage to reputation which might otherwise occur.

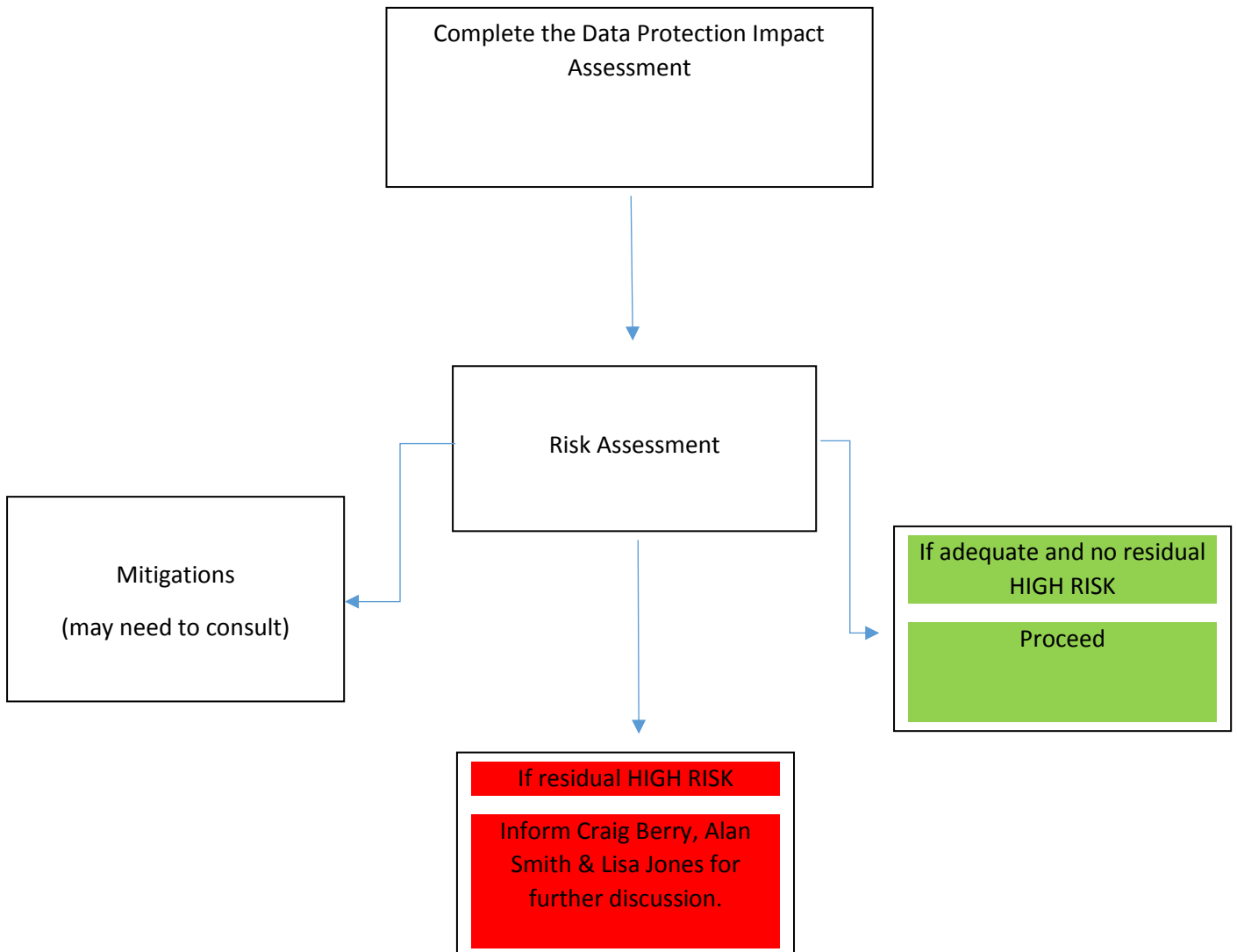
A DPIA is mandatory when processing is “likely to result in a high risk to the rights and freedoms of natural persons”.

The guidelines offer the following criteria to consider:

1. Evaluation or scoring, including profiling
2. Automated decision-making
3. Systematic monitoring of individuals
4. Processing sensitive data
5. Processing data on a large scale
6. Matching or combining datasets
7. Processing data concerning vulnerable data subjects
8. Innovative use or application of technological or organisational solutions
9. Data transfer across borders outside the European Union
10. When the processing in itself “prevents data subjects from exercising a right or using a service or a contract

The guidelines state that, as a rule of thumb, data processing operations that meet at least two of these criteria will require a DPIA.

DPIA Process



The following questions are intended to investigate the degrees and areas of risk associated with the proposed processing of personal information.

It is important that each question is answered in as much detail as you can. The sections in blue require your response.

Section 1.	The first section relates to the proposed use of the personal data and how it was gathered. It is important to recognise that the means and conditions by which the personal data was collected can impact on the lawfulness and also the degree of risk posed by the processing.	
1.1	Describe what you intend to do and how you intend to process the personal data.	
	<p>The intention is to procure Agency workers through a national framework. As the procurement is delivered via a Managed Service the personal data of agency staff will be stored on a secure system. Payment to individuals will be via the managed service hence Denbighshire County Council will not have access to certain data for example, bank accounts, national insurance details. However other personal data that is detailed on CV's, Health Declaration, References, Right to Work in the UK details and criminal conviction data will be available via a secure system to managers procuring agency workers.</p> <p>A lot of the information required by the DPIA will be updated as the tender process is completed e.g. system information. The service will consider this document as a live document and update it as and when necessary.</p>	
1.2	Thinking about the proposed processing of personal data, describe the flows of personal data (perhaps attach a diagram).	
	<p>Once a request is submitted via the Managed Service, potential candidate information is available for the recruiting manager to view. This data will include CV's, employment references, Right to Work in the UK etc. The employing manager will then arrange interviews of those staff meeting the essential criteria for the role before offering the agency worker a placement.</p>	
1.3	Is what you are proposing to do part of a project?	
	No	<input checked="" type="checkbox"/>
	Yes	<input type="checkbox"/>
	If so, which project? State here:	
1.4	How many individual's data will be involved?	
	Data will only be requested for those individuals who meet the essential criteria for the role and who have indicated to the provider that they are interested in the available placement.	
1.5	Where does the personal data come from?	
	Individuals provide their data to the Agency directly.	

1.6	Does the personal data come from different sources or other organisations? If yes, please state where the information comes from.	
	No <input checked="" type="checkbox"/>	
	Yes <input type="checkbox"/>	If yes, please state where the information comes from.
Section 2	This section considers the special characteristics of the personal data that could be processed. The law establishes that certain types of personal data presents greater degrees of risk than others, and as a consequence has to be treated differently.	
2.1	Please identify whether the personal data will include any of the following categories.	
		Yes No
	Name	<input checked="" type="checkbox"/> <input type="checkbox"/>
	Address (home or business)	<input checked="" type="checkbox"/> <input type="checkbox"/>
	NHS No.	<input type="checkbox"/> <input checked="" type="checkbox"/>
	Email address	<input checked="" type="checkbox"/> <input type="checkbox"/>
	Date of birth	<input checked="" type="checkbox"/> <input type="checkbox"/>
	Employee number	<input type="checkbox"/> <input checked="" type="checkbox"/>
	Driving Licence [shows date of birth and first part of surname]	<input checked="" type="checkbox"/> <input type="checkbox"/>
	IP Address	<input type="checkbox"/> <input checked="" type="checkbox"/>
	Information about the racial background of an individual / individuals	<input type="checkbox"/> <input checked="" type="checkbox"/>
	<i>If yes, please provide additional detail about the personal data.</i>	
	The above information may be contained on the agency workers CV. Data relating to date of birth would be provided via Right to Work in the UK documents i.e passport or Driving Licence.	
	Information about the ethnicity of an individual / individuals	<input type="checkbox"/> <input checked="" type="checkbox"/>
	<i>If yes, please provide additional detail about the personal data.</i>	
	Information about the health of an individual / individuals	<input checked="" type="checkbox"/> <input type="checkbox"/>
	<i>If yes, please provide additional detail about the personal data.</i>	
	This is limited to the Denbighshire County Council Health Declaration Form which asks prospective candidates to confirm whether or not there are any restriction/s to the work they can undertake due to either a medical condition or disability.	
	Information about the religion of an individual / individuals	<input type="checkbox"/> <input checked="" type="checkbox"/>
	<i>If yes, please provide additional detail about the personal data.</i>	
	Information about the sexuality of an individual / individuals	<input type="checkbox"/> <input checked="" type="checkbox"/>
	<i>If yes, please provide additional detail about the personal data.</i>	
	Information about the political views of an individual / individuals	<input type="checkbox"/> <input checked="" type="checkbox"/>
	<i>If yes, please provide additional detail about the personal data.</i>	

	Information about the Trades Union membership of an individual / individuals	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	<i>If yes, please provide additional detail about the personal data.</i>		
	Genetic information of an individual / individuals	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	<i>If yes, please provide additional detail about the personal data.</i>		
	Biometric data of an individual / individuals	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	<i>If yes, please provide additional detail about the personal data.</i>		
	Financial information of an individual / individuals	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	<i>If yes, please provide additional detail about the personal data.</i>		
	Information about the criminal offences or conviction(s) of an individual / individuals (including alleged offences or convictions).	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	<i>If yes, please provide additional detail about the personal data.</i>		
	DBS information is requested in line with Denbighshire County Councils employment practices.		
Section 3	This section looks to the lawfulness of the processing. In order to assess the level of risk associated with the personal data and its proposed use, it is necessary to look to the justification for processing.		
3.1	On what basis will the personal data be processed? Select all relevant conditions. <i>Please note that if you have identified that the processing will involve data identified in 2.1.1 – 2.1.11 then specific grounds for processing are set out below (3.2).</i>		
	Processing is necessary for the performance of a contract between the Council and the individual / individuals whose data is being processed.		<input checked="" type="checkbox"/>
	Processing is necessary for compliance with a legal obligation		<input checked="" type="checkbox"/>
	Processing is necessary in order to protect the vital interests of the individual or individuals whose data is being processed.		<input type="checkbox"/>
	Processing is necessary for the performance of a public task		<input type="checkbox"/>
	Processing is necessary for legitimate interests * <i>Seek the advice of the Data Protection Officer</i>		<input type="checkbox"/>
	The consent of an individual or individuals * <i>Seek the advice of the Data Protection Officer</i> <i>If consent is selected as a basis for processing it is necessary to answer the following questions:</i>		<input checked="" type="checkbox"/>
	Can an individual or individuals withdraw their consent with ease and whenever they want to?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
	<i>Individuals should be able to withdraw their consent at any time and every step of the processing of their information without detriment. It should be as easy to</i>		

	<i>withdraw consent as it is to give it. Consent requires prior information and an explicit indication of the intent to consent.</i>	
	<p>What are the consequences of withdrawal and refusal of consent? (for individuals and for the Council)</p> <p><i>For instance, will the service to the individual be terminated, while the individual or individuals depends on it?</i></p> <p>Should the role that the agency worker is interested in require a DBS Check and they refused to supply the details then a placement would not be offered.</p>	
3.2	Special category data. <i>For special category data, one of the above conditions in 3.1 and one from the list below must be chosen.</i>	
3.2.1	The processing is necessary for the purposes of carrying out the obligations and exercising specific rights of the controller or of the data subject in the field of employment and social security and social protection law	<input checked="" type="checkbox"/>
3.2.2	The processing is necessary to protect the vital interests of the data subject or of another natural person where the data subject is physically or legally incapable of giving consent	<input type="checkbox"/>
3.2.3	The processing is carried out in the course of its legitimate activities with appropriate safeguards by a foundation, association or any other not-for-profit body with a political, philosophical, religious or trade union aim and on condition that the processing relates solely to the members or to former members of the body or to persons who have regular contact with it in connection with its purposes and that the personal data are not disclosed outside that body without the consent of the data subjects	<input type="checkbox"/>
3.2.4	The processing relates to personal data which are manifestly made public by the data subject	<input type="checkbox"/>
3.2.5	The processing is necessary for the establishment, exercise or defence of legal claims or whenever courts are acting in their judicial capacity	<input type="checkbox"/>
3.2.6	The processing is necessary for the purposes of preventive or occupational medicine, for the assessment of the working capacity of the employee, medical diagnosis, the provision of health or social care or treatment or the management of health or social care systems and services on the basis of Union or Member State law	<input type="checkbox"/>
3.2.7	The processing is necessary for reasons of public interest in the area of public health, such as protecting against serious cross-border threats to health or ensuring high standards of quality and safety of health care and of medicinal products or medical devices, on the basis of Union or Member State law which provides for suitable and specific measures to safeguard the rights and freedoms of the data subject, in particular professional secrecy	<input type="checkbox"/>
3.2.8	The processing is necessary for archiving purposes in the public interest, scientific or historical research purposes or statistical purposes in accordance with Article 89(1) based on Union or Member State law which shall be proportionate to the aim pursued, respect the essence of the right to data protection and provide for suitable and specific measures to safeguard the fundamental rights and the interests of the data subject.	<input type="checkbox"/>
3.2.9	The data subject (or subjects) has given <i>explicit consent</i>	<input checked="" type="checkbox"/>

	* Seek the advice of the Data Protection Officer If consent is selected as a basis for processing it is necessary to answer the following questions:		
3.2.10	Can an individual or individuals withdraw their consent with ease and whenever they want to? <i>Individuals should be able to withdraw their consent at any time and every step of the processing of their information without detriment. It should be as easy to withdraw consent as it is to give it. Consent requires prior information and an explicit indication of the intent to consent.</i>	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
3.2.11	What are the consequences of withdrawal and refusal of consent? (for individuals and for the Council) <i>For instance, will the service to the individual be terminated, while the individual or individuals depends on it?</i>		
	Should the role that the agency worker is interested in require a DBS Check and they refused to supply the details then a placement would not be offered.		
Section 4	This section examines whether the processing will involve secondary uses of personal data, for example by re-using information which may be gathered for a different purpose . It is necessary to consider the issues that could arise from secondary use of information.		
4.1	Will the proposed processing involve the use of existing personal information for new purposes? <i>For example a CRM system that will enable certain data about clients to be combined with other data and used in a new way.</i>	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
4.2	Will the proposed processing be compatible with the original purposes for which the personal data were first collected?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
4.3	Please explain your response to 4.2		
	Data requested is for the purpose of safer recruitment practices.		
Section 5	The rights of the data subject <i>How will the rights of individuals be protected and supported?</i>		
	Individuals have the following rights in respect to the processing of information about them. The rights are: <ul style="list-style-type: none"> • The right to be informed • The right of access • The right to rectification • The right to erasure • The right to restrict processing 		

	<ul style="list-style-type: none"> • The right to data portability • The right to object • Rights in relation to automated decision making and profiling. 		
5.1	Will the proposed processing be communicated to the data subjects in a privacy notice?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
5.2	Will the proposed processing enable the data subjects to exercise their rights of access?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
5.3	Will the proposed processing enable personal data to be rectified?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
5.4	Will the proposed processing enable personal data to be erased? *under certain circumstances	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
5.5	Will the proposed processing enable data subjects to exercise their right to restrict processing? *under certain circumstances	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
5.6	Will the right to data portability be supported by the proposed processing? *under certain circumstances	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
5.7	Will the right to object be supported by the proposed processing? *under certain circumstances	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
5.8	Will the proposed processing involve automated decision making or profiling?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
Section 6	Accuracy and currency of personal data as a safeguard		
6.1	Will the proposed processing be supported by checks on the accuracy of personal data?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
6.2	Consider the possible consequences of processing outdated information for the individuals concerned, For instance, in <i>some cases</i> , an incorrect date of birth for an individual could be a LOW impact, whereas in other contexts an incorrect address for an individual could have a HIGH impact; the converse could be true in other circumstances. Describe the possible impact on an individual:		
	Mostly HIGH		<input type="checkbox"/>
	Mostly MEDIUM		<input type="checkbox"/>
	Mostly LOW		<input checked="" type="checkbox"/>
Section 7	Third parties and commercial partners		
7.1	Is it likely that the proposed processing will involve third parties or require a contract or other written agreement?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
7.2	There are a number of different terms used in the legislation to describe the roles taken by organisations in their dealings with third parties. Consider the following definitions:		

	a Controller is a natural or legal person or organisation which <i>determines</i> the purposes and means of processing personal data.		
	a Processor is a natural or legal person or organisation which processes personal data <i>on behalf</i> of a controller. The Council's Contractors and suppliers are usually processors if they process personal data solely on its behalf.		
	A Joint Controller is a natural or legal person or organisation which, with another Controller or Controllers jointly <i>determines</i> the purposes and means of processing personal data.		
	How would you describe the Council's role in the proposed processing?		
	a Controller		<input checked="" type="checkbox"/>
	a Processor		<input type="checkbox"/>
	A Joint Controller		<input type="checkbox"/>
7.3	If the answer to 7.1 is YES, please list the organisations below:		
	Denbighshire County Council will be the Data Controller and the Agency Provider and sub-contractor will likely be the Data Processor processing the information on behalf of the Council and the agency workers		
7.4	Is it likely that the third party will engage other parties as sub-contractors (known as sub-processors)? It is possible that the Agency Provider will engage third parties to process the data on our behalf. However we will keep this under review as and when candidates are received in terms of sub-contractors.		
Section 8		Security Measures	
8.1	What technical and organizational security measures are in place for the proposed processing ? Please list the proposed security measures:		
	The data will be provided via a secure system yet to be awarded. We propose that the system that is procured needs to be secure and streamlined. Any systems will need to approved by Denbighshire IT in line with the Information Security Policy. Denbighshire County Council staff will require authorised access to the system and must set up their own secure access with approval from the third party provider and line manager.		
8.2	Will staff involved in the proposed processing requires additional and specific data protection training?	Yes	
Section 9		Retention of personal data	
	How long is it intended to keep the personal data as part of the proposed processing? (tick all applicable options)		
	The personal data will be destroyed after the completion of the proposed processing	<input checked="" type="checkbox"/>	Following the termination of the placement, the data forms part of statistics that are recordable from the

		system upon request. However no special category personal data will be held on Denbighshire systems.	
	Information is to be retained for a specific period after the completion of the proposed processing	<input type="checkbox"/>	
Section 10	International transfers of personal data This presents a risk as not all countries have the same level of protection		
10.1	<p>Will the proposed processing involve</p> <ul style="list-style-type: none"> • transferring • Storing • disclosing <p>Personal data to a country or territory outside of the EEA?</p> <p>The EEA consists of the following countries:</p> <p>Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Liechtenstein, Lithuania, Luxemburg, Malta, Netherlands, Norway, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, United Kingdom</p> <p>Are measures in place to ensure an adequate level of security if personal data are transferred outside the EEA</p>	<p>Yes <input type="checkbox"/></p>	<p>No <input checked="" type="checkbox"/></p> <p>(if selected proceed to the next section)</p>
	<p>How will the safeguards be set out?</p> <ul style="list-style-type: none"> • contractual clauses • binding corporate rules • Other <p>(please specify)</p>	<p>Yes <input checked="" type="checkbox"/></p>	<p>No <input type="checkbox"/></p>
	Will the proposed processing involve storage or transfer via the cloud?	<p>Yes <input checked="" type="checkbox"/></p>	<p>No <input type="checkbox"/></p>
Section 11	Residual Risk of Activity / Project		
11.1	After measures applied, please indicate residual level of risk (please select one) :		

		Severity of impact	Serious harm	Low risk	High risk	High risk	
			Some impact	Low risk	Medium risk	High risk	
			Minimal impact	Low risk	Low risk	Low risk	
			Remote	Reasonable possibility	More likely than not		
		Likelihood of harm					
		High risk		Medium risk		Low risk	X
<p>If the activity / project is still in the Red highest risk categories please submit a copy of this DPIA to Craig Berry, Lisa Jones and Alan Smith for review.</p>							

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Report to	Cabinet
Date of meeting	25 th April 2023
Lead Member / Officer	Cllr Emrys Wynne, Lead Member for Welsh Language, Culture and Heritage / Gary Williams, Corporate Director: Governance and Business
Report author	Gary Williams, Corporate Director: Governance and Business
Title	National Eisteddfod of Wales – Expression of Interest

1. What is the report about?

- 1.1. The report is about the expression of interest in hosting the National Eisteddfod of Wales

2. What is the reason for making this report?

- 2.1. To seek Cabinet's approval of the submission of an expression of interest on behalf of the Council to host the National Eisteddfod of Wales

3. What are the Recommendations?

- 3.1. That the Cabinet approves the submission on behalf of the Council of an expression of interest in hosting the National Eisteddfod of Wales.

4. Report details

- 4.1. The Welsh Local Government Association (WLGA) has formed partnership agreements to fund both the National Eisteddfod of Wales and Urdd Eisteddfod on an annual basis via top sliced funding from the local government settlement. This allows these important cultural festivals to travel to the length and breadth of Wales

and visit many new communities. The location of both Eisteddfods traditionally rotates between North and South Wales each year.

- 4.2. Locations for the National Eisteddfod and Urdd Eisteddfod have been agreed up to and including 2025.
- 4.3. The WLGA is now at the stage where it wishes to plan and prepare locations for future years and has written to invite local authorities to express an interest in hosting either the National Eisteddfod or Urdd Eisteddfod between 2026 and 2031.
- 4.4. The Urdd Eisteddfod was held in Denbighshire in 2022. It is unlikely, given the geographical rotation, that Denbighshire would be considered as a potential host authority for the Urdd Eisteddfod between 2026 and 2031. It is not therefore suggested that the Council should submit an expression of interest in hosting the Urdd Eisteddfod during this period.
- 4.5. According to the traditional geographical rotation the National Eisteddfod would, during the period for which expressions of interest are sought, be potentially in North Wales in 2027, 2029 and 2031. Denbighshire last hosted the National Eisteddfod in 2013.
- 4.6. The National Eisteddfod is one of the great cultural festivals of the world, typically attracting in the region of 150,000 visitors each year. It is an opportunity for the local area to benefit both economically and culturally. It has been estimated that the National Eisteddfod generates an economic impact of c£22million for the local economy during the festival week.
- 4.7. There are many non-economic benefits too. The Eisteddfod is considered to encourage more people to learn Welsh and to use the language as part of their everyday lives. The Eisteddfod also creates an increased interest in local culture and heritage and seeks to create a legacy of inclusivity whereby people of all backgrounds feel more confident about Welsh, and believe that the language and culture belongs to everyone, so that they choose to attend Welsh and bilingual events.

4.8. In terms of site location, the Council has been approached by Rhuddlan Town Council who are keen for a site in their area to be considered. The site location of the festival will be a matter for the Eisteddfod, taking into account their requirements, but local authorities are asked to help identify possible sites for consideration by the Eisteddfod in conjunction with stakeholders such as the Police and Natural Resources Wales.

4.9. At this stage, all that is sought by the WLGA is an expression of interest in hosting the Eisteddfod. Detailed consideration of any potential site will be a matter to be considered at a later stage.

5. How does the decision contribute to the Corporate Plan 2022 to 2027: The Denbighshire We Want?

5.1. The benefits of hosting the Eisteddfod, as set out in the report, contribute to the theme of 'A Denbighshire of vibrant culture and thriving Welsh Language', 'A prosperous Denbighshire', 'A learning and growing Denbighshire', and 'A fairer, safe and more equal Denbighshire'.

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

6.1. There are no direct costs associated with the decision to express an interest. The host local authority is not expected to make a financial contribution to the cost of running the Eisteddfod which is predominantly met by a top slice of the Welsh Local Government Settlement. There will be costs associated with the provision of in kind support and the host authority will have a significant presence on the Maes which will come at a cost.

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

7.1. An assessment is not required for this report

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

8.1. There have been no consultations with Scrutiny.

9. Chief Finance Officer Statement

9.1. As set out in section 6 there are no direct costs from the decision to express an interest. There is likely to be modest resources implications involved in hosting the event – but these can be planned for without significant implications for the Council. Any event is also likely to have a positive economic, cultural and reputational impact for Denbighshire.

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

10.1. There are no risks associated with the decision to express an interest.

11. Power to make the decision

11.1. s24 Local Government and Elections Wales Act 2021

Report to	Cabinet
Date of meeting	25 th April 2023
Lead Member / Officer	Councillor Gwyneth Ellis, Lead Member for Finance, Performance and Strategic Assets
Report author	Steve Gadd, Head of Finance and Property
Title	Medium Term Financial Strategy Update 2024/25 to 2026/27

1. What is the report about?

The report sets out the revised financial projections for the 3 year period 2024/25 to 2026/27 and a proposed budget strategy for setting the budget the 2024/25.

2. What is the reason for making this report?

2.1 To update Cabinet on the revised financial projections for the 3 year period 2024/25 to 2026/27.

2.2 To allow Cabinet to consider the proposed budget strategy for setting the budget for 2024/25.

3. What are the Recommendations?

3.1 To note the revised financial projections for the 3 year period 2024/25 to 2026/27.

3.2 That Cabinet considers and provides feedback on the proposed budget strategy for setting the budget for 2024/25.

4. Report details

4.1 Summary of 23/24 budget setting position

The Draft Local Government Settlement for 2023/24 was received by the council on 14th December and resulted in a positive settlement of 8.2%, compared to the Welsh average of 7.9%. This resulted in additional funding of £14.231m. However, this was against a background of the Council facing pressures of £25.116m leaving a funding gap of £10.885m. The gap was bridged by increasing Council Tax by 3.8% (£2.713m), one-off corporate savings (£6.095), small service savings (£1.261) and 1% school savings (£0.816m).

On the positive side this has meant that no cash from reserves was required to support the budget. However, we were aware of a number of risks around energy costs, pay increases and those services that have historically struggled to stay within the budgets set at the beginning of the year (eg adult's and children's social care, school transport).

4.2 Revised Budget Projections for 2024/25 to 2026/27 (see Appendix 1)

The draft settlement included a slightly increased indicative average settlement increase of 3.0% for 2024/25. Although this is very welcome from a planning perspective it does result in a very difficult financial position. No indications have been given for future years and obviously the political and economic environment remains extremely uncertain. The Council has never experienced a period of prolonged very high inflation and a return to well below inflation settlements – this is what we are facing in 2024/25.

It should be noted that the figures in Appendix 1 do not include estimates for savings that could be achieved yet – it only shows an estimate of the pressures and a possible impact of increases in Council Tax and Revenue Support Grant (which has already been set in principle). The increases in the projections largely relate to factoring in likely/possible overspends in year relating to pay, energy and known pressure areas. On top of these we have also reviewed other key pressures in light of the continuing high inflation and a known risk to the integrity of the grading system for staff used which is likely to become unfit for purpose in response to the rising National Living Wage. The table includes a Low, Medium and High estimate for each row – this is illustrative of the uncertainty of the figures and also of the amount of work that still needs to be carried out in particular. The key points are:

- High level estimates indicate we could be facing pressures of £37m in 24/25 (compared to £25m in 23/24)
- 3% Revenue Support Grant will only result in an additional £5.6m (compared to £14.2m in 23/24)
- If Council Tax increase remains at 3.8% this will only generate £3m income, the £7.7m figure would require an increase of 10%. It should be stressed that these are for illustrative purposes only at this point.
- Although it looks like the worst case scenario is a budget gap of £23.4m, if Council Tax increase remains at 3.8% the actual worst case scenario is £28.3m.
- It could be assumed that we should achieve c£3m in 1% savings (including all services and schools) and increases in fees and charges which would slightly reduce those figures.
- In practice it is unlikely that all the pressures will come out at the highest level (also see work stream below) but we should and are planning to take action to reduce the projected net expenditure by c£20m.

4.3 Key areas to contribute to the Budget Strategy for 2024/25

Service 1% Efficiencies – services will be expected to continue to deliver 1% small-scale savings which do not include gradual increments in fees and charges.

Fees and Charges – services will be expected to increase fees and charges in line with cost inflation in most cases as per the fees and charges policy.

Other Savings – these are envisaged to be large scale service changes – services are being asked to develop initial ideas which will be initially reviewed by CET for deliverability and Cabinet for political acceptability.

Reduction of areas of overspend – a request for ideas to reduce areas of overspend has also gone out to services – without keeping a tight control of spend in these areas other services will have to contribute more and more savings.

Council Tax – consideration of the level of Council Tax will need to be undertaken (MTFP assumption still at 3.8%).

Pressures – Strategic Pressures will continue to be considered when identified – however service will be expected to mitigate the impact of small pressures.

4.4 Other key aspects of the Budget Strategy for 2024/25

Staff involvement – staff are being encouraged to engage with the processes within services (see 4.2) – however a staff suggestion scheme will also be developed in the coming months.

Member involvement – a process of capturing the ideas of backbench and political groupings will be developed including the ensuring that detailed budgets are available for members to use in their deliberations.

CET Lead – CET will lead on driving the significant projects forward.

Communications Plan - A formal plan has been developed and agreed in draft form by CET in preparation for review by Cabinet Briefing. Includes details of how we will engage with the stakeholders identified in Section 8.

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

Effective management of the council's budgets and delivery of the agreed budget strategy underpins activity in all areas. The proposals include allocations to continue to support both corporate and service priorities.

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

Financial implications will become evident during the implementation phases of the budget strategy.

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

A Well-being Impact Assessments for all significant budget savings and Council Tax increase will be developed over the coming months to ensure that decisions are well informed.

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

As noted above a Communication Strategy has been developed to ensure that the following groups are consulted at the appropriate times: Corporate Governance Committee, SLT, Cabinet, Group Leaders, all Council Members, the School Budget Forum, Trade Unions, our employees, local businesses and our residents.

9. Chief Finance Officer Statement

The aim of the budget process is to ensure that the council delivers a balanced budget. The projections and strategy set out in this report will help ensure that the Council is informed and prepared to set a budget at this challenging time

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

The budget process itself is a risk management measure with the aim of identifying, assessing and agreeing budget proposals in a planned and timely way. Budget proposals will need to identify and manage risks specific to those proposals.

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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APPENDIX 1

MTFS Summary	Forecast 2024/25			Forecast 2025/26			Forecast 2026/27		
	Low £m	Medium £m	High £m	Low £m	Medium £m	High £m	Low £m	Medium £m	High £m
Pay Pressure	4,000	5,000	6,000	1,019	2,500	4,000	1,019	2,500	4,000
Pay Grades Pressure	4,000	6,500	9,000	0	0	0	0	0	0
Price Inflation (inc Energy)	550	2,500	4,000	250	500	750	250	500	750
CTRS	350	650	950	350	650	950	350	650	950
Fire Levy	100	350	600	100	200	400	100	200	400
Social Services	2,000	3,000	4,000	1,000	2,000	3,000	1,000	2,000	3,000
Childrens Services	2,000	2,500	3,000	1,000	1,750	2,500	1,000	1,750	2,500
Schools Inflation	4,000	5,000	6,000	2,000	3,000	4,000	2,000	3,000	4,000
Schools Demography	350	600	800	350	600	800	350	600	800
Investment in Priorities	500	500	500	700	700	700	700	700	700
Additional Service Pressures	1,000	1,500	2,000	1,500	1,750	2,000	1,500	1,750	2,000
Total Pressures	18,850	28,100	36,850	8,269	13,650	19,100	8,269	13,650	19,100
	A	B	C						
Increase in Revenue Support Grant	-5,641	-5,641	-5,641	-4,261	-2,130	0	-4,354	-2,177	0
Council Tax Increase	-2,952	-5,438	-7,768	-2,948	-5,431	-7,758	-3,077	-5,669	-8,098
Total Increase in Revenue	-8,593	-11,079	-13,409	-7,209	-7,561	-7,758	-7,432	-7,846	-8,098
	D	E	F						
Annual Budget Gap	10,257	17,021	23,441	1,060	6,089	11,342	837	5,804	11,002
Cumulative Budget Gap	10,257	17,021	23,441	11,318	23,110	34,783	12,155	28,914	45,785
2024/25									
Worst Case (C+D)		28,257							
Best Case (A+F)		5,441							

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Cabinet Forward Work Plan

Meeting	Item (description / title)		Purpose of report	Cabinet Decision required (yes/no)	Author – Lead member and contact officer
23 May	1	Phase 2 of Waste Depot in Colomendy, Denbigh	To seek Cabinet approval of the preferred strategy for managing the main contract for Phase 2 of the Colomendy Depot build	Yes	Cllr Barry Mellor Lead Officer – Tony Ward Report Author – Peter Clayton
	2	Shared Prosperity Funding – Investment Proposals	To seek Cabinet approval for spend against the Shared Prosperity Fund	Yes	Cllr Jason McLellan Lead Officer – Liz Grieve Report Author – Nicola Kneale
	3	North Wales Construction Partnership Framework, 3rd iteration	To seek Cabinet approval to develop and progress the 3rd iteration of the North Wales Construction Partnership Framework	Yes	Cllr Julie Matthews Lead Officer – Lisa Jones Report Authors – Karen Bellis / Helen Spafford
	4	Long Term Empty and Second Homes Premium	To provide members with information for their consideration, to review the recommendations and agree a way forward	Tbc	Cllr Gwyneth Ellis Steve Gadd / Paul Barnes / Leah Gray
	5	Agile Working Policy	To approve the Agile Working Policy	Yes	Cllr Julie Matthews Louise Dougal / Andrea Malam

Cabinet Forward Work Plan

Meeting	Item (description / title)		Purpose of report	Cabinet Decision required (yes/no)	Author – Lead member and contact officer
	6	Finance Report	To update Cabinet on the current financial position of the Council	Tbc	Cllr Gwyneth Ellis Lead Officer/Report Author Steve Gadd
	7	Items from Scrutiny Committees	To consider any issues raised by Scrutiny for Cabinet’s attention	Tbc	Lead Officer – Scrutiny Coordinator
27 June	1	Rhyl Business Improvement District (BID): ballot for 2 nd 5-year term	To request a decision on whether DCC should vote “yes” or “no” in the ballot to determine whether there should be a 2 nd 5-year term for the Rhyl BID	Yes	Cllr Jason McLellan Lead Officer – Tony Ward
	2	Shared Prosperity Funding – Investment Proposals	To seek Cabinet approval for spend against the Shared Prosperity Fund	Yes	Cllr Jason McLellan Lead Officer – Liz Grieve Report Author – Nicola Kneale
	3	The Council acting as the Lead Body for the renewal of the Regional North Wales Domiciliary Care Agreement	To seek Cabinet approval for Denbighshire County Council to act as the ‘Lead Body’ on an Invitation to Tender for Domiciliary Care & Support Services for Children / Young People and Adults	Yes	Cllr Gill German/Elen Heaton Lead Officers –Rhiain Morrille / David Soley / Ann Lloyd Report Author –Liana Duffy

Cabinet Forward Work Plan

Meeting	Item (description / title)		Purpose of report	Cabinet Decision required (yes/no)	Author – Lead member and contact officer
	4	Queen's Market: operator contract award	Following the culmination of the procurement process to appoint an operator for the Queen's Market in Rhyl, approval is sought from Cabinet to award a contract to the preferred tenderer	Yes	Cllr Jason McLellan Lead Officer – Emlyn Jones Report Author – Russell Vaughan
	5	Welsh Language Strategy	To seek Cabinet's approval of a new Welsh Language Strategy 2023-2028	Yes	Cllr Emrys Wynne Lead Officer – Gary Williams Report Author – Manon Celyn
	6	Ysgol Plas Brondyffryn – New Build Project	To seek Cabinet endorsement of the preferred site for the progression of the new build project for Ysgol Plas Brondyffryn	Yes	Cllr Gill German Lead Officer – Geraint Davies Report Author – James Curran / Lisa Walchester
	7	Commissioned Services for Homelessness	To seek Cabinet's authorisation to extend the current contract to allow more time to scope supported housing need in line with the new Rapid Rehousing model	Yes	Cllr Rhys Thomas Lead Officer – Ann Lloyd Report Author – Sharon Whalley / Hayley S Jones / Nigel Jones
	8	North Wales Velodrome Business Case	To consider the business case for the North Wales Velodrome Project	Tbc	Tbc Gary Williams / Jamie Groves

Cabinet Forward Work Plan

Meeting	Item (description / title)		Purpose of report	Cabinet Decision required (yes/no)	Author – Lead member and contact officer
	9	Council Performance Self-Assessment	To present an update on the council's performance against its functions, including Corporate Plan and Strategic Equality objectives	Tbc	Cllr Gwyneth Ellis Lead Officer – Nicola Kneale Report Author – Emma Horan
	10	Finance Report	To update Cabinet on the current financial position of the Council	Tbc	Cllr Gwyneth Ellis Lead Officer/Report Author Steve Gadd
	11	Items from Scrutiny Committees	To consider any issues raised by Scrutiny for Cabinet's attention	Tbc	Lead Officer – Scrutiny Coordinator
18 July	1	Long Term Empty and Second Homes Premium	To provide members with information for their consideration, to review the recommendations and agree a way forward	Tbc	Cllr Gwyneth Ellis Steve Gadd / Paul Barnes / Leah Gray
	2	Finance Report	To update Cabinet on the current financial position of the Council	Tbc	Cllr Gwyneth Ellis Lead Officer/Report Author Steve Gadd
	3	Items from Scrutiny Committees	To consider any issues raised by Scrutiny for Cabinet's attention	Tbc	Lead Officer – Scrutiny Coordinator

Cabinet Forward Work Plan

Meeting	Item (description / title)		Purpose of report	Cabinet Decision required (yes/no)	Author – Lead member and contact officer
19 September	1	Finance Report	To update Cabinet on the current financial position of the Council	Tbc	Cllr Gwyneth Ellis Lead Officer/Report Author Steve Gadd
	2	Items from Scrutiny Committees	To consider any issues raised by Scrutiny for Cabinet's attention	Tbc	Lead Officer – Scrutiny Coordinator
24 October	1	Finance Report	To update Cabinet on the current financial position of the Council	Tbc	Cllr Gwyneth Ellis Lead Officer/Report Author Steve Gadd
	2	Items from Scrutiny Committees	To consider any issues raised by Scrutiny for Cabinet's attention	Tbc	Lead Officer – Scrutiny Coordinator
21 November	1	Finance Report	To update Cabinet on the current financial position of the Council	Tbc	Cllr Gwyneth Ellis Lead Officer/Report Author Steve Gadd
	2	Items from Scrutiny Committees	To consider any issues raised by Scrutiny for Cabinet's attention	Tbc	Lead Officer – Scrutiny Coordinator
	3	Council Performance Self-Assessment Update – July to	To present an update on the council's performance	Tbc	Cllr Gwyneth Ellis Lead Officer – Nicola Kneale

Cabinet Forward Work Plan

Meeting	Item (description / title)	Purpose of report	Cabinet Decision required (yes/no)	Author – Lead member and contact officer
	September	against its functions, including Corporate Plan and Strategic Equality objectives		Report Author – Emma Horan

Note for officers – Cabinet Report Deadlines

<i>Meeting</i>	Deadline	<i>Meeting</i>	Deadline	<i>Meeting</i>	Deadline
<i>23 May</i>	9 May	<i>27 June</i>	13 June	<i>18 July</i>	4 July

Updated 17/04/2023 – KEJ

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