

To: Members of the Cabinet

Date: 12 July 2023

Direct Dial: 01824712568

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Dear Councillor

You are invited to attend a meeting of the **CABINET** to be held at **10.00 am** on **TUESDAY, 18 JULY 2023** in the **COUNCIL CHAMBER, COUNTY HALL, RUTHIN AND BY VIDEO CONFERENCE.**

Yours sincerely

G. Williams
Monitoring Officer

AGENDA

PART 1 - THE PRESS AND PUBLIC ARE INVITED TO ATTEND THIS PART OF THE MEETING

1 APOLOGIES

2 DECLARATION OF INTERESTS

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

3 URGENT MATTERS

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

4 MINUTES (Pages 7 - 16)

To receive the minutes of the Cabinet meeting held on 27 June 2023 (copy enclosed).

5 SECOND HOME / LONG-TERM EMPTY COUNCIL TAX PREMIUM (Pages 17 - 84)

To consider a report by Councillor Gwyneth Ellis, Lead Member for Finance, Performance and Strategic Assets (copy enclosed) updating Cabinet on the public consultation on the option to increase the council tax premium for second homes and long-term empty properties and seeking Cabinet's views on proposals to progress with additional charging to these homes in Denbighshire.

6 FINANCE REPORT (Pages 85 - 100)

To consider a report by Councillor Gwyneth Ellis, Lead Member for Finance, Performance and Strategic Assets (copy enclosed) detailing the latest financial position and progress against the agreed budget strategy.

7 CABINET FORWARD WORK PROGRAMME (Pages 101 - 104)

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

PART 2 - CONFIDENTIAL ITEMS

EXCLUSION OF PRESS AND PUBLIC

It is recommended in accordance with Section 100A (4) of the Local Government Act 1972, that the Press and Public be excluded from the meeting during consideration of the following items of business because it is likely that exempt information as defined in paragraph 14 of Part 4 of Schedule 12A of the Act would be disclosed.

8 INSURANCE SERVICES CONTRACT AWARD (Pages 105 - 114)

To consider a confidential report by Councillor Gwyneth Ellis, Lead Member for Finance, Performance and Strategic Assets (copy enclosed) seeking Cabinet approval of the award of the insurance contract as set out in the report.

9 VARIATION TO A LONG-STANDING CONTRACT FOR THE PROVISION OF STAFF TO OUR IN-HOUSE WORK OPPORTUNITIES SERVICE (Pages 115 - 138)

To consider a confidential report by Councillor Elen Heaton, Lead Member for Health and Social Care (copy enclosed) seeking Cabinet approval to extend the current contract for the provision of staff to our in-house Work Opportunities Service as set out in the report.

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, 27 June 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 Michelle Blakeley-Walker, Ellie Chard, Karen Edwards, Pauline Edwards, Bobby Feeley, Hugh Irving, Alan James, Delyth Jones, Huw Hilditch-Roberts, Brian Jones, Terry Mendies, Gareth Sandilands, Peter Scott, Andrea Tomlin

ALSO PRESENT

Chief Executive (GB); Corporate Directors: Social Services and Education (NS), Governance and Business/Monitoring Officer (GW), and Environment and Economy (TW); Head of Finance and Audit (SG); Head of Adult and Social Care & Homelessness Service (AL); Interim Head of Service Corporate Support Service: Performance, Digital and Assets (NK); Head of Planning, Public Protection and Countryside Services (EJ); Welsh Language Officer (MCR); Project Manager: Corporate Programmes Office (RV); Planning and Performance Officer (EH); Service Manager: Business Support and Communities (NJ), and Committee Administrators (KEJ & NPH [Webcaster])

1 APOLOGIES

There were no apologies.

2 DECLARATION OF INTERESTS

Councillors Gill German and Rhys Thomas declared a personal interest in agenda item 6 because they were Directors of Denbighshire Leisure Limited.

Councillors Gill German and Rhyl Thomas declared a personal interest in agenda item 10 because they had an association with one of the potential suppliers.

3 URGENT MATTERS

No urgent matters had been raised.

4 MINUTES

The minutes of the Cabinet meeting held on 23 May 2023 were submitted.

Matters Arising –

Page 8 – Item 6: Phase 2 Works Contract New DCC Waste Transfer Station –

In response to a question from Councillor Hugh Irving, the Corporate Director: Environment and Economy advised that the Welsh Government would be providing additional grant funding of £890k to cover the identified pressure in its entirety.

Page 8 – Item 5: Outcome of Partnerships Scrutiny Committee’s Review of Cabinet’s Decision relating to Applications Shortlisted for Shared Prosperity Funding –

Following Cabinet’s resolution (b) to consider the mechanisms for implementing the Scrutiny Committee’s recommendations, Councillor Huw Hilditch-Roberts asked that it be recorded in the minutes that Cabinet had since set out in an email to all councillors how they would respond to each recommendation.

***RESOLVED** that the minutes of the meeting held on 23 May 2023 be received and confirmed as a correct record.*

5 THE COUNCIL ACTING AS THE LEAD BODY FOR THE RENEWAL OF THE REGIONAL NORTH WALES DOMICILIARY CARE AGREEMENT

Councillors Elen Heaton and Gill German presented a joint report seeking Cabinet approval for the Council to act as the Lead Body on behalf of the six local authority partners and the Health Board in North Wales on the Invitation to Tender (ITT) for the renewal of the Regional North Wales Domiciliary Care Agreement.

The Council previously led on the ITT exercise to establish the current regional agreement which was due to end on 31 March 2025. It was proposed to renew the agreement to enable partners to work with external providers to develop high quality domiciliary care and support services across the region and enable legislative requirements to be met. The scope of the ITT would include a broader range of domiciliary care services than currently covered as set out in the report.

Cabinet had been pleased to note the extra domiciliary care services provided and benefits of that approach together with the help to support small local businesses to become care providers. The main conclusions of the Wellbeing Impact Assessment were also highlighted with a positive impact on supporting recruitment and retention in the sector, career opportunities and working with employers and colleges to develop skills. In response to questions, the Head of Adult Social Care and Homelessness Service confirmed there would be no additional cost to the Council as a result of leading on the ITT and once the framework was in place each local authority would be responsible for managing their part of the framework, and where providers wished to work across the region the local authorities would work collaboratively in that regard. Cabinet also welcomed the promotion of the Welsh Language and requirement for providers to have policies in place to meet legislation/guidance. It was confirmed that work would be undertaken to try and align those policies with the Council’s own policies going forward.

***RESOLVED** that Cabinet –*

- (a) *approves Denbighshire County Council acting as the Lead Body / Lead Commissioner for the Invitation to Tender for the renewal of the Regional North Wales Domiciliary Care Agreement and approves the Council Procurement Department to lead on the Invitation to Tender exercise to ensure that due process is followed, and*
- (b) *confirms that it has read, understood and taken account of the Wellbeing Impact Assessment (Appendix 1 to the report) and the Commissioning Form (Appendix 2 to the report) as part of its consideration.*

6 WELSH LANGUAGE STRATEGY 2023 - 28

Councillor Emrys Wynne presented the report and new Welsh Language Strategy 2023 – 28 for Cabinet approval. [The current Strategy had been adopted in 2017 and the Council was required to revise its Strategy every five years.]

Councillor Wynne reported on the measures introduced over the previous five years to promote the Welsh Language and facilitate its use in the county together with the new Strategy and vision for the Welsh Language to further progress that work. The Strategy had been approved by the Welsh Language Steering Committee and adopted by Denbighshire's Welsh Language Partnership Forum. The Corporate Director: Governance and Business and the Welsh Language Officer also stressed the importance of the Strategy and highlighted the ambitions of the Council, advising of the need to work in partnership with other bodies to achieve the ambitions set. The Language and Planning Centre had produced an assurance report on the Strategy and their recommendations had been taken into account.

Cabinet welcomed the Strategy and measures to develop Denbighshire as a bilingual county, providing the opportunity for all to use and speak Welsh. Tribute was paid to the hard work of the Welsh Language Officer and others in that regard.

The following points were raised during the ensuing debate –

- Councillor Rhys Thomas highlighted the demand for bilingual swimming/fitness lessons in some of the Council's leisure centres and plans to provide lessons through the medium of Welsh and officers confirmed the Council worked closely with Denbighshire Leisure Limited (DLL) who were committed to the Welsh Language Strategy. Councillor Thomas invited further discussions on the issue at a meeting of the DLL Board and the Leader added that it would also be a useful topic for the Strategic Governance Board for DLL. Officers welcomed the opportunity for further discussion and engagement on the Strategy
- Councillor Huw Hilditch-Roberts reported on the success of the previous Strategy and need for an appropriate launch of the new Strategy to ensure it was widely promoted. Councillor Wynne agreed that communication was vitally important and confirmed discussions were ongoing in that regard. Promotional activities had also been included in the Strategy document
- support would be provided for both staff and members to develop their Welsh Language skills and Welsh Language courses were also available.

RESOLVED that Cabinet approve the new Welsh Language Strategy attached as Appendix 1 to the report.

7 COUNCIL PERFORMANCE SELF ASSESSMENT 2022 TO 2023

Councillor Gwyneth Ellis presented the report and the Council's Performance Self-Assessment for 2022 to 2023 for Cabinet's consideration ahead of its submission to Council for approval in July 2023.

The Performance Self-Assessment provided a year end analysis of progress and challenges against key performance objectives (i.e. Corporate Plan themes) and data against the new Corporate Plan's performance management framework.

The Interim Head of Service Corporate Support Service: Performance, Digital and Assets and Planning and Performance Officer guided members through the report which consisted of two appendices. It presented an Executive Summary (Appendix I) highlighting performance against objectives and the seven governance areas, and the regular quarterly Performance Update Report (Appendix II) covering January to March 2023 of the new Corporate Plan performance management framework. Those two documents, when combined with the three preceding update reports, made up the Self-Assessment for 2022 to 2023. Regular reporting was highlighted as an essential monitoring requirement of the performance management framework and the Local Government and Elections (Wales) act 2021. The report had been tabled at Performance Scrutiny Committee and Governance and Audit Committee and an overview of the issues raised at those meetings was also provided.

Cabinet acknowledged the comprehensive documents which aimed to provide a clear and transparent reflection of the Council's performance in key areas, and thanked officers for the hard work in that regard. During the ensuing debate Cabinet members took the opportunity to draw attention to particular performance measures and projects within their individual portfolio areas, to provide assurances and reasoning behind specific areas identified for improvement and future performance. The themes were cross cutting and complemented each other, and flexibility in the governance arrangements were highlighted with mechanisms to effectively monitor delivery against the Corporate Plan and identify corrective action at an early stage. A report on the governance arrangements and member input and scrutiny would be submitted to Council in July.

Main points of debate focused on the following –

- both members and officers highlighted the importance of equality and diversity and ensuring a culture of treating people with dignity and respect in all aspects of the Council and its work, with individuals being encouraged to speak out, report concerns and whistleblowing so that action could be taken. For members there was a Code of Conduct and Ethical Framework with processes and procedures in place to ensure adequate training and support was provided to meet the relevant standards and there were also national and local processes to enact where standards had not been met. The role of the Strategic Equality and Diversity Group was also explained. Work had been planned to produce a councillor's guide for dealing with harassment, abuse and intimidation with a further update on progress expected in the next quarterly report. Officers also agreed to review the use of any subjective phrases in the document

- the methodology for benchmarking performance data was explained and it was noted that a higher number of red indicators was to be expected at this early stage with improvements demonstrated as progress was made over the lifetime of the Corporate Plan. The Red/Yellow/Amber/Green performance status provided a clear picture of performance and areas which required more focus. The measures reflected what was happening within communities and the projects were designed to have a positive impact on those measures. The Council had a good track record of managing projects and there were usually only a small number of 'at risk' projects of which officers were acutely aware and corrective action quickly taken
- in response to questions raised by Councillor Brian Jones regarding the status of Rhyl specific projects, including developing funding bids, public realm issues and connecting the High Street with the beach, the Corporate Director: Environment and Economy agreed to provide an update outside of the meeting to be shared with Rhyl Member Area Group. It was noted that many of those projects had been part of the unsuccessful bid for round 2 Levelling Up Funding (LUF 2). Assurances were provided that the Council remained committed to the projects which had been reviewed taking into account feedback received following LUF 2 in readiness for potential LUF 3 or alternative funding streams. The projects would need to be reviewed again once the detail for LUF 3 had been provided
- recruitment and retention was an issue which affected some services and job roles more than others and HR had been doing work with a view to making the digital application process easier for different job types; introducing career grades in hard to recruit to services and professional areas, and attending Job Fairs.

RESOLVED that Cabinet confirms the content of the Council's Performance Self-Assessment 2022 – 2023 for submission to Council in July 2023 for approval.

At this point (11.30 am) the meeting adjourned for a refreshment break.

8 FINANCE REPORT

Councillor Gwyneth Ellis presented the report detailing the latest financial position and progress against the agreed budget strategy. [The full Budget Summary Report for 2023/24 had been delayed and would be submitted to a future Cabinet meeting.]

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

- the net revenue budget for 2023/24 was £250.793m (£233.696m in 2022/23)
- an overspend of £3.348m was forecast for service and corporate budgets
- highlighted current risks and assumptions relating to corporate budgets and individual service areas
- detailed savings and efficiencies and increases in fees and charges (£8.182m)
- provided a general update on the Housing Revenue Account, Treasury Management, Capital Plan and major projects.

Cabinet was also asked to approve match-funding to support an Empty Homes Grant Scheme and note the use of the capital programme contingency to fund the projected overspend on the Botanical Gardens Depot (phase 1) capital scheme.

The Head of Finance and Audit guided members through the report, drawing attention to the significant overspend already forecast early in the financial year

which required careful monitoring and he reported on potential options to manage the overspend which were largely driven by demand-led services. The risks relating to pay settlements for 2023/24 and energy and other inflations pressures were also highlighted and Cabinet would be updated as the situation evolved.

Councillor Gill German (Lead Member for Education) and officers responded to questions/comments from Councillor Huw Hilditch-Roberts as follows –

- the Council had previously agreed the programme of Band B projects (Welsh Government's Sustainable Communities for Learning Programme) and an envelope of funding had been approved to manage that programme with projects brought forward as and when they were ready. An update was provided on the status of those projects with a view to progressing them as appropriate. The current economic climate and rising costs may pose a risk to future projects but the present position involved proceeding with the projects as planned. Any requests for additional funding outside of the funding envelope would need to be taken through the appropriate decision making channels
- elaborated on the reasoning behind the forecasted overspend, predominantly due to children and adult social care costs which were difficult to predict and a necessary expenditure, together with potential options to manage the overspend and close monitoring of the situation in order to contain those costs going forward. Coupled with other cost increases and inflationary pressures it was a difficult and challenging financial situation facing the Council with other local authorities in a similar position with increasing pressures on council budgets
- in response to the suggestion that the 1% efficiencies sought from schools be taken from a 3 year rolling average, Councillor German reported on the partnership approach with schools and ongoing dialogue to find the best way forward together in that regard.

RESOLVED that Cabinet –

- (a) *note the budgets set for 2023/24 and progress against the agreed strategy;*
- (b) *approve the plans to provide match-funding to support an Empty Homes Grant Scheme to bring empty property back into use, as detailed in Section 6.9 and Appendix 5 to the report, and*
- (c) *note the use of the capital programme contingency to fund the projected overspend on the Botanical Gardens Depot (phase 1) capital scheme, as detailed in Section 6.10 of the report.*

9 CABINET FORWARD WORK PROGRAMME

The Cabinet forward work programme was presented for consideration.

In response to a question from Councillor Terry Mendies, the Head of Finance and Audit confirmed that the public consultation on the proposals for the Long Term Empty and Second Homes Premium had been carried out with a report on the way forward to be submitted to Cabinet in July and Council in September.

RESOLVED that Cabinet's forward work programme be noted.

10 QUEEN'S MARKET - PROCUREMENT OF AN OPERATOR

Councillor Jason McLellan presented the report seeking Cabinet approval to award a contract to the preferred supplier for operation of the Queen's Market based on the Project Board recommendations (as per the Contract Award Recommendation Report). Queen's Market was a key development and regeneration project for the Council. The report included two confidential appendices and Cabinet was asked to move into private session due to reasons of commercial sensitivity in the event they were minded to discuss the confidential elements of the documentation.

The Council was currently constructing Phase 1 of the Queen's Buildings site in Rhyl which was the new food/market hall and flexible events space. Details of the procurement process to appoint an operator to run and manage the Queen's Market once developed were provided. Following evaluation, a preferred supplier had been selected by the Project Board who had since satisfied all the Council's hardgate and due diligence checks. The Project Board recommended that the Council appoint the preferred supplier and work with them to deliver the final fit out of the Queen's Market and agree a strategy and timeline for opening to the public.

EXCLUSION OF PRESS AND PUBLIC

At this point members indicated they wished to discuss the confidential elements of the documentation attached to the report and it was subsequently –

RESOLVED that under Section 100A of the Local Government Act 1972, the Press and Public be excluded from the meeting for the following business on the grounds that it would involve the likely disclosure of exempt information as defined in Paragraph 14 of Part 4 of Schedule 12A of the Act.

During a lengthy debate Cabinet considered the procurement approach taken to secure an operator for the Queen's Market on behalf of the Council together with the evaluation process and scoring mechanisms applied. The merits of the prospective suppliers and their businesses cases were discussed in detail and the score weighting against particular criteria and outcome of the evaluation process, also taking into account other local factors, was challenged. Members took the opportunity to express their individual views for or against the report recommendation and voiced their opinions on the prospective suppliers, their tender submissions, and the best way forward. Further clarity was sought on particular aspects of the procurement, and questions raised on various elements of the process, and details within the tender submissions and conclusions of the Evaluation Panel and Project Board, leading to the report recommendation on the preferred supplier. The Leader and officers responded to all the points raised.

Having carefully considered the report and all the information before it, and having taken into account the views expressed and response to questions, it was –

RESOLVED that Cabinet –

- (a) *approve the award of a Contract to the preferred supplier for the operation of the Queen’s Market based on the Project Board recommendations and detail of the Contract Award Recommendation Report (Appendix 1 to the report), and*
- (b) *confirms that it has read, understood and taken account of the Wellbeing Impact Assessment (Appendix 2 to the report) as part of its consideration.*

[5 members voted in favour, 0 against, and 3 abstentions]

[Councillor Barry Mellor had to leave the meeting for a prior engagement before the end of debate and therefore was not present for the above vote]

EXCLUSION OF PRESS AND PUBLIC

RESOLVED that under Section 100A of the Local Government Act 1972, the Press and Public be excluded from the meeting for the following item of business on the grounds that it would involve the likely disclosure of exempt information as defined in Paragraph 14 of Part 4 of Schedule 12A of the Act.

11 ADULLAM MULTI-DISCIPLINARY HOMELESSNESS PREVENTION PROJECT, THE WALLICH GIFT AND CLWYD ALYN NO SECOND NIGHT OUT (TY GOLAU) CONTRACT EXTENSIONS

Councillor Rhys Thomas presented the confidential report seeking Cabinet approval of contract extensions to the Adullam Multi-Disciplinary Homelessness Prevention Project and The Wallich GIFT project, and to extend the collaborative agreement in place for the No Second Night Out (Ty Golau) project.

The Service Manager: Business Support and Communities explained the reasoning behind the contract extensions to allow sufficient time for scoping of supported housing and floating support, to fully understand the scale and demand to ensure the projects aligned with the Council’s transition to a rapid rehousing approach.

Cabinet considered the report and supported the recommendations to extend the contracts to enable the required work to be undertaken to better shape and deliver the contracts in the longer term and enable a more holistic approach.

RESOLVED that Cabinet –

- (a) *agree to the extension of the Adullam Multi-Disciplinary Homelessness Prevention Project and The Wallich GIFT contracts to 31 October 2024, and agree the extension of the collaborative agreement in place between Denbighshire County Council and Clwyd Alyn Housing Association by 3 years to 31 October 2026 for the No Second Night Out (Ty Golau) project, and*
- (b) *confirms that it has read, understood and taken account of the Wellbeing Impact Assessment (Appendix 1 to the report) as part of its consideration.*

The meeting concluded at 1.35 pm.

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Report to	Cabinet
Date of meeting	18th July 2023
Lead Member / Officer	Gwyneth Ellis / Steve Gadd
Report author	Paul Barnes/ Elaine Edge/ Leah Gray
Title	Second Home / Long-term Empty Council Tax Premium

1. What is the report about?

- 1.1. This is an update for Cabinet, following the Cabinet report of 23rd May 2023, on the legislation introduced by Welsh Government (WG) to increase the maximum level of council tax premiums for second homes and long term empty properties.
- 1.2. To provide additional information on the public consultation and help shape decision making.

2. What is the reason for making this report?

- 2.1 To seek advice on how Cabinet would like to progress with any potential additional charging to these homes in Denbighshire.

3. What are the Recommendations?

- 3.1. That Cabinet review the paper and supporting information being presented particularly the feedback from the public consultation and advise how they would like officers to proceed. Officers proposals are set out in 3.2 to 3.4. Officers have recommended a measured response to any increase to allow a learn and evaluate approach. While Welsh government have given powers for an increase of up to 300% we are proposing the following:

- 3.2. It is recommended that there is parity between the standard second home and long term empty premium, to minimise avoidance by taxpayers (who may apply to switch to the more favourable category) and so ensure the administrative burden is not increased significantly, except for properties that fall within recommendation 3.4.
- 3.3. It is recommended that second home and long term empty premium charge will remain at 50% for April 2023 then increases to 100% from April 2024, then 150% from April 2025.
- 3.4. It is recommended that properties that have been unoccupied and unfurnished for 5 years or more pay a higher premium at 50% more than the standard Premium.

4. Report details

Additional information has been provided to support the report and provide further detail if required.

- 4.1. The Background and context (Appendix B 1.1.) previously circulated at May Cabinet
- 4.2. Legislative changes (Appendix B 1.2.) previously circulated at May Cabinet
- 4.3. Considerations (Appendix B 1.3.) previously circulated at May Cabinet
- 4.4. Engagement Summary Report (New)
- 4.5. Data tables (New)
- 4.6. Wellbeing Impact assessment (New)

In the Cabinet report of 23rd May 2023, permission was sought and granted to consult with the public on the option to increase the Council tax premium (as outlined in 3.3 and 3.4 in this paper).

The Authority worked proactively to raise awareness of the consultation resulting in 2,142 page views (37 Welsh) on the Council's page that promoted the consultation to the general public, with 898 visits directly to the consultation survey. 175 customers completed and submitted a response.

On legal advice, we undertook a communication exercise to make over 1,000 second home and long term empty home owners aware of the consultation. We were conscious that proactively engaging this group could have a disproportionate impact on the results of the consultation, and so note the importance of identifying these groups of customers.

71 responses out of 175 were received from the second home owner or long term empty home owner group, and 17 from second home owners that live or work in Denbighshire.

The consultation has concluded, and the results demonstrate that the majority of respondents who live in Denbighshire felt there is a need for an increase in the Council tax premium charges for both long term empty and second homes. Thus supporting the recommendation.

Second homes and long term empty owners did not generally support the proposals, although there was slightly more support for a charge for long term empty properties.

It is recommended to proceed following the public consultation, with the proposal to increase the premium in Council Tax long term empty homes and second homes, to support the Council's Corporate Plan to encourage home owners not to leave their properties empty and to bring them back into use for the benefit of the local community and economy.

The recommendations made by officers have tried to strike a balance to consider how to effectively administer the scheme, while considering the regional context and wider legislative factors.

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

5.1. The purpose of the premium charge is to increase affordable housing within Denbighshire and to maintain and grow sustainable communities. The scheme has a neutral effect on the Council becoming Net Carbon Zero and ecologically positive by 2030.

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

- 6.1. There will be an impact on staff resources, i.e., there will be an increase in customer engagement within the council tax team if the premium is increased. The property inspector will have an increase in visits to ensure fraud or tax avoidance is minimal. Additional revenue will however be raised if the premium percentage is increased.
- 6.2. Whilst the main driver is to encourage homes back into full time use rather than generate income, the additional revenue would support a proposal that a project officer role be created to work with disadvantaged groups across Denbighshire raising awareness of income maximisation, this would be a temporary post in the first year and an evaluation of effectiveness would be undertaken before consideration of making this permanent.

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

- 7.1. We have undertaken a full assessment with support from colleagues in Corporate service, we acknowledge that there may be some perceived negative impact from the proposal. However, overall our view is that all areas are positively impacted. Please find the full impact assessment attached.

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

- 8.1. The authority has undertaken a public consultation which has resulted in 175 responses, during this process we wrote out to the 1,013 customers that currently have second homes or long term empty properties in Denbighshire to make them aware of the consultation. We will take the proposed recommendations through Cabinet in July and Full Council in September 2023.

9. Chief Finance Officer Statement

- 9.1. The report clearly outlines the options available for the Council's approach to the new flexibilities for charging higher rates for long term empties and second

homes. It is important to note that the decision to use these freedoms can be reviewed on an annual basis as part of the annual Council Tax setting process. The recommendation is for a cautious approach while we learn from the experience of other authorities – but we obviously recognise that this is a very political decision. Any decision to change the rates will involve wider consultation which would need to commence as soon as possible. Any decision to change the rates will need to be recommended by Cabinet and approved by full Council.

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

10.1. A number of risks have been identified during the scoping element of this proposal and also the public consultation. They include, potential negative impact on the tourism industry, and detrimental financial impact to individuals. As part of any implementation of the project we will form a risk register and will monitor and manage the risks and where possible mitigate the risk.

11. Power to make the decision

- Housing (Wales) Act 2014
- The Council Tax (Exceptions from Higher Amount) Wales Regulations 2015
- The Council Tax (Long-term Empty Dwellings and Dwellings Occupied Periodically (Wales) Regulations 2022

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Appendix A

Item 1:

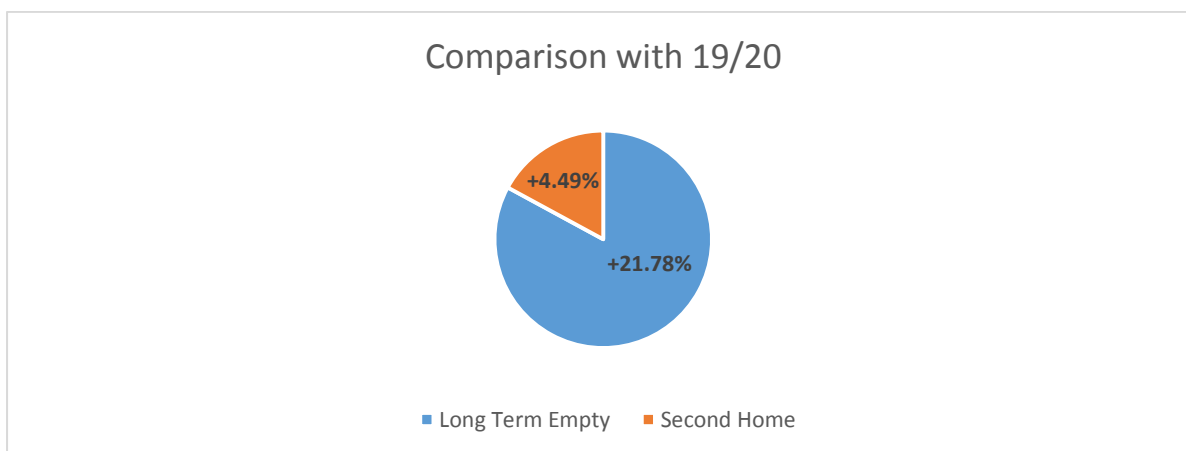
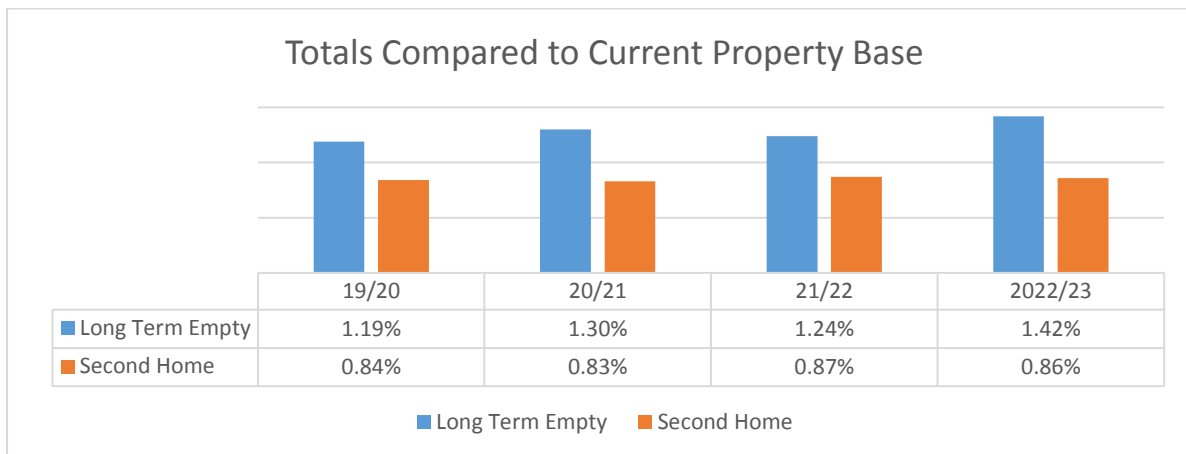
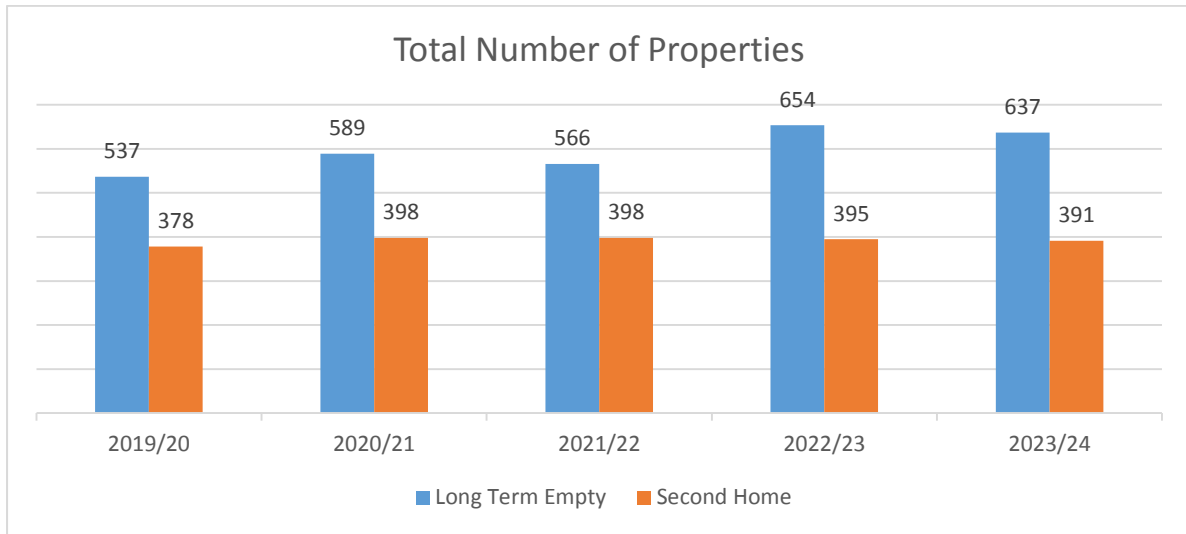
Classes of Dwellings	Definition	Application
Class 1	Dwellings being marketed for sale or where an offer to buy the dwelling has been accepted, time-limited for one year	Long-term empty properties and second homes
Class 2	Dwellings being marketed for let or where an offer to rent has been accepted, time-limited for one year	Long-term empty properties and second homes
Class 3	Annexes forming part of, or being treated as part of, the main dwelling	Long-term empty properties and second homes
Class 4	Dwellings which would be someone's sole or main residence if they were not residing in armed forces accommodation	Long-term empty properties and second homes
Class 5	Occupied caravan pitches and boat moorings	Second homes
Class 6	Dwellings where by virtue of a planning condition, year-round or permanent occupation is prohibited or has been specified for use as short-term holiday accommodation only or prevents occupancy as a person's sole or main residence	Second homes
Class 7	Job-related dwellings	Second homes

Item 2

Income	2019/20	2020/21	2021/22	2022/23	2023/24
Long Term Empty	£272,973	£399,251	£396,375	£483,685	£489,008
Second Home	£327,883	£328,339	£352,217	£292,134	£300,160

Appendix A

Item 3



Appendix A

Item 4

Parish	Long Term Empty	% of properties in parish
Rhyl	521	3.20%
Prestatyn	90	0.90%
Llangollen	35	1.63%
Corwen	33	2.77%
Denbigh	58	1.32%

Parish	Second Homes	% of properties in parish
Rhyl	63	0.39%
Prestatyn	55	0.57%
Llangollen	44	2.05%
Corwen	32	2.68%
Denbigh	20	0.45%

Appendix A

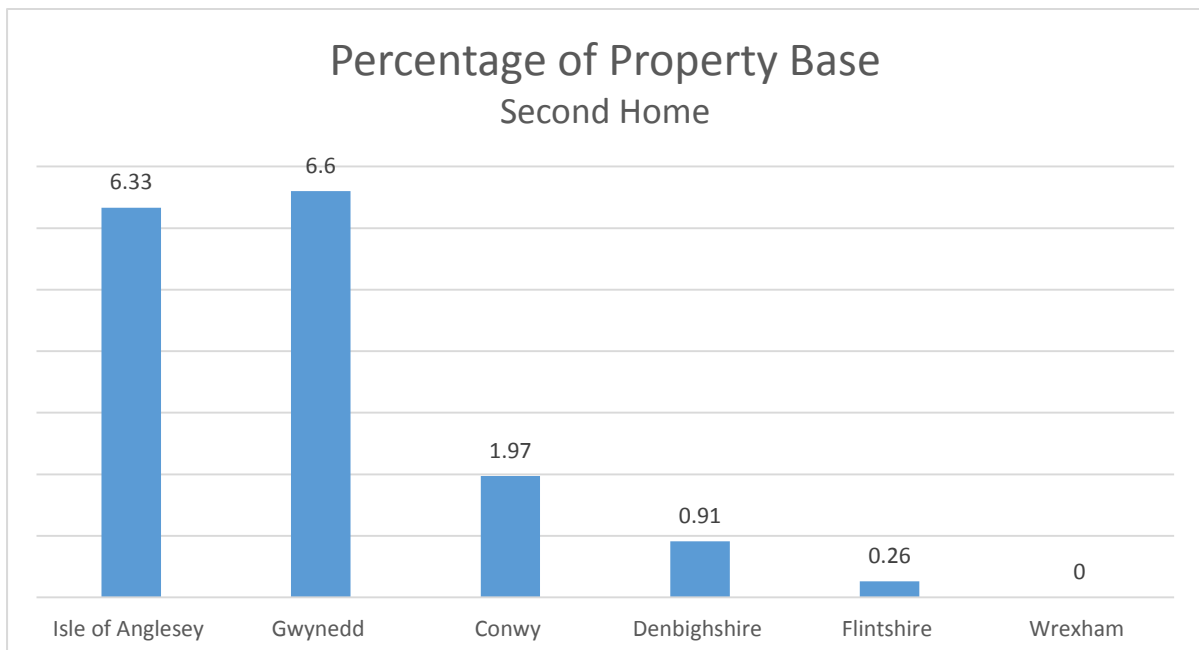
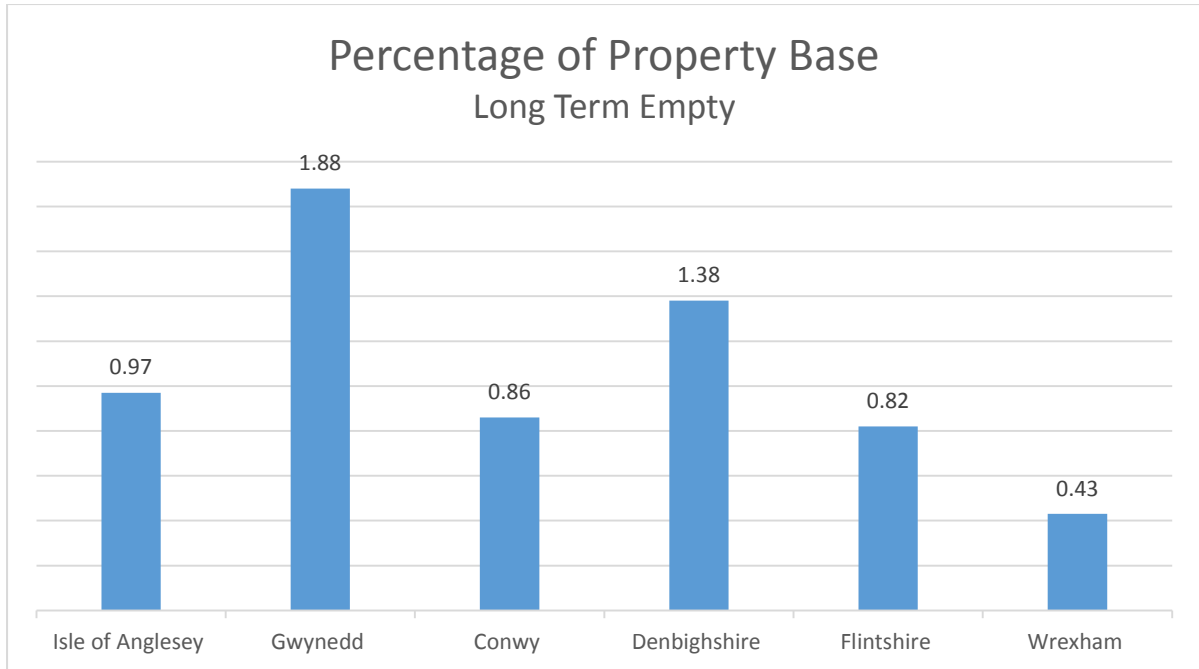
Item 5 –

Long Term Empty	22/23	23/24
Conwy	50%	50%
Gwynedd	100%	100%
Flintshire	50%	50%
Wrexham	50%	50%
Anglesey	100%	100%
Denbighshire	50%	50%

Second Homes	22/23	23/24
Conwy	50%	50%
Gwynedd	100%	150%
Flintshire	50%	50%
Wrexham	50%	50%
Anglesey	35%	50%
Denbighshire	50%	50%

Appendix A

Item 5: Information extracted from Welsh Government, Statistics for Wales Release
January 2023: SFR 3/2023



Appendix A

Item 6

Predicted Revenue from Long Term Empty properties.

Premium Increase	2024/25	2025/26
100%	£1,017,136	£1,057,821
125%	£1,271,420	£1,322,276
150%	£1,525,704	£1,586,731
175%	£1,779,988	£1,851,187
200%	£2,034,272	£2,115,642
225%	£2,288,556	£2,380,097
250%	£3,051,408	£2,644,552
275%	£3,559,976	£2,909,008
300%	£3,051,408	£3,173,463

Appendix A

Item 6

Predicted Revenue from Second Homes.

Premium Increase	2024/25	2025/26
100%	£624,333	£649,306
125%	£780,416	£811,632
150%	£936,499	£973,959
175%	£1,092,582	£1,136,286
200%	£1,248,666	£1,298,612
225%	£1,404,746	£1,460,938
250%	£1,404,749	£1,623,265
275%	£1,716,315	£1,785,592
300%	£1,872,999	£1,947,918

Relevant Considerations

The legislation which allows local authorities to charge up to 300% from April 2023 can be found here: <https://www.legislation.gov.uk/wsi/2022/370/contents/made>

WG provided a statement in March 2022 outlining their commitment to address the issue of second homes and unaffordable housing. This can be found here:

<https://www.gov.wales/new-tax-rules-second-homes>

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1.1 The Background and context

WG have made a commitment to address the issue of second homes and unaffordable housing facing many communities in Wales. Using the planning, property and taxation systems, they plan, in collaboration with local government to take action.

The Council Tax Premium is intended to be a tool to help bring long-term empty properties back into use to provide safe, secure, and affordable homes and to support local authorities in increasing the supply of affordable housing and enhancing the sustainability of local communities.

There are various classes of dwellings that are exempt from paying the premium, these are detailed in Item 1 of Appendix A:

From April 2023, local authorities are able to charge up to 300% council tax premiums on second homes and long-term empty properties. A premium is an additional percentage on top of the standard council tax bill. Previously the maximum premium for these properties was set at 100%. Local authorities are given the autonomy to make the decision to increase the premium based on local needs, and apply different levels for second homes and long-term empty dwellings.

In 2016 Denbighshire Council agreed to charge a 50% premium on a property that has been unoccupied and unfurnished for 12 months or more. For second homes there is a 50% premium immediately and this was introduced April 2017.

Item 2 in Appendix A highlights the income raised as a result of the premiums. Item 3 details the number of long-term empty properties and second homes in Denbighshire that are charged a premium.

WG have provided updated guidance on the implementation and administration of the Council Tax Premium. Some key points to note include,

allowing local authorities discretion on the charging of the premium, taking into account local needs.

It has also added two categories where the premium won't be charged. This includes properties that are restricted by planning conditions which mean that they can only be used as short-term holiday lets or where the property is prevented from being used as someone's main residence.

1.2 Legislative changes Considerations

Currently dwellings that are classed as a holiday let, can be transferred from the Council Tax listing to the NNDR list. The majority of these properties then qualify for Small Business Rate Relief (SBRR) and so don't contribute to either tax.

The criteria, as set by Welsh Government, for a holiday let to be considered for NNDR was previously:

- Property has to be let for at least 70 days per year;
- Property has to be available to let for at least 140 days per year.
- This changed from April 2023 to:
- Property has to be let for at least 182 days per year;
- Property has to be available for at least 252 days per year.

The change is intended to provide a clearer demonstration that the properties concerned are being let regularly as part of a genuine holiday accommodation business, and making a substantial contribution to the local economy.

There have been significant concerns raised within the tourism sector in Wales to these changes, citing in some cases units can only be used seasonally, reducing the available number of days that a property could be advertised for let and physically occupied, which is below the minimum threshold. Further concerns have been raised in respect of Air BNB properties, which can in many instances be part of a resident's home and not

liable either for council tax or NNDR. In response WG have provided LA's with amended guidance to exempt properties that can only be let short term, and cannot be used as a sole or main residence as part of the planning regulations. This guidance came into effect from 1st April 2023.

WG have also increased the Land Value Tax (LVT) on second homes in Wales to help fund increased social housing. Those purchasing a second property now have to pay a 4% levy on the LVT.

Since the introduction of the 50 % premium on second homes in 2017, 156 dwellings have been transferred from council tax to NNDR. Many of these will have transferred naturally without the premium as all new holiday lets are initially banded within the Council as liable for council tax and only transferred to NNDR when the Valuation Office Agency agrees it meets the criteria to be treated as a business. There was an increase in transfers to NNDR during the Covid pandemic as holiday let owners needed to be liable for NNDR in order to receive the grant payments. Additionally, because of the international travel restrictions 'Staycations' increased significantly, which increased the levels of commerciality and numbers of properties moving across to NNDR. It is expected that some of these properties will transfer back over to Council Tax now that foreign travel is fully accessible.

The consideration when initially introducing the 50% premium was to ensure there wasn't a significant loss to the tax base impacting on DCC revenue, whilst having a positive impact in reducing the number of long-term empty and second homes and increasing revenue in which to support the need for affordable housing. It is difficult to confirm over the last 3 years if this has had the desired effect as the council tax team are more vigilant in identifying empty properties or second homes.

Update from DCC Planning

On 4th July 2022 the First Minister and the Leader of Plaid Cymru announced a package of measures to address the negative impact second homes and short-term holiday lets can have on the viability and affordability of housing for local people in communities in Wales. As part of the three pronged approach

proposed including changes to local taxation, this also built in a land use planning element with the introduction of three new use classes. These three new use classes will give local planning authorities the ability, where they have evidence, to make local amendments to the planning system through an Article 4 Direction, allowing them to consider whether planning permission would be required to change from one use class to another and to control the number of additional second homes and short-term lets in an area. These changes came into force on 20th October 2022.

As part of the package of measures, WG also intend to introduce a statutory licencing scheme for all visitor accommodation providers in Wales. The scheme will aim to ensure that all providers meet health & safety requirements such as gas and electrical safety, are insured and have planning permission to allow the premises to be let. It will also provide WG and local authorities with better intelligence and a comprehensive register of visitor accommodation providers. WG have consulted on proposals for the scheme and are currently reviewing the responses to the consultation. It is anticipated that WG will finalise the scheme later this year.

Officers will be analysing the approach taken by other Council's across Wales where the impacts of second homes and short-term holiday lets are more pronounced. Once the licensing scheme has been finalised, as the final element of WG's three pronged approach, the intention is to report to Communities Scrutiny Committee to discuss the potential impact of the measures and the Council's approach moving forward.

1.3 Considerations

Parity between the Long-Term Empty and Second Home Premium needs to be considered. Having parity, reduces loopholes in that an owner states the property is unfurnished to gain 12 months before the premium is charged, whereas second homes incur the premium immediately. There would be

additional resource required should parity not be maintained. An increase in property inspections and investigative work as well as more detailed administrative tasks will be required. This is estimated at an increased cost of £32k.

Regionally Denbighshire has relatively low numbers of second homes compared to other areas, such as Gwynedd and Ynys Mon. Due to this the impact is not as high on communities compared to others in the North and Mid Wales region. Please see Item 5 in Appendix A the premium charges currently in place across North and Mid Wales.

There are areas within Denbighshire that have relatively high numbers of second homes listed in council tax. These are detailed as Item 4 in Appendix A.

The total number of Long-Term Empty properties over 5 years that could be charged the additional premium are currently: 493

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Council Tax Consultation:

Detailed public engagement report

Contents

Contents	2
Purpose of this report	3
Background	Error! Bookmark not defined.
List of Stakeholders.....	4
Summary of Engagement and Consultation Activities.....	4
Summary of Engagement Table.....	5
Summary of Responses.....	6
Common Themes.....	9
Recommendation.....	14

Purpose of this report

To provide a detailed analysis of data received from interested parties on the proposals to raise the council tax premium in Denbighshire for long-term empty homes and second homes.

Background to this report

The current charge for long-term empty homes and second homes in Denbighshire is 50% over the standard charge.

Welsh Government have granted local authorities the power to raise council tax premiums for long-term empty homes and second homes, by up to 300% over the standard charge, from 1st April 2024.

The Council consulted on the following proposals:

1. To raise council tax for long-term empty homes and second homes to 100% above the standard charge from 1st April 2024
2. To raise council tax for long-term empty homes and second homes to 150% above the standard charge from 1st April 2025
3. To charge an additional 50% premium for all long-term empty homes which have been empty for a continuous period of five years or longer. This would make the total premium 150% above the standard charge from 1st April 2024, and 200% above the standard charge from 2025.

Stakeholder Engagement:

- Owners of second homes and long-term empty homes, whether or not resident in Denbighshire
- Elected members
- Planning, Public Protection & Countryside Services
- Corporate Support Service: Performance, Digital and Assets
- Corporate Support Service: People
- Finance and Audit Services
- City, Town and Community Councils
- MPs and MSs
- Citizens Advice Denbighshire
- Tackling Poverty Operational Group (includes BCUHB, DWP & Housing Associations)

Summary of engagement and consultation activities:

A public consultation was conducted from the 26th May 2023 to the 21st June 2023 to ask for views on the proposed increase.

The public consultation was available online via the Denbighshire County Council website and paper copies were available at all Denbighshire Libraries / One Stop Shops.

The consultation was promoted through the Council's website, social media, and by a press release.

662 emails and 351 letters were sent to all long-term empty and second home owners that would be impacted by the proposed increase in premium.

Date	Planned Engagement Activity	Stakeholders involved
26 th May to 21 st June	Public Consultation	General Public
25 th May	Email /Letter notification to owners of second homes and long-term empty homes	Owners of long-term empty homes and second homes in Denbighshire
26 th May	Press Release	General Public
26 th May to 21 st June	DCC Council Tax Web Page highlight	General Public
26 th May to 21 st June	Weekly Social Media Campaign	General Public
26 th May to 21 st June	Paper copies of the survey made available to print upon request	General public

Summary of responses:

The responses received related to properties from a cross section of Denbighshire County Council’s parishes; the majority of responses were received from South of the County, post codes LL20 and LL15, and North of the County from LL18 and LL19.

The survey allowed for respondents to make some general comments and these are summarised below with clarification.

	Comment summary	DCC Point of clarification
a	<p>This is a money making exercise by Local Authorities.</p> <p>Where will the extra money go?</p>	<p>The power to charge a premium has been granted to Local Authorities by Welsh Government. A decision whether to charge is to be made by each Local Authority in Wales. Welsh Government’s purpose in granting these powers is intended to be a tool to help Local Authorities: -</p> <ul style="list-style-type: none"> bring long-term empty homes back into use to provide safe, secure and affordable homes; and support local authorities in increasing the supply of affordable housing and enhancing the sustainability of local communities <p>Welsh Government have also stated ‘authorities are encouraged to use any additional revenue generated to help meet local housing needs, in line with the policy intentions of the premiums.’</p>
b	<p>Local Authorities should be more proactive in helping owners to bring these homes back into use</p>	<p>Denbighshire County Council are focussed on long term empty homes, and support is available by way of:</p> <ul style="list-style-type: none"> • Grants for properties which have been unoccupied for more than 6 months and properties with no viable plan to bring them back into use.

Council tax consultation – detailed public engagement data report

		<ul style="list-style-type: none"> The Landlord Offer where landlords are given incentives to allow Denbighshire to use their property for 6 months to help a homeless person or family
c	You shouldn't punish people for owning these homes	Noted
d	Denbighshire County Council should compulsory purchase empty homes and sell to local landlords/local construction businesses	This feedback has been noted for further consideration.
e	Empty properties are not good for the area and people who need homes could be living in them.	Empty homes can be a blight on an area, especially when there is high housing demand. Denbighshire County Council recognises this and has adopted a twin approach of working closely with owners, landlords and Housing Associations, as well as colleagues from within the Local Authority, to bring empty properties back into use, whilst working closely with internal and external enforcement agencies to target the most problematic 'eyesore' properties to find a solution that benefits the local community through a supply of properties at affordable rates.
f	Yes- should encourage long term empty homes to come on to the market as accommodation for others.	If council tax premium is enacted, this should encourage more owners of long term empty homes to work with Denbighshire County Council to bring these properties back into use.
g	I can't meet the self-catering eligibility criteria to transfer my property to Business Rates, so I am penalised.	If a property does not meet the Valuation Office Agency criteria to be assessed as a commercial holiday home for Business Rates, it

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		will be placed in the Council Tax list and treated as a Second Home.
h	Second Home owners contribute to the local community and don't use the services as frequently.	Noted
i	The housing market is slow; I am paying a premium on a property I can't sell	<p>The premium charge can be waived for up to 12 months on long-term empty and second homes if they are being marketed for sale or let.</p> <p>100% exemption from Council Tax charge is available for 6 months if a property is unfurnished and unoccupied, and up to 12 months for a property undergoing major work or structural alteration.</p>
j	Local landlords and small construction businesses support DCC by buying long-term empty properties to bring them back in to use, but usually the exemptions have already been used.	<p>The Class A Exemption is available for properties undergoing major renovation or structural alteration. Empty Homes Grants are also available for long-term empty homes.</p> <p>This feedback has also been noted for further consideration</p>
k	You should consider homes in probate differently, and help people who have inherited properties	Exemptions are available on properties that have been left empty following the death of a taxpayer for up to six months after the date of Probate. Please see below for examples of reductions available in these cases
l	I own a long term empty property that isn't habitable	<p>The Class C Exemption is available for up to 6 months for a substantially unfurnished and unoccupied property.</p> <p>The Class A Exemption is available for a property which requires, or is undergoing major renovation or structural alteration to make it habitable, for a maximum period of 12 months.</p> <p>If the property is <u>not capable of repair</u> a request can be made directly to the Valuation Office to delete the property from the Council tax list.</p>

m	People will buy second homes in other areas instead.	Noted: However, all Local Authorities in Wales have been granted these powers. Some Authorities have already implemented an increase in the premium charge and others are considering doing so. In England the power to charge a premium has been in place since 2013
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Common Themes:

Inherited properties

Owners of inherited properties disagreed with the proposals and suggested an increase in the premium would cause financial difficulties as they struggle to sell their long-term empty homes and second homes.

Denbighshire's position (in line with Welsh Government): The Council Tax (Exempt Dwellings) Order 1992 provides exemptions for properties that have been left unoccupied by a deceased person for up to 6 months after probate is granted.

The Grant of Probate and transfer of property to a beneficiary, on average, can take 2-4 years to complete. During this time the property, in most cases, is fully exempt from the Council tax charge whilst unoccupied.

In addition, the premium charge is not paid on a property for a maximum of 12-months if it is being marketed to sell or let.

Example 1: Inherited Properties

A property becomes unoccupied following the death of an owner, and probate is granted 2 years later:

Class F Exemption awarded (100%)	01.04.2023 to 01.10.2025 (ends 6 months after probate)
Furniture removed Class C awarded (100%)	01.10.2025 to 01.04.2026
Long Term Empty Standard charge	01.04.2026 to 01.10.2026
Long Term Premium charge starts	01.10.2026
Total reduction awarded:	36 months at 100% exemption from Council Tax charge

Properties that are inherited have usually benefitted from a minimum 18 months' full exemption from the Council Tax charge.

Example 2: Inherited Properties

A property becomes unoccupied following a death. The family inherit the property and the property is placed on the market to for sale.

Class F Exemption awarded (100%)	01.04.2023 to 01.04.2024 (ends 6 months after probate)
Furniture removed Class C awarded (100%)	01.04.2024 to 01.10.2024
Long Term Empty Standard charge	01.10.2024 to 01.04.2025
Long Term Premium charge waived for 12 months (being marketed for sale)	01.04.2025 for 12 months
Total reduction awarded:	18 months at 100% exemption from Council Tax and 12 months' premium charge waived

Hardship

Owners in the following categories were concerned that the proposals would cause hardship for:

- Inherited properties due to slow housing market
- Small self-catering businesses due to higher running costs
- Second Home owners that use properties to visit family in the area
- Landlords due to delays in rental market and renovation timescales
- Small businesses that buy empty homes to renovate.

Denbighshire’s position (in line with Welsh Government): Section 13A(1)(c) of the Local Government Finance Act allows a billing authority to reduce the Council Tax payable after taking into account any discounts, disregards, reliefs, and exemptions. Payments for Section 13A reductions are funded wholly by the Council.

The Council must balance the need of the individual requesting financial support, against the interests of Denbighshire’s Council Tax payers and will consider a Discretionary Reduction on a case by case basis for exceptional financial hardship.

Tourism and Second Homes:

Owners of self-catering second homes noted that:

- they already struggle to meet the new self-catering eligibility rules for National Non-Domestic rating introduced in April 2023, to be moved to Business Rates, and;
- an increase in the premium would result in increased running costs which would have to be passed on to paying customers, and;

- this could reduce the number of holiday rentals in the area. In turn this would have an impact on the number of tourists visiting Denbighshire and spending in local businesses.

Owners of Second Homes noted:

- the financial burden may force second home owners to sell
- said there should be two categories of second homes. Those used as self-catering accommodation, and those used as second homes to visit family and friends.
- second home owners use local trades people, tourist attractions, support the local economy, and the Welsh language/culture.

Denbighshire’s position (in line with Welsh Government): Section 139 of the Housing Act (Wales) 2014 and appended to Section 12A of the Local Government Finance Act 1992. A ‘Second Home’ is defined in Council Tax legislation as a property that is furnished, but is no one’s main residence.

Self-catering properties must either be listed in the Council Tax list, or the Non-Domestic rating list if the eligibility criteria is met to be classed as a commercial holiday let.

Long Term Empty Homes

Responses received stated the slow housing market impacts how long a property is left empty as it is difficult to sell or let.

Landlords and small constructions companies stated they support Denbighshire with bringing long-term empty properties back in to use, and there is usually no discount available in Council Tax for the renovation period. The impact of a proposed increase would result in less capital to spend on properties and financial difficulty.

Denbighshire’s Position (in line with Welsh Government): Section 139 of the Housing Act (Wales) 2014 and appended to Section 12A of the Local Government Finance Act 1992. The Council Tax premium charge starts 12 months after a property becomes substantially unfurnished, and a further 12 months’ exemption from the premium charge is available whilst a property is being marketed for sale or let.

The Council can offer support for empty properties by way of:

- Landlord offer scheme can assist, by providing incentives to an owner to use their empty property to accommodation homeless families-
<https://www.denbighshire.gov.uk/en/housing-homelessness-and-landlords/landlords/landlord-offer.aspx>
- Empty Homes Grants - <https://www.denbighshire.gov.uk/en/benefits-grants-and-money-advice/adapting-or-improving-a-property/empty-homes-assistance.aspx>

Further consideration will be made for cases where landlords and small businesses that support the Council in bringing long term empty properties back in to use, following responses received.

Recommendation:

A robust engagement campaign was conducted for the duration of the public consultation period to ensure maximum exposure, and to encourage responses from members of the public.

There were 2142 page views (37 Welsh) on the Council's page that hosted the consultation to the general public, with 898 visits directly to the consultation survey. 175 customers completed and submitted a response.

Alternative channels were also open to customers through written or supported submission from Libraries and One Stop Shops.

As part of the consultation survey we identified the following groups:

- Live or work in Denbighshire
- Live or work in Denbighshire and own a second home
- Own a second home
- Own a long-term empty home
- Councillor (either DCC or Community)
- Other

On legal advice, we undertook a communication exercise to make over 1000 second home and long term empty home owners aware of the consultation, and advice and guidance was provided on how to complete a survey response.

71 responses out of 175 were received from the second home owner or long term empty home owner group, and 17 from second home owners that live or work in Denbighshire.

We were conscious that proactively engaging this group could have a disproportionate impact on the results of the consultation, and so note the importance of identifying these groups of customers.

Detailed quantitative data analysis is provided in the '**Appendix 1 - Consultation data tables**' attachment.

Overall the consultation confirmed the majority vote was **in favour** of the 100% and 150% increase for **long term empty homes**.

When you look specifically at Denbighshire residents, they contributed to a high number of respondents that felt there is a need to increase the premium charge on long term empty and second homes

- 68% supported the proposal for long term empty increase from 1st April 2024
- 64% supported the proposal for long term empty increase from 1st April 2025
- 71% supported a 150% increase for long term empty properties over 5 years from 1st April 2024
- 66% supported a 150% increase for long term empty properties over 5 years from 1st April 2025

Second home owners are less supportive of the proposals for the long term empty homes increase of 100% and 150%, however, their support increases in favour for the proposals for the long term empty properties over 5 years.

Support from Denbighshire residents ebbs away slightly from second home and long term empty home owners the higher the premium.

Overall, at a high level the consultation looks like there is less support for the proposed increase for second homes across all demographics.

However, when you look specifically at Denbighshire residents:

- 61% supported the proposal for the second home increase from 1st April 2024
- 57% supported the proposal for the second home increase from 1st April 2025

The majority of respondents when asked about their opinion on any effect the proposals may have on the Welsh language and Welsh culture, overall felt there wasn't going to be a significant impact.

Out of 175 responses:

- 104 disagreed or strongly disagreed that the proposals could lead to an increase in people speaking or learning Welsh in Denbighshire; and,
- 104 disagreed or strongly disagreed that the proposals could lead to an increase in people participating in Welsh culture.

When asked about the impact on tourism:

- 60% of people overall said there would be an impact on tourism whereas 28% said there wouldn't.
- The majority of second home owners and long term empty home owners felt there would be an impact
- 51% of Denbighshire residents that don't have second homes felt there wouldn't be an impact on tourism

52% of respondents thought that overall the proposals would not have an impact on house prices in Denbighshire, whereas 27% thought there could be a decrease in house prices, and 8.5% an increase in house prices.

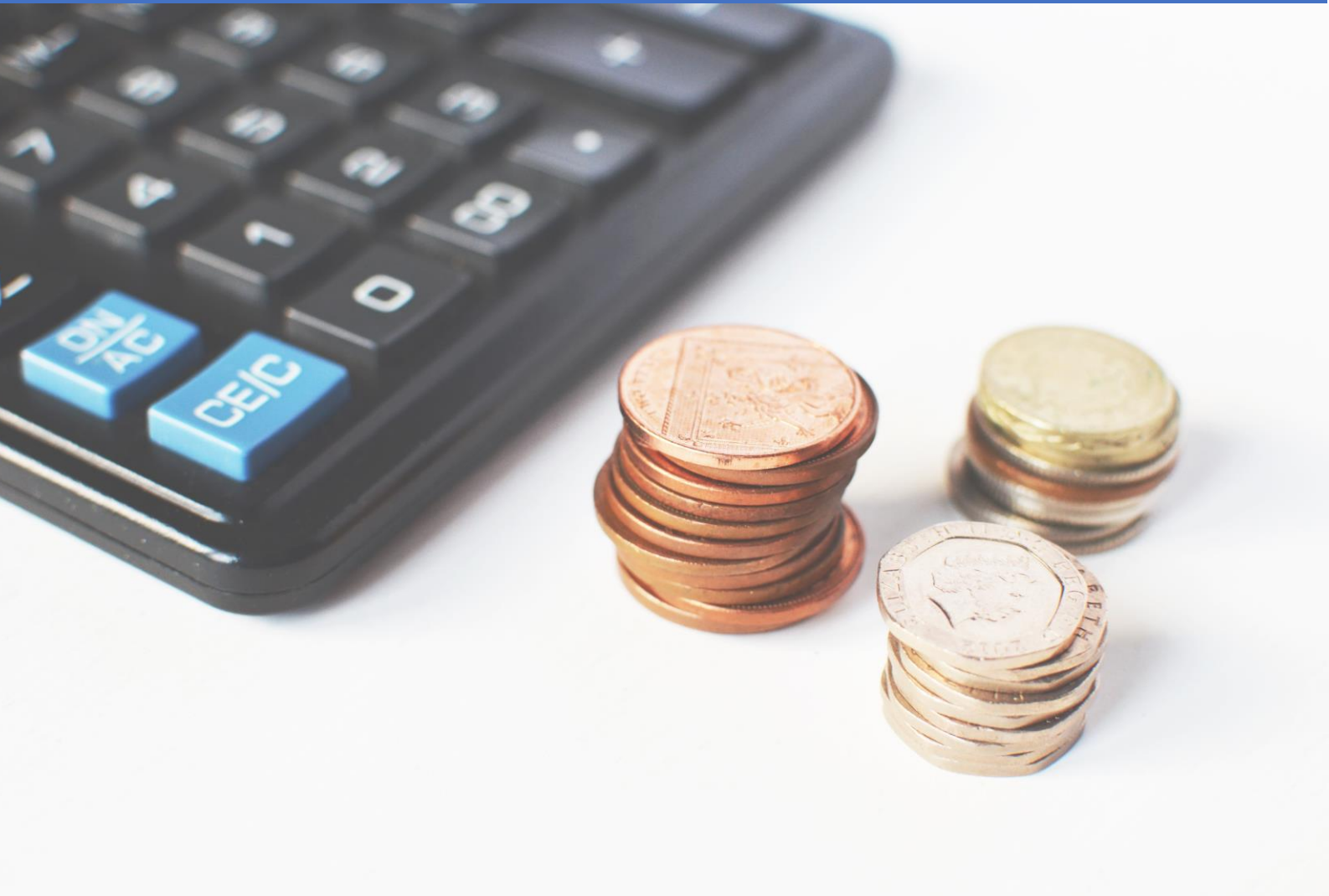
40% of Denbighshire residents, who don't own a second home, felt there would be no impact, or a decrease in house prices.

83 out of the 175 responses say there would be no impact supply on rental in Denbighshire, and 50% of Denbighshire residents, that don't own a second home or long term empty home, believe there would be an increase in supply of rental properties.

48.3% of respondents believed there would be impact on supply of affordable housing in Denbighshire, whilst 51% of Denbighshire residents, that don't own a second home or long term empty home, believe there would be an increase.

The consultation has concluded, and the results demonstrate that the majority of respondents who live in Denbighshire felt there is a need for an increase in the Council tax premium charges.

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Appendix 1

Consultation Data Tables

Summary of data received

In total, the Council received 228 full or partial online survey responses and 12 full or partial paper responses to the survey (a total of 240 survey responses).

Due to concerns about the potential for the consultation to be ‘hijacked’ by various campaign groups (either in favour or against any form of extra taxation), the Council requested that all responses be verified by respondents providing their name and address.

The Council also stated that duplicate data and any data violating the Council’s zero tolerance policy on abusive language would be removed and these responses would not be considered. In total:

1. 175 verified survey responses were received
2. 62 surveys were only partially completed and therefore the responses could not be verified. Of these, 15 entries were duplicate partial completions from 6 unique IP addresses.
3. 1 duplicate verified survey response was removed
4. 2 responses were removed for violating the Council’s zero tolerance policy on abusive language

Appendix 1 – Consultation Data Tables

Respondent profile:

The survey comprised mainly of multiple choice questions, either single response or rank-based. These aimed to find out:

- Whether respondents supported the proposals
- The impact respondents felt the proposals may have on the supply of affordable housing, rental housing, house prices, the tourism industry, the Welsh language and Welsh culture.

We asked respondents what their interest or reason for responding was.

Which of the following best applies to you?		
Response	Number of Respondents	Percentage of Respondents
Live and/or work in Denbighshire only	70	40%
Live and/or work in Denbighshire AND own a second home	17	10%
Own a second home only	59	33%
Own a long-term empty home only	12	7%
Is a Councillor (DCC and/or Town, City & Community)	7	4%
Other <i>Includes:</i> 1. People who live in Denbighshire and own a long-term empty home 2. People who own both a second home and a long-term empty home 3. People with no local connection 4. People who ticked 'other' but did not specify further	10	6%
TOTAL RESPONDENTS	175	100%

Long Term Empty Homes Increase from 1st April 2024

To what extent do you agree or disagree with the proposals to raise council tax on LONG-TERM EMPTY HOMES to 100% from 1st April 2024													
	Strongly agree		Agree		Neither agree nor disagree		Disagree		Strongly disagree		Unsure (or left blank)		TOTAL RESPONDENTS OF THIS TYPE
	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%	
Live or work in Denbighshire	39	55.71%	9	12.86%	0	0.00%	3	4.29%	16	22.86%	3	4.29%	70
Live or work in Denbighshire and own a second home	2	11.76%	1	5.88%	3	17.65%	3	17.65%	8	47.06%	0	0.00%	17
Own a second home	8	13.56%	13	22.03%	8	13.56%	4	6.78%	23	38.98%	3	5.08%	59
Own a long-term empty home	0	0.00%	0	0.00%	1	8.33%	0	0.00%	10	83.33%	1	8.33%	12
Councillor (either DCC or Community)	2	28.57%	2	28.57%	0	0.00%	0	0.00%	2	28.57%	1	14.29%	7
Other	3	30.00%	0	0.00%	2	20.00%	1	10.00%	4	40.00%	0	0.00%	10
TOTALS FOR ALL RESPONDENTS	54	30.68%	25	14.20%	14	7.95%	11	6.25%	63	35.80%	8	4.55%	175

Page 58

Comments:

- 44.88% of all respondents (79 out of 175) agreed or strongly agreed
- 42.05% (74 out of 176 respondents) disagreed or strongly disagreed.
- The respondent group most in favour of the proposals were **people who live or work in Denbighshire** with 68.57% (48 out of 70 of this respondent type) agreeing or strongly agreeing with the proposal.
- 45.76% of second home owners disagreeing or strongly disagreeing, however 35.59% of second home owners did agree or strongly agreed
- Owners of long-term empty homes did not support the proposals at all.
- 4 out of the 7 respondents who said they were councillors also supported this particular proposal, whilst 2 disagreed (1 'unsure' vote)
- 3 out of 17 second home owners that live or work in Denbighshire agreed with the proposals, whilst 11 disagreed

Appendix 1 – Consultation Data Tables

Long Term Empty Homes Increase from 1st April 2025:

To what extent do you agree or disagree with the proposals to raise council tax on LONG-TERM EMPTY HOMES to 150% from 1st April 2025													
	Strongly agree		Agree		Neither agree nor disagree		Disagree		Strongly disagree		Unsure (or left blank)		TOTAL RESPONDENTS OF THIS TYPE
	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%	
Live or work in Denbighshire	38	54.29%	7	10.00%	2	2.86%	3	4.29%	17	24.29%	3	4.29%	70
Live or work in Denbighshire and own a second home	2	11.76%	1	5.88%	2	11.76%	3	17.65%	8	47.06%	1	5.88%	17
Own a second home	8	13.56%	8	13.56%	10	16.95%	5	8.47%	21	35.59%	7	11.86%	59
Own a long-term empty home	1	8.33%	0	0.00%	4	33.33%	0	0.00%	6	50.00%	1	8.33%	12
Councillor (either DCC or Community)	3	42.86%	2	28.57%	0	0.00%	0	0.00%	2	28.57%	0	0.00%	7
Other	3	30.00%	0	0.00%	0	0.00%	2	20.00%	5	50.00%	0	0.00%	10
TOTALS FOR ALL RESPONDENTS	55	31.25%	18	10.23%	18	10.23%	13	7.39%	59	33.52%	12	6.82%	175

Comments:

- 41.48% of all respondents (73 out of 175) agreed or strongly agreed
- 40.91% (72 out of 175 respondents) disagreed or strongly disagreed
- The respondent groups most in favour of the proposals were **people who live or work in Denbighshire** with 64.29% (45 out of 70 of this respondent type) agreeing or strongly agreeing with the proposal.
- 44.06% of second home owners disagreed or strongly disagreed, however 27.12% of second home owners did agree or strongly agreed
- Owners of long-term empty homes did not support the proposals.
- 5 out of the 7 respondents who said they were councillors also supported this particular proposal
- 3 out of 17 second home owners that live or work in Denbighshire agreed with the proposals, whilst 11 disagreed

Appendix 1 – Consultation Data Tables

Long Term Empty Homes unoccupied for a continuous period of 5 years increase to 150% from 1st April 2024:

To what extent do you agree or disagree with the proposals to raise council tax on LONG-TERM EMPTY HOMES unoccupied for a continuous period of 5 years or longer to 150% from 1st April 2024													
	Strongly agree		Agree		Neither agree nor disagree		Disagree		Strongly disagree		Unsure (or left blank)		TOTAL RESPONDENTS OF THIS TYPE
	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%	
Live or work in Denbighshire	42	60.00%	8	11.43%	1	1.43%	3	4.29%	12	17.14%	4	5.71%	70
Live or work in Denbighshire and own a second home	4	23.53%	4	23.53%	2	11.76%	2	11.76%	4	23.53%	1	5.88%	17
Own a second home	13	22.03%	17	28.81%	7	11.86%	2	3.39%	14	23.73%	6	10.17%	59
Own a long-term empty home	1	8.33%	0	0.00%	4	33.33%	0	0.00%	6	50.00%	1	8.33%	12
Councillor (either DCC or Community)	3	42.86%	2	28.57%	0	0.00%	0	0.00%	2	28.57%	0	0.00%	7
Other	4	40.00%	3	30.00%	0	0.00%	0	0.00%	3	30.00%	0	0.00%	10
TOTALS FOR ALL RESPONDENTS	67	38.07%	34	19.32%	14	7.95%	7	3.98%	41	23.30%	12	6.82%	175

Page 60

Comments:

- 57.39% of all respondents (101 out of 175) agreed or strongly agreed
- 27.28% (48 out of 175 respondents) disagreed or strongly disagreed
- The respondent group most in favour of the proposals were **people who live or work in Denbighshire** with 71.43% (50 out of 70 of this respondent type) agreeing or strongly agreeing with the proposal.
- Owners of second homes were generally supportive of the proposals for long-term empty homes, with 50.84% (30 out of 59 of this respondent type) agreeing or strongly agreeing. 27.12% of second home owners disagreed or strongly disagreed with the proposals for long-term empty homes.
- Owners of long-term empty homes did not support the proposals, with only one respondent strongly agreeing with them.

Appendix 1 – Consultation Data Tables

Long Term Empty Homes unoccupied for a continuous period of 5 years increase to 200 % from 1st April 2025:

To what extent do you agree or disagree with the proposals to raise council tax on LONG-TERM EMPTY HOMES unoccupied for a continuous period of 5 years or longer to 200% from 1st April 2025													
	Strongly agree		Agree		Neither agree nor disagree		Disagree		Strongly disagree		Unsure (or left blank)		TOTAL RESPONDENTS OF THIS TYPE
	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%	
Live or work in Denbighshire	43	61.43%	3	4.29%	3	4.29%	6	8.57%	13	18.57%	2	2.86%	70
Live or work in Denbighshire and own a second home	4	23.53%	4	23.53%	3	17.65%	2	11.76%	4	23.53%	0	0.00%	17
Own a second home	11	18.64%	15	25.42%	12	20.34%	2	3.39%	12	20.34%	7	11.86%	59
Own a long-term empty home	0	0.00%	0	0.00%	3	25.00%	1	8.33%	8	66.67%	0	0.00%	12
Councillor (either DCC or Community)	2	28.57%	2	28.57%	1	14.29%	0	0.00%	2	28.57%	0	0.00%	7
Other	4	40.00%	3	30.00%	0	0.00%	0	0.00%	3	30.00%	0	0.00%	10
TOTALS FOR ALL RESPONDENTS	64	36.36%	27	15.34%	22	12.50%	11	6.25%	42	23.86%	9	5.11%	175

Page 61
Comments:

- 51.70% of all respondents (91 out of 175) agreed or strongly agreed
- 30.11% (53 out of 175 respondents) disagreed or strongly disagreed
- The respondent group most in favour of the proposals were **people who live or work in Denbighshire** with 65.72% (46 out of 70 of this respondent type) agreeing or strongly agreeing with the proposal.
- Owners of second homes were generally supportive of the proposals for long-term empty homes, with 44.06% (26 out of 59 of this respondent type) agreeing or strongly agreeing. 23.73% of second home owners disagreed or strongly disagreed with the proposals for long-term empty homes. 8 out of 17 second home owners that live in Denbighshire agreed with the proposals
- Owners of long-term empty homes did not support the proposals, with only one respondent strongly agreeing with them.
- 4 out of the 7 respondents who said they were councilors also supported this particular proposal, 2 disagreed.

Appendix 1 – Consultation Data Tables

Second Home 150% above the standard charge from 1st April 2024

To what extent do you agree or disagree with the proposals to raise council tax on SECOND HOMES to 100% from 1st April 2024													
	Strongly agree		Agree		Neither agree nor disagree		Disagree		Strongly disagree		Unsure (or left blank)		TOTAL RESPONDENTS OF THIS TYPE
	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%	
Live or work in Denbighshire	38	54.29%	5	7.14%	2	2.86%	5	7.14%	19	27.14%	1	1.43%	70
Live or work in Denbighshire and own a second home	0	0.00%	0	0.00%	0	0.00%	1	5.88%	16	94.12%	0	0.00%	17
Own a second home	1	1.69%	1	1.69%	0	0.00%	9	15.25%	47	79.66%	1	1.69%	59
Own a long-term empty home	0	0.00%	0	0.00%	2	16.67%	2	16.67%	8	66.67%	0	0.00%	12
Councillor (either DCC or Community)	2	28.57%	3	42.86%	0	0.00%	0	0.00%	2	28.57%	0	0.00%	7
Other	2	20.00%	1	10.00%	0	0.00%	1	10.00%	6	60.00%	0	0.00%	10
TOTALS FOR ALL RESPONDENTS	43	24.43%	10	5.68%	4	2.27%	18	10.23%	98	55.68%	2	1.14%	175

Comments:

- 30.11% of all respondents (53 out of 175) agreed or strongly agreed
- 65.91% (116 out of 175 respondents) disagreed or strongly disagreed
- The respondent group most in favour of the proposals were **people who live or work in Denbighshire** with 61.43% (43 out of 70 of this respondent type) agreeing or strongly agreeing with the proposal.
- Owners of second homes were generally not supportive of the proposals for the increase for second homes, with 94.91% (57 out of 59 of this respondent type) disagreeing or strongly disagreeing.
- Owners of long-term empty homes did not support the proposals
- 5 out of the 7 respondents who said they were councillors also supported this particular proposal, 2 disagreed.
- 8 out of 17 second home owners that live or work in Denbighshire agreed with the proposals, whilst 6 disagreed

Appendix 1 – Consultation Data Tables

Second Home 200% above the standard charge from 1st April 2025:

To what extent do you agree or disagree with the proposals to raise council tax on SECOND HOMES to 150% from 1st April 2025													
	Strongly agree		Agree		Neither agree nor disagree		Disagree		Strongly disagree		Unsure (or left blank)		TOTAL RESPONDENTS OF THIS TYPE
	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%	
Live or work in Denbighshire	36	51.43%	4	5.71%	3	4.29%	5	7.14%	21	30.00%	1	1.43%	70
Live or work in Denbighshire and own a second home	0	0.00%	0	0.00%	1	5.88%	0	0.00%	16	94.12%	0	0.00%	17
Own a second home	1	1.69%	0	0.00%	0	0.00%	6	10.17%	49	83.05%	3	5.08%	59
Own a long-term empty home	0	0.00%	4	33.33%	0	0.00%	6	50.00%	2	16.67%	0	0.00%	12
Councillor (either DCC or Community)	3	42.86%	2	28.57%	0	0.00%	0	0.00%	2	28.57%	0	0.00%	7
Other	2	20.00%	0	0.00%	1	10.00%	1	10.00%	6	60.00%	0	0.00%	10
TOTALS FOR ALL RESPONDENTS	42	23.86%	10	5.68%	5	2.84%	18	10.23%	96	54.55%	4	2.27%	175

Page 63
Comments:

- 29.54% of all respondents (52 out of 175) agreed or strongly agreed
- 64.78% (114 out of 175 respondents) disagreed or strongly disagreed
- The respondent group most in favour of the proposals were **people who live or work in Denbighshire** with 57.14% (40 out of 70 of this respondent type) agreeing or strongly agreeing with the proposal.
- Owners of second homes were generally not supportive of the proposals for the increase for second homes, with 93.22% (55 out of 59 of this respondent type) disagreeing or strongly disagreeing.
- Owners of long-term empty homes did not support the proposals
- 5 out of the 7 respondents who said they were councillors also supported this particular proposal, 2 disagreed.

Appendix 1 – Consultation Data Tables

What impact do you think the proposals could have on the supply of affordable housing in Denbighshire?									
	Increase supply		Decrease Supply		No impact on supply		Unsure or left blank		TOTAL RESPONDENTS OF THIS TYPE
	Number	%	Number	%	Number	%	Number	%	
Live or work in Denbighshire	36	51.43%	8	11.43%	20	28.57%	6	8.57%	70
Live or work in Denbighshire and own a second home	0	0.00%	4	23.53%	13	76.47%	0	0.00%	17
Own a second home	6	10.17%	10	16.95%	36	61.02%	7	11.86%	59
Own a long-term empty home	0	0.00%	5	41.67%	5	41.67%	2	16.67%	12
Councillor (either DCC or Community)	3	42.86%	1	14.29%	3	42.86%	0	0.00%	7
Other	2	20.00%	0	0.00%	8	80.00%	0	0.00%	10
TOTALS FOR ALL RESPONDENTS	47	26.70%	28	15.91%	85	48.30%	15	8.52%	175

What impact do you think the proposals could have on the supply of rental housing in Denbighshire?									
	Increase supply		Decrease Supply		No impact on supply		Unsure or left blank		TOTAL RESPONDENTS OF THIS TYPE
	Number	%	Number	%	Number	%	Number	%	
Live or work in Denbighshire	35	50.00%	10	14.29%	23	32.86%	2	2.86%	70
Live or work in Denbighshire and own a second home	3	17.65%	4	23.53%	9	52.94%	1	5.88%	17
Own a second home	6	10.17%	10	16.95%	36	61.02%	7	11.86%	59
Own a long-term empty home	1	8.33%	4	33.33%	5	41.67%	2	16.67%	12
Councillor (either DCC or Community)	4	57.14%	1	14.29%	2	28.57%	0	0.00%	7
Other	2	20.00%	0	0.00%	8	80.00%	0	0.00%	10
TOTALS FOR ALL RESPONDENTS	51	28.98%	29	16.48%	83	47.16%	12	6.82%	175

Appendix 1 – Consultation Data Tables

What impact do you think the proposals could have on house prices in Denbighshire?									
	Increase house prices		Decrease in house prices		No impact on house prices		Unsure or left blank		TOTAL RESPONDENTS OF THIS TYPE
	Number	%	Number	%	Number	%	Number	%	
Live or work in Denbighshire	2	2.86%	28	40.00%	28	40.00%	12	17.14%	70
Live or work in Denbighshire and own a second home	1	5.88%	4	23.53%	11	64.71%	1	5.88%	17
Own a second home	7	11.86%	8	13.56%	40	67.80%	4	6.78%	59
Own a long-term empty home	5	41.67%	2	16.67%	5	41.67%	0	0.00%	12
Councillor (either DCC or Community)	0	0.00%	2	28.57%	2	28.57%	3	42.86%	7
Other	0	0.00%	4	40.00%	6	60.00%	0	0.00%	10
TOTALS FOR ALL RESPONDENTS	15	8.52%	48	27.27%	92	52.27%	20	11.36%	175

Do you think the proposals could impact tourism in Denbighshire?							
	Yes		No		Unsure or left blank		TOTAL RESPONDENTS OF THIS TYPE
	Number	%	Number	%	Number	%	
Live or work in Denbighshire	25	35.71%	36	51.43%	9	12.86%	70
Live or work in Denbighshire and own a second home	16	94.12%	1	5.88%	0	0.00%	17
Own a second home	49	83.05%	6	10.17%	4	6.78%	59
Own a long-term empty home	6	50.00%	2	16.67%	4	33.33%	12
Councillor (either DCC or Community)	3	42.86%	2	28.57%	2	28.57%	7
Other	8	80.00%	2	20.00%	0	0.00%	10
TOTALS FOR ALL RESPONDENTS	107	60.80%	49	27.84%	19	10.80%	175

Appendix 1 – Consultation Data Tables

To what extent do you agree or disagree that the proposals could lead to an increase in people speaking or learning Welsh in Denbighshire?													
	Strongly agree		Agree		Neither agree nor disagree		Disagree		Strongly disagree		Unsure (or left blank)		TOTAL RESPONDENTS OF THIS TYPE
	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%	
Live or work in Denbighshire	9	12.86%	11	15.71%	17	24.29%	11	15.71%	17	24.29%	5	7.14%	70
Live or work in Denbighshire and own a second home	0	0.00%	0	0.00%	3	17.65%	2	11.76%	12	70.59%	0	0.00%	17
Own a second home	2	3.39%	1	1.69%	13	22.03%	11	18.64%	30	50.85%	2	3.39%	59
Own a long-term empty home	0	0.00%	0	0.00%	0	0.00%	2	16.67%	10	83.33%	0	0.00%	12
Councillor (either DCC or Community)	1	14.29%	2	28.57%	2	28.57%	0	0.00%	2	28.57%	0	0.00%	7
Other	2	20.00%	0	0.00%	1	10.00%	2	20.00%	5	50.00%	0	0.00%	10
TOTALS FOR ALL RESPONDENTS	14	7.95%	14	7.95%	36	20.45%	28	15.91%	76	43.18%	7	3.98%	175

To what extent do you agree or disagree that the proposals could lead to an increase in people participating in Welsh culture in Denbighshire?													
	Strongly agree		Agree		Neither agree nor disagree		Disagree		Strongly disagree		Unsure (or left blank)		TOTAL RESPONDENTS OF THIS TYPE
	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%	
Live or work in Denbighshire	11	15.71%	9	12.86%	14	20.00%	10	14.29%	20	28.57%	6	8.57%	70
Live or work in Denbighshire and own a second home	0	0.00%	0	0.00%	3	17.65%	2	11.76%	12	70.59%	0	0.00%	17
Own a second home	5	8.47%	0	0.00%	9	15.25%	11	18.64%	30	50.85%	4	6.78%	59
Own a long-term empty home	0	0.00%	0	0.00%	0	0.00%	2	16.67%	10	83.33%	0	0.00%	12
Councillor (either DCC or Community)	2	28.57%	1	14.29%	2	28.57%	0	0.00%	1	14.29%	1	14.29%	7
Other	2	20.00%	0	0.00%	2	20.00%	1	10.00%	5	50.00%	0	0.00%	10
TOTALS FOR ALL RESPONDENTS	20	11.36%	10	5.68%	30	17.05%	26	14.77%	78	44.32%	11	6.25%	175



Increasing Council Tax Premiums on Long Term Empty Homes & Second Homes: 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: 1197

Brief description: In Denbighshire we currently have a council tax premium of 50% on long term empty homes and second homes. (ie a charge of 50% above the standard council tax). From 1st April 2023, Welsh Government has granted local authorities in Wales the power to raise the council tax premium for these properties up to 300% above the standard charge. Welsh Government intend this to be a tool to help local authorities to change behaviours and encourage properties back into full time use. It is part of a plan to provide safe, secure and affordable homes by supporting local authorities to increase the supply of affordable housing and enhance the sustainability of local communities. Following these intentions Denbighshire County Council is proposing 1. To increase the premium for long-term empty homes and second homes from the current rate of 50% above the regular council tax charge, to 100% from 1st April 2024. 2. To increase the premium for long-term empty homes and second homes to 150% from 1st April 2025 3. To charge an additional 50% premium for all long-term empty homes which have been empty for a continuous period of five years or longer. (ie This would make the total premium 150% above the standard charge from 1st April 2024, and 200% above the standard charge from 2025). It is recommended that there is parity between the standard second home and long term empty premium, to minimise avoidance by taxpayers (who may apply to switch to the more favourable category).

Date Completed: 03/07/2023 11:29:11 Version: 2

Completed by: Rachel Thomas

Increasing Council Tax Premiums on Long Term Empty Homes & Second Homes

Responsible Service: Finance and Audit Services

Localities affected by the proposal: Whole County,

Who will be affected by the proposal? Those with housing needs (including the homeless, those in short term accommodation, those on housing waiting lists) owners of long term empty properties, owners of second homes, neighbours to these properties.

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

3 out of 4 stars

Actual score : 30 / 36.

Summary for each Sustainable Development principle

Long term

In line with Welsh Government (WG) intentions, these proposals seeks to improve affordability and availability of housing in the County and so grow prosperous and sustainable communities. WG has not provided conditions on how to use money from these premiums. However it is an opportunity to address local housing needs including homelessness; lessen some of the impacts second homes and long term empty properties can have on local communities; potentially develop projects to tackle poverty.

Prevention

The proposals aim to increase the availability of housing, directly supporting those who are most socio-economically disadvantaged. For those who own such homes, there are several exemptions from the premium (see www.gov.wales/council-tax-empty-and-second-homes). There is also an existing process for such owners in financial hardship. A phased and balanced approach on the % increase has deliberately been adopted, with at least 6 months notice period given to owners impacted.

Integration

This is Welsh Government legislation which aims to help Local Authorities address the demand for affordable housing. In addition the proposals are very much in line with our Corporate Plan.

Increasing Council Tax Premiums on Long Term Empty Homes & Second Homes

Specifically it supports the priority to ensure sufficient good quality housing is available. By bringing properties back into full time use we expect to see a positive impact on local economies and so support a prosperous Denbighshire.

Collaboration

This is part of a Welsh Government approach to address the housing crisis. All Local Authorities in Wales have the opportunity to use these powers and whilst we are making proposals based on Denbighshire needs we are engaging with neighbouring Local Authorities. In the development of Denbighshire proposals we have worked closely with colleagues in Council Tax and Planning.

Involvement

In accordance with Welsh Government recommendations we have undertaken a public consultation on the proposals. The consultation has been available online and computer access / paper copies available at all our libraries. Owners of long term empty homes and second homes have been directly notified of the consultation. A broader awareness has been undertaken through a press release and social media. Feedback received from the public consultation is included in this impact assessment.

Summary of impact

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

Increasing Council Tax Premiums on Long Term Empty Homes & Second Homes

Well-being Goals	Overall Impact
A globally responsible Denbighshire	Positive

Main conclusions

By increasing the council tax charges on long-term empty homes and second homes, we aim to encourage homeowners to bring long term empty and second homes back into use for the benefit of the local community and economy.

When considering these aims against the themes and goals of the Well being of Future Generations (Wales) Act we are able to demonstrate strong positive impacts for both current generations and future ones, particularly in improving access to housing, supporting local economies and communities and creating a more financially equal Denbighshire.

For the current owners of long term empty homes and second homes who would be impacted by these proposals we have raised awareness at this early proposal stage, will give 6 months notice of any changes, are recommending a phased and balanced approach to the increase, have a hardship process in place, will be clear and transparent on the exemptions available.

The likely impact on Denbighshire, Wales and the world.

A prosperous Denbighshire

Overall Impact

Positive

Justification for impact

The aim of these proposals is to address the demand for housing in the county. This is intended to both support local economies and regenerate them whether they be rural or urban. In addition whilst Welsh Government has not provided any conditions on how councils should use additional money from these premiums, it is an opportunity to address local housing needs including homelessness and to lessen some of the impacts second homes and long term empty properties can have on local communities.

Further actions required

By taking a phased and moderate approach to the increase in Council Tax premiums (ie WG allows us to increase the premium up to 300% but we are phasing in lower amounts) we hope to strike a balance between encouraging the return of properties in full time use against the impact on owners and tourism. Should the proposals be agreed we will be giving 6 months notice to relevant owners. There are also key exemptions from the premium and also a process for those in financial hardship.

Positive impacts identified:

A low carbon society

Feedback in the public consultation suggested that releasing existing properties back into the marketplace was better than building more properties.

Quality communications, infrastructure and transport

no known impacts

Economic development

Increasing Council Tax Premiums on Long Term Empty Homes & Second Homes

Addressing the housing demand is a key driver for these proposals. By doing this we anticipate a positive impact on the support and regeneration of the local economies in both urban and rural areas of the County.

Quality skills for the long term

Addressing the demand for homes may encourage those with certain skills to stay or move into the area.

Quality jobs for the long term

Consultation feedback noted bringing more properties back into the market is helpful for attracting workers into the area.

Childcare

no known impacts

Negative impacts identified:

A low carbon society

no known impacts

Quality communications, infrastructure and transport

no known impacts

Economic development

Some responses in the public consultation were concerned that these proposals would mean fewer second homes available as holiday accommodation and so negatively impact the tourism economy in Denbighshire.

The properties that would be impacted by an increase in premium would be second homes which come under Council Tax rather than Business Rates (those that are let for holiday purposes sufficiently in line with updated WG rules, come under Business Rates so would not be impacted by these proposals).

Quality skills for the long term

no known impacts

Quality jobs for the long term

no known impacts

Childcare

no known impacts

A resilient Denbighshire

Overall Impact

Positive

Justification for impact

Bringing back into full time use existing properties instead of building new developments on land that could otherwise be used to promote biodiversity and protect ecology.

Further actions required

The proposed extra premium for those properties which are long term empty for 5 years or more is designed to further encourage those properties back into use.

Positive impacts identified:

Biodiversity and the natural environment

Bringing back into full time use existing properties instead of building new developments on land that could otherwise be used to promote biodiversity and protect ecology.

Biodiversity in the built environment

no known impacts

Reducing waste, reusing and recycling

no known impacts

Reduced energy/fuel consumption

no known impacts

People's awareness of the environment and biodiversity

no known impacts

Flood risk management

no known impacts

Negative impacts identified:

Biodiversity and the natural environment

no known impacts

Biodiversity in the built environment

no known impacts

Reducing waste, reusing and recycling

no known impacts

Reduced energy/fuel consumption

no known impacts

People's awareness of the environment and biodiversity

no known impacts

Flood risk management

no known impacts

A healthier Denbighshire

Overall Impact

Positive

Justification for impact

Whilst there were some concerns from second home owners about either having to pay the premium or give up the second property, the overall impact is positive as it directly supports those individuals and families in our communities who need a home.

Further actions required

By taking a phased and moderate approach to the increase in Council Tax premiums (ie WG allows us to increase the premium up to 300% but we are phasing in lower amounts) we hope to strike a balance between encouraging the return of properties in full time use against the impact on owners. Should the proposals be agreed we will be giving 6 months notice to relevant owners. There are also key exemptions from the premium and also a process for those in financial hardship.

Positive impacts identified:

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

Homes that are in full time use are more likely to be well maintained and present fewer physical hazards such as broken windows. This is positive for immediate neighbours to such properties and in turn enhances the wider community.

Access to good quality, healthy food

no known impacts

People's emotional and mental well-being

The availability of good quality housing is an essential factor for an individual's health and wellbeing.

Access to healthcare

no known impacts

Participation in leisure opportunities

no known impacts

Negative impacts identified:

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

no known impacts

Access to good quality, healthy food

no known impacts

People's emotional and mental well-being

Some respondents to the consultation were concerned that the proposals would mean they would need to give up a second home. Some of these second homes hold strong emotional attachments or some provide a source of income.

Access to healthcare

no known impacts

Participation in leisure opportunities

no known impacts

A more equal Denbighshire

Overall Impact

Positive

Justification for impact

An increase in supply may stabilise house prices which would be positive for buyers although it is noted that this may have a negative financial impact on those selling. However the overall impact is viewed as positive as bringing properties back into the market place will increase the supply for the benefit of those needing housing.

Further actions required

No action required

Positive impacts identified:

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

no known impacts

People who suffer discrimination or disadvantage

These proposals are designed to encourage properties back into the marketplace and so help address the high demand for housing. This aims to support those who do not have a home or are in need of one eg are in temporary accommodation.

People affected by socio-economic disadvantage and unequal outcomes

Bringing properties back into the market place will increase the supply for the benefit of those needing housing. Also an increase in supply may stabilise prices which would be positive for those buying.

Areas affected by socio-economic disadvantage

no known impacts

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 impacts

People who suffer discrimination or disadvantage

no known impacts

People affected by socio-economic disadvantage and unequal outcomes

An increase in supply may bring down house prices which is a negative consequence for those selling.

Whilst the overall proposals aim to help meet the local demand for a home, there is no guarantee that all homes that are brought back into the marketplace will be bought by those without housing.

Areas affected by socio-economic disadvantage

no known impacts

A Denbighshire of cohesive communities

Overall Impact

Positive

Justification for impact

Full time residents have more opportunity to consistently contribute socially and economically to the community.

Encouraging the development of long term empty properties will improve visual attractiveness.

Further actions required

No action required

Positive impacts identified:

Safe communities and individuals

Tackling long term empty properties could reduce issues such as pest control and anti social behaviour

Community participation and resilience

Instead of having empty properties or second properties where people stay short term, these properties would be occupied full time and so the residents are more likely to be consistent participants in the local community.

The attractiveness of the area

Reducing the number of long term empty properties will result in fewer properties in various stages of disrepair with associated possible pest issues and anti-social behaviour.

Connected communities

no known impacts

Rural resilience

no known impacts

Negative impacts identified:

Safe communities and individuals

no known impacts

Community participation and resilience

In the consultation some second home owners noted their contribution to the local community by using eg local restaurants, shops, trades people.

The attractiveness of the area

no known impacts

Connected communities

no known impacts

Rural resilience

no known impacts

A Denbighshire of vibrant culture and thriving Welsh language

Overall Impact

Positive

Justification for impact

It is noted that the overall public consultation feedback did not see these proposals as having much relevance or impact on the Welsh language or culture. However it is anticipated that local people are more likely to purchase the properties that come back into the marketplace. For this reason it is felt that the overall impact would be positive.

Further actions required

No action required

Positive impacts identified:

People using Welsh

Having more housing available for local people may mean able to retain more Welsh speakers

Promoting the Welsh language

no known impacts

Culture and heritage

no known impacts

Negative impacts identified:

People using Welsh

More housing may become available and prices lower, but this may attract buyers from outside Wales who are less likely to be Welsh speakers

Promoting the Welsh language

no known impacts

Culture and heritage

no known impacts

A globally responsible Denbighshire

Overall Impact

Positive

Justification for impact

Having properties in full time use, rather than empty or in partial use, would provide a more consistent positive impact on local supply chains, with full time residents using supply chains full time eg local shops. Having a better supply of housing also improves chances of retaining or attracting workers, which supports the local economy.

Addressing the high demand for housing is a goal shared by a broad range of public bodies.

Further actions required

By taking a phased and moderate approach to the increase in Council Tax premiums (ie WG allows us to increase the premium up to 300% but we are phasing in lower amounts) we hope to strike a balance between encouraging the return of properties in full time use against the impact on owners. Should the proposals be agreed we will be giving 6 months notice to relevant owners. There are also key exemptions from the premium and also a process for those in financial hardship.

Positive impacts identified:

Local, national, international supply chains

Homes in full time use are more likely to contribute to the local economy. Workers more likely to be able to find somewhere to live locally to support the local economy.

Human rights

no known impacts

Broader service provision in the local area or the region

Improved access to housing.

Reducing climate change

no known impacts

Negative impacts identified:

Local, national, international supply chains

The reduction in second homes may impact on availability of a specific set of holiday accommodation (ie second homes which are let below updated WG rules and so fall under Council Tax rather than business rates) which may in turn have a negative impact on some local supply chains.

Human rights

no known impacts

Broader service provision in the local area or the region

no known impacts

Reducing climate change

no known impacts

Report to	Cabinet
Date of meeting	18 th July 2023
Lead Member / Officer	Councillor Gwyneth Ellis, Lead Member for Finance, Performance and Strategic Assets / Steve Gadd, Head of Finance and Audit
Report author	Steve Gadd, Head of Finance and Audit
Title	Finance Report (June 2023/24)

1. What is the report about?

The report gives details of the council's revenue budget and savings as agreed for 2023/24. The report also provides a summary update of the Capital Plan as well as the Housing Revenue Account and Housing Capital Plan.

2. What is the reason for making this report?

The purpose of the report is to provide an update on the council's current financial position and confirm the agreed service budgets for 2023/24.

3. What are the Recommendations?

3.1 Members note the budgets set for 2023/24 and progress against the agreed strategy.

4. Report details

The report provides a summary of the council's revenue budget for 2023/24 detailed in Appendix 1. The council's net revenue budget is £250.793m (£233.696m in 22/23). The position on service and corporate budgets is a forecast overspend of £2.395m (£3.348m overspend last month), reduced this month mainly by grant income. Services need to continually review expenditure and income in their areas to mitigate the impact of the

overall budget overspend. Narrative around the current risks and assumptions underlying this assessment are outlined in Section 6 and Appendix 2.

The 2023/24 budget required service savings and efficiencies of £8.172m to be identified and agreed as detailed below:

- Capital Financing Budget & Corporate contingencies budget reduced (£2.267m)
- Impact of the triennial actuarial review of the Clwyd Pension Fund (£3.828m)
- Savings from bringing Revenues & Benefits service back in house (£0.300m)
- Fees and Charges inflated in line with agreed Fees and Charges policy (£0.423m).
- Operational efficiencies (£0.538m) mostly identified by services throughout the year and within Head Service delegated responsibility in consultation with Lead Members.
- Schools were also asked to plan for 1% efficiencies (£0.816m).

The corporate and operational savings, and fees and charges increases are assumed to have been achieved.

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

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

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

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

6.1 Corporate Budgets – Although currently projected to break-even, the following risks are difficult to quantify at this early stage of the year:

- Pay settlements for 2023/24
- Call on contingencies relating to energy and other inflationary pressures.

These will be monitored closely over the coming months.

6.2 Education and Children’s Service – Although an additional pressure of £2.7m was included in budget for 2023/24 this service area remains a risk. The current outturn prediction is £808k overspend (previously £1.6m) due to pressures in children’s social care offset this month by grant income (£756k), and in Education services (£52k).

6.3 Adult Social Care and Homelessness – Although an additional pressure of £8.187m was included in the budget for 2023/24 this service remains an area of concern. The current outturn prediction is £1.661m overspend (previously £1.664m) due to pressures in placement costs (£1.2m) and in Homelessness (£0.5m).

6.4 Schools - The budget agreed by Council for 2023/24 included a total net additional investment (excluding increases in Welsh Government grants) in schools delegated budgets of £3.03m. The latest projection for school balances to be carried forward into 2024/25 is a net credit balance of £2.624m, which represents a decrease of £6.315m on the balances brought forward into 2023/24 of £8.939m. The movement is as expected as the high opening balances were mainly due to receipt of one-off funding to be spent on catch-up and recovery programmes in school. Education and Finance colleagues will work closely to help ensure that these balances are used in a timely and effective manner, and monitor closely those small number of schools projecting deficit balances. There is a small underspend of £169k on non-delegated school budgets.

6.6 The Housing Revenue Account (HRA). The latest revenue position assumes a decrease in balances at year end of £806k compared to £922k at the time the budget was approved. This movement relates to a reduction in estimated rental income, offset by a reduced contribution to the HRA capital programme. HRA balances are therefore forecast to be £762k at the end of the year. The Capital budget of £24m is largely allocated between planned improvements to existing housing stock (£12m) and new build developments and acquisitions (£12m).

6.7 Treasury Management – At the end of June, the council’s borrowing totalled £250.143m at an average rate of 4.18%. Investment balances were £8.5m at an average rate of 2.80%.

6.8 A summary of the council’s **Capital Plan** is enclosed as Appendix 3. The approved capital plan is £107.2m with expenditure to date of £11.6m. Appendix 4 provides an update on the major projects included in the overall Capital Plan.

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

A Well-being Impact Assessments for the Council Tax rise was presented to Council on 31 January 2023.

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

In addition to regular reports to the Corporate Governance Committee, the budget process has been considered by SLT, Cabinet Briefing, Group Leaders and Council Briefing meetings. The School Budget Forum have been included in the proposals through-out the year. Trade Unions have been consulted through Local Joint Consultative Committee. The budget process for 2024/25 includes plans to consult and engage with the public and other stakeholders.

9. Chief Finance Officer Statement

The substantial level of overspend across services is a grave concern in the current year and for the medium term. Significant investment has gone into these specific service areas in recent years and it is expected that that need will continue. Initial pressures have already been included in the Medium Term Financial Plan and these will be kept under review, while the pressure for these services will need to be reviewed in the coming months. The contingencies held corporately look to be sufficient to cover the service pressures for this financial year, but further risks and pressures are expected in the coming months which may require positive management action to reduce in year expenditure.

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

This remains a very challenging financial period and these specific service issues, along with inflationary pressures across all services, are becoming increasingly hard to finance

as our funding fails to keep up with inflationary, service and demographic pressures. The level of budget pressures in year is likely to reduce our level of contingencies to a level that will need to be replenished within the budget process for 2024/25. Although the financial outlook looks uncertain, the Council has a robust Budget Process in place which will help identify these pressures and identify savings and methods of funding which will help maintain the Council's financial health going forward.

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

DENBIGHSHIRE COUNTY COUNCIL REVENUE BUDGET 2023/24

Jun-23	Net Budget	Budget 2023/24			Projected Outturn							Variance
	2022/23	Expenditure	Income	Net	Expenditure	Income	Net	Expenditure	Income	Net	Net	Previous Report
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	%	£'000
Housing and Communities	2,755	3,487	-778	2,709	3,525	-912	2,613	38	-134	-96	-3.54%	0
Education and Children's Service	19,160	37,103	-15,637	21,466	30,873	-8,599	22,274	-6,230	7,038	808	3.76%	1,553
Corporate Support: Performance, Digital, Assets	6,966	11,503	-3,750	7,753	11,185	-3,397	7,788	-318	353	35	0.45%	-36
Corporate Support: People	3,868	6,034	-1,953	4,081	5,801	-1,884	3,917	-233	69	-164	-4.02%	-142
Finance and Audit	3,323	5,023	-2,124	2,899	4,744	-1,963	2,781	-279	161	-118	-4.07%	3
Highways and Environmental Services	17,275	30,005	-12,646	17,359	27,068	-9,457	17,611	-2,937	3,189	252	1.45%	278
Planning, Public Protection and Countryside	11,168	19,147	-7,387	11,760	18,880	-7,098	11,782	-267	289	22	0.19%	33
Adult Social Care and Homelessness	44,174	73,241	-21,719	51,522	69,261	-16,078	53,183	-3,980	5,641	1,661	3.22%	1,664
Leisure - Retained Budgets	3,654	3,402	0	3,402	3,397	0	3,397	-5	0	-5	-0.15%	-5
Total Services	112,343	188,945	-65,994	122,951	174,734	-49,388	125,346	-14,211	16,606	2,395	1.95%	3,348
Corporate	17,699	51,366	-29,271	22,095	51,366	-29,271	22,095	0	0	0	0.00%	0
Predictions & Levies	5,381	6,064	0	6,064	6,064	0	6,064	0	0	0	0.00%	0
Capital Financing	15,943	15,243	0	15,243	15,243	0	15,243	0	0	0	0.00%	0
Total Corporate	39,023	72,673	-29,271	43,402	72,673	-29,271	43,402	0	0	0	0.00%	0
Council Services & Corporate Budget	151,366	261,618	-95,265	166,353	247,407	-78,659	168,748	-14,211	16,606	2,395	1.44%	3,348
Schools & Non-delegated School Budgets	82,330	92,902	-8,462	84,440	99,512	-8,926	90,586	6,610	-464	6,146	7.28%	0
Total Council Budget	233,696	354,520	-103,727	250,793	346,919	-87,585	259,334	-7,601	16,142	8,541	3.41%	3,348
Housing Revenue Account	4	19,302	-18,380	922	18,889	-18,083	806	-413	297	-116		-104

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Appendix 2 - Service Variance Narrative

Service	Variance Last Month £000	Variance This Month £000	Change £000	Description
Housing and Communities	0	-96	-96	Underspend due to vacancies and minor variances.
Education and Children's Service	1,553	808	-745	See body of report for summary. Overspend in children's social care (£756k) due to placements, increases in legal and staffing costs offset this month by grant income. All residential and fostering placements have been costed to realistic timescales, however no allowance has been made for any further placements throughout the year. Overspend in Education services of £52k.
Corporate Support: Performance, Digital, Assets	-36	35	71	Overspend due to premises costs of surplus assets
Corporate Support: People	-142	-164	-22	Underspend due to vacancies and minor variances.
Finance and Audit	3	-118	-121	Underspend due to vacancies and minor variances.
Highways and Environmental Services	278	252	-26	Budget pressure due to increasing fleet costs in streetscene.
Planning, Public Protection and Countryside	33	22	-11	The overspend reflects reduced projected planning income. This will be monitored closely over coming months. Risks remain around School Transport and the true picture will not be known until the Autumn term contracts have been agreed.
Adult Social Care and Homelessness	1,664	1,661	-3	See body of report for summary. The £1.7m overspend is due to an overall pressure in Adult Social Care (£1.2m) due to increased costs in Domiciliary Care and Community Living, higher costs for residential, nursing and specialist placements, and reduced projected care income, and in Homelessness (£0.5m).
Leisure - Retained Budgets	-5	-5	0	Minor variances
Corporate & Miscellaneous	0	0	0	See body of report for details
Precepts & Levies	0	0	0	See body of report for details
Capital Financing	0	0	0	The position on capital financing is very much related to progress on capital projects and variances do not crystallise until the final outturn is known.
Council Services & Corporate Budget	3,348	2,395	-953	

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Denbighshire County Council - Capital Plan 2022/23 - 2025/26

APPENDIX 3

Position to end June 2023

Capital Expenditure

Total Estimated Payments - Other

Total Estimated Payments - Major Projects:

Housing Improvement Grants

Highways Maintenance

Central Prestatyn Coastal Defence Scheme

Central Rhyl Coastal Defence Scheme

Rhyl Queens Market Redevelopment

Waste Service Remodelling

Contingency

Total

2022/23 OUTTURN POSITION £000s	2023/24 ORIGINAL ESTIMATE £000s	2023/24 LATEST ESTIMATE £000s	2024/25 LATEST ESTIMATE £000s	2025/26 LATEST ESTIMATE £000s
25,658	22,464	47,078	618	239
1,303	1,500	1,871	0	0
4,713	4,713	5,209	0	0
496	16,420	9,952	7,618	8,028
626	35,052	29,799	22,864	12,737
3,662	2,848	2,709	175	0
4,372	8,847	10,046	0	0
	500	577		
40,830	92,344	107,241	31,275	21,004
26,922	21,253	37,224	693	139
2,330	3,980	7,406	0	0
11,579	67,111	62,611	30,582	20,865
0	0	(0)	0	0
40,830	92,344	107,241	31,275	21,004

Capital Financing

External Funding

Receipts and Reserves

Prudential Borrowing

Unallocated Funding

Total Capital Financing

Note: 2023/24 Original Estimate is the position as approved by Council on 28 February 2023

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Major Capital Projects - Update as at June 2023

Rhyl Queens Market Redevelopment	
Total Budget	£13.253m
Expenditure to date	£11.678m
Estimated remaining spend in 23/24	£1.400m
Future Years' estimated spend	£0.175m
Funding	WG £8.060m DCC Asbestos £0.272m. DCC £4.921m
Narrative:	
<p>Construction commenced on Monday 15 August 2022 by Wynne Construction and was scheduled to finish July 2023. An issue has arisen with the works to energise the site ready for commissioning and testing. The works are not able to be carried out prior to the summer season streetworks embargo so will now have to take place in September. The impact of this issue is not yet fully known.</p> <p>Approval to award a contract to the preferred supplier was received from June 27th 2023 Cabinet Committee. We are now working with the supplier (Mikhail Hotel and Leisure Group) to agree the contract, complete the fitout and secure vendors ready for opening next year.</p>	
Forecast In Year Expenditure 23/24	£2.709m

Waste Service Re-modelling	
Total Budget	£21.101m
Expenditure to date	£11.357m
Estimated remaining spend in 23/24	£9.744m
Future Years estimated spend	£0
Funding	WG £12.022m, DCC £9.079m
Narrative:	
<p>A number of work streams are being taken forward including:</p> <ul style="list-style-type: none"> • Work is ongoing with Phase 2 of the construction of the new waste transfer station (WTS) at the Colomendy Industrial Estate in Denbigh. The Main Contractor on Phase 2 went into administration in February 2023. DCC has been managing the Subcontractors direct since then and a report was taken to Cabinet in May and approval given for the preferred way forward for delivering the rest of the Phase 2 works to completion which is anticipated by December. To address cost pressures related to the loss of the Main Contractor a bid for additional grant funding for £890K to Welsh Government has been successful. • At present working towards a roll out of the new recycling collections model from spring 2024 however the precise dates for roll out of the new service from the new WTS to be confirmed in due course as it is dependent on issue of a permit to operate the WTS from NRW. In advance of the main service change, a roll out of AHP weekly collections for those who wish to sign up is being launched in a trial area from September 2023 before launching County wide in 2024. • Specification and procurement of the new fleet required to support the new model has been completed with delivery of this new fleet anticipated to commence in autumn 2023 ahead of the roll out of the new service to allow for commissioning and training on the new fleet before it goes operational. • Procurement of the new containers required for the new collections model are ongoing with procurement of the remaining containers required occurring through 2023 in the run up to the service change. • A number of mobilisation and communication activities are ongoing to prepare for the service change and include developing the new collection routes; planning for any staffing changes/requirements and ongoing engagement and communication with stakeholders and residents. 	
Forecast In Year Expenditure 23/24	£10.415m

Sustainable Communities for Learning – Band B	
Total Budget	£51.9m
Expenditure to date	£0.956m
Estimated remaining spend in 23/24	£1.845m
Future Years' estimated spend	£49.099m
Funding	WG £36.1m, DCC £15.8m
Narrative:	
<p>The various schemes included within Band B of the Sustainable Communities for Learning Programme in partnership with Welsh Government are at a holding stage for a variety of reasons.</p> <p>The Outline Business Case for the Ysgol Plas Brondyffryn project was approved by Welsh Government and the pre planning consultation with the community on the proposed design of the new school has now taken place. The statutory notice for the proposed extension in capacity was published on the 8th November and the period for objection ran until the 5th December 2022. Two objections were received and the Cabinet approved the proposal to increase the capacity of the school in February 2023. A further meeting of the Denbigh MAG will be held shortly to consider further information regarding the sites for the school and following this a report will be presented to Cabinet to seek endorsement of the preferred site for the progression of the project. As the Denbigh High project is linked to the Ysgol Plas Brondyffryn scheme this project is paused pending clarity on the way forward.</p> <p>The submission of the Ysgol Bryn Collen / Ysgol Gwernant in Llangollen to the Welsh Government for funding via the Sustainable Schools Challenge was unsuccessful. The project was shortlisted but unfortunately was not selected as a pilot project. The findings of the feasibility report are now being assessed to understand the best way forward for this project moving forward.</p> <p>Design and Construction are currently undertaking feasibility works for options for Ysgol Pendref and once the report is completed the findings will be presented to the Modernising Education Programme Board and the Denbigh MAG as part of the process of determining a preferred way forward for the project.</p> <p>The projects under Band B will be required to meet Net Carbon Zero requirements and Welsh Government have agreed to meet these additional costs to an agreed benchmark. Discussions have also taken place with Welsh Government regarding likely cost pressures for individual projects and how this will impact on the overall programme affordability. Given timescales for delivery it is increasingly likely that the 4 Band B projects will need to be considered as part of the next phase of the delivery of Sustainable Communities for Learning Programme whereby a rolling programme of projects will need to be proposed by local authorities.</p>	
Forecast In Year Expenditure 23/24	£1.848m

Central Prestatyn and Central Rhyl Coastal Defence Schemes – Construction Phase	
Total Budget	Prestatyn £26.094m Rhyl £66.026m
Expenditure to date	Prestatyn £2.063m Rhyl £4.405m
Estimated remaining spend in 23/24	Prestatyn £8.385m Rhyl £26.02m
Future Years' estimated spend	Prestatyn £15.646m Rhyl £35.601m
Funding	Prestatyn: WG £22.18m; DCC £3.914m Rhyl: WG £56.122m; DCC £9.904m
Narrative:	
<u>Prestatyn</u>	
Construction has commenced by Balfour Beatty and is scheduled to finish April 2026.	
Ground monitoring equipment (inclinometers & piezometers) has been installed, as has the temporary haul road to access the beach. Works have been undertaken to the NRW culvert. Topsoil has been stripped to formation level and works have begun to place a 100mm layer of aggregate.	
<u>Rhyl</u>	
Construction has commenced by Balfour Beatty and is scheduled to finish October 2025.	
Construction of the access to the promenade and a ramp to the beach from the main compound has been undertaken. Construction and installation of the promenade rock toe protection has also commenced.	
Agreements with SC2 and the Kiosk owners have now concluded and the associated payments are included within the expenditure to date figure. The Kiosks were duly vacated at the beginning of June.	
Forecast In Year Expenditure 23/24	Prestatyn £9.952m Rhyl £29.799m

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	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	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
	3	North Wales Velodrome Business Case	To consider the business case for the North Wales Velodrome Project	Tbc	Cllr Rhys Thomas Gary Williams / Jamie Groves
	4	North East Wales Archive project	To provide Cabinet with an update, to review the options appraisal and seek authorisation to submit a National Lottery Heritage Fund grant application, noting the required match funding contribution if successful	Yes	Cllr Emrys Wynne Lead Officer – Liz Grieve Report Author – Craig Berry / Sian Price
	5	Annual Treasury Management	To give a review of the	Tbc	Cllr Gwyneth Ellis

Cabinet Forward Work Plan

Meeting	Item (description / title)		Purpose of report	Cabinet Decision required (yes/no)	Author – Lead member and contact officer
		Review Report 2022/23	Treasury Management activities over the previous financial year (2022/23)		Lead Officer – Steve Gadd Report Author – Rhys Ifor Jones
	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
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	Care Home Fee Setting 2024/25	To brief Cabinet on the outcome of the Regional 2024/25 Care Home Fee Setting process and seek approval for Denbighshire's response to its	Yes	Cllr Elen Heaton Lead Officer / Report Author – Nicola Stubbins / David Soley

Cabinet Forward Work Plan

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

Note for officers – Cabinet Report Deadlines

Cabinet Forward Work Plan

<i>Meeting</i>	<i>Deadline</i>	<i>Meeting</i>	<i>Deadline</i>	<i>Meeting</i>	<i>Deadline</i>
<i>19 September</i>	<i>5 September</i>	<i>24 October</i>	<i>10 October</i>	<i>21 November</i>	<i>7 November</i>

Updated 07/07/2023 – KEJ

Cabinet Forward Work Programme.doc

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