

## **CABINET**

Minutes of a meeting of the Cabinet held in the Council Chamber, County Hall, Ruthin and by video conference on Thursday, 29 September 2022 at 1.00 pm.

### **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; 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

**Observer:** Councillor Gareth Sandilands

### **ALSO PRESENT**

Chief Executive (GB); Corporate Director: Governance and Business/Monitoring Officer (GW); Head of Finance and Property (SG); Acting Head of Highways and Environmental Services (AC); Lead Officer Corporate Property and Housing Stock (DL); Strategic Planning and Housing Manager (AL); Senior Planning Officer (KB); Planning Officer (GC); Business Coordinator: Leader's Office (SE) and Committee Administrators (KEJ & SJ [Webcaster])

### **POINT OF NOTICE - TRIBUTE: HER LATE MAJESTY QUEEN ELIZABETH II**

Due to the national mourning period following the death of Her Majesty Queen Elizabeth II the Cabinet meeting scheduled for 20 September 2022 had not been held. Given that some decisions needed to be made, today's meeting of Cabinet had been arranged.

The Leader spent some time reflecting on the sad news of the passing of Her Late Majesty Queen Elizabeth II who had dedicated her life to the people of this country and the Commonwealth during her 70-year reign as Britain's longest serving Monarch. The Leader paid tribute and expressed gratitude for her lifetime of devotion to public service and detailed how the Council had responded to the announcement of her death in line with national protocol. He also recorded his gratitude to Councillor Arwel Roberts, Chair of the Council for the way he had carried out his duties on behalf of the Council with dignity and honour. Finally, the Leader thanked members and officers who had continued to provide Council services and carried out their duties in a dignified and respectful manner during the national period of mourning, and to all officers across the Council who had ensured the Council arrangements were carried out in line with national protocol.

### **1 APOLOGIES**

Councillor Elen Heaton, Lead Member for Health and Social Care

Councillor Julie Matthews, Lead Member for Corporate Strategy, Policy and Equalities would be slightly late to the meeting due to a prior engagement.

## **2 DECLARATION OF INTERESTS**

No declarations of interest had been raised.

## **3 URGENT MATTERS**

No urgent matters had been raised.

## **4 MINUTES**

The minutes of the Cabinet meeting held on 26 July 2022 were submitted.

***RESOLVED*** that the minutes of the meeting held on 26 July 2022 be received and confirmed as a correct record.

## **5 FINANCE REPORT**

Councillor Gwyneth Ellis presented the report detailing the latest financial position and progress against the agreed budget strategy, highlighting the current financial uncertainties, and also recommended Cabinet approval of two business cases.

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

- the net revenue budget for 2022/23 was £233.696m (£216.818m in 2021/22)
- an overspend of £1.953m was forecast for service and corporate budgets
- highlighted current risks and assumptions relating to corporate budgets and individual service areas together with the impact of coronavirus and inflation
- detailed service savings and fees and charges increases (£0.754m); no savings having been requested from Community Support Services or Schools
- provided a general update on the Housing Revenue Account, Treasury Management, Capital Plan and major projects.

The Head of Finance and Property explained that the report had been prepared for Cabinet on 20 September and some figures had changed but a further update would be provided to Cabinet in October. He drew attention to the budget pressure in Children's Services and out of county placements, and in Community Support Services with little remaining in cash reserves to fund in-year pressures and any future movements likely to show an overspend. Councillor Gill German gave assurances that much work was being done to address budget pressures caused by out of county placements with plans in place. The Leader referred to the implications of the UK Government's budget on Welsh Government funding with huge budget pressures going forward. The Head of Finance and Property shared those concerns and the impact on future budget setting with an update thereon scheduled for Cabinet Briefing.

Cabinet approval had been sought for two business cases relating to new salt storage facilities at Corwen and Lon Parcwr, Ruthin depot sites and new welfare,

vehicle and equipment storage facilities at Rhyl Botanical Gardens depot which had been reviewed and supported by the Budget Board. The Acting Head of Highways and Environmental Services provided an overview of the business cases and reasoning behind the request and need for investment in those assets. Councillors Gwyneth Ellis and Barry Mellor had visited the facilities and were fully supportive of the proposed investment. Cabinet considered each business case separately –

- **New salt storage facilities at Corwen and Lon Parcwr, Ruthin depot sites**

Cabinet considered the proposal to replace the temporary buildings at Corwen and develop new salt storage facilities at Corwen and Lon Parcwr with new purpose built facilities. It was accepted that the current storage and drainage systems were not fit for purpose and did not comply with current guidelines. It was clarified that the proposal involved improvement to the existing sites and not relocation of the facilities. Cabinet was supportive of the capital investment to improve the facilities to address the issues raised and also ensure significant improvements to welfare, vehicle and equipment storage facilities and reduce environmental impacts. With regard to Corwen, it was noted that the new build would enable vehicles to be kept on-site thereby further facilitating both operational and environmental efficiencies.

- **New welfare, vehicle and equipment storage facilities at the Rhyl Botanical Gardens Depot**

Cabinet considered the proposal to develop and construct new welfare, vehicle and equipment storage facilities along with the reconfiguration of the remaining site in order to replace the existing temporary buildings. It was noted that the existing buildings were no longer fit for purpose and were beyond economic repair, some of which had already been demolished due to significant safety concerns. Reference was made to Phase 1 construction works which had commenced on site with the business case focusing on Phase 2 to continue improvement work on site. Cabinet considered it vital that staff had appropriate facilities in their place of work.

In summary, Cabinet noted the proposed significant capital investment in council facilities of just over £3.5m combined for both projects to benefit the county, improve facilities for staff, create efficiencies and positively impact on environmental concerns, and therefore were fully supportive of both business cases.

**RESOLVED** that Cabinet –

- (a) note the budgets set for 2022/23 and progress against the agreed budget strategy;*
- (b) approve new salt storage facilities at Corwen and Lon Parcwr, Ruthin depot sites as detailed in Section 6.9 of the report and Appendix 5 to the report, and*
- (c) approve the development and construction of a new welfare, vehicle and equipment storage facilities at the Rhyl Botanical Gardens as detailed in Section 6.9 of the report and Appendix 5 to the report.*

## 6 PHASE 2 SOCIAL HOUSING RETROFIT WORKS - RHYDWEN DRIVE, RHYL

Councillor Rhys Thomas presented the report seeking approval to proceed with a Direct Award contract to Sustainable Building Services for energy retrofit works.

In line with the council's planned capital maintenance work, Welsh Government funding had been secured for optimised retrofit works for energy saving in homes and the benefit of tenants. Previous funding had enabled Phase 1 energy works to 55 houses on Rhydwen Drive and the intention was to use the latest funding to continue those works for a further 44 houses along the street. Details of the improvement works and benefits of continuing the scheme had been set out and it was recommended that Cabinet approve the award of a contract through the Welsh Alliance Framework to enable the contractor currently on-site to continue with the work into Phase 2. The Phase 1 contract ended on 30 September and therefore Cabinet had been asked to approve immediate implementation of the contract award given any delay would lead to additional costs and programme delays.

Cabinet praised the excellent work that had already been carried out with the council being at the forefront in progressing energy improvement works, particularly in one of the most deprived areas in Wales, with tenants benefiting from lower energy bills at a time of fuel insecurities. Cabinet also welcomed the community benefits in terms of training and apprenticeships, including 12 local apprentices, and members were keen for the council to continue to support those apprentices to ensure they obtained good qualifications and secured future employment. The Lead Officer Corporate Property and Housing Stock confirmed that whilst similar works had been carried out by other local authorities, Denbighshire remained at the forefront. Phase 2 would enable the 12 apprentices from Phase 1 to continue their employment and gain relevant qualifications by the end of the second phase. Assurances were also given that the apprentices would be supported to gain full time employment following completion of the works, and reference was made to Working Denbighshire as a further means of providing help to ensure the apprentices secured further employment if it was not possible for them to be taken on by the current contractor on-site.

In terms of the contract award and potential waive of the 5-day call in period, the Lead Officer confirmed that if Cabinet approved the contract award it would give confidence to the contractors and others in the supply chain that the award would be imminent and ensure a seamless transition to Phase 2. The Monitoring Officer provided some legal context and provision in the council's constitution to waive the call in for urgent decisions where the reasons for the urgency had been set out.

Cabinet considered the report recommendations and it was subsequently –

**RESOLVED** that Cabinet –

- (a) *directly award the contract to the contractor currently undertaking Phase 1 of the works based on the competitive rates via the Welsh Procurement Alliance Energy Framework as agreed by Procurement, and*

- (b) *that the 5-day call in period requirement prior to implementing the Cabinet decision is waived on the basis that the current contract ends on 30 September 2022 and any delay in contract award will lead to additional costs and programme delays leading to the risk of missing grant stipulated spending deadlines.*

## **7 FORMATION OF A NUTRIENT MANAGEMENT BOARD TO TACKLE PHOSPHORUS POLLUTION IN THE "RIVER DEE AND BALA LAKE" SPECIAL AREA OF CONSERVATION**

Councillor Barry Mellor presented a joint report with Councillor Win Mullen-James on the formation of the Nutrient Management Board to tackle phosphorus pollution in the River Dee catchment area, and for lead member representation on the Board.

Cabinet was advised that new phosphorous standards for the Welsh Riverine Special Areas of Conservation (SAC) had been set with around 38% of surveyed waterbodies in the "River Dee and Bala Lake SAC" compliance areas having failed to achieve the targets. Wrexham County Borough Council and Flintshire County Council had committed to form a Nutrient Management Board (NMB) and it was recommended that Denbighshire County Council join the partnership to enable a catchment-wide approach to improving water quality in the River Dee, and ensure the Council could deliver local community projects and an efficient Planning Service under consideration of the Habitats Regulations 2017. The report set out the legal framework, structure, potential resource requirements and early workload.

The Strategic Planning and Housing Manager, Senior Planning Officer and Planning Officer attended for this item. Cabinet was advised of the environmental damage caused by too much phosphorous in the river and the implications that the new targets would have on planning applications and delivery of new housing, employment land, etc. Reference was made to the map accompanying the report showing the River Dee catchment area which covered a significant part of southern Denbighshire, including Llangollen and Corwen as the main towns and the villages in between. The NMB provided a partnership approach to tackling water quality and approval was sought to join the Board and confirm Councillor Barry Mellor as the Council's representative and Councillor Win Mullen-James as substitute.

The following points were raised during the ensuing debate –

- Councillor Win Mullen-James highlighted the devastating impact of algae blooms caused by raised phosphate levels on river ecology and wildlife and the importance of joining the NMB with a view to tackling the issue of phosphate pollution and the implications on future planning applications
- Councillor Emrys Wynne raised questions regarding the lack of reference in the report to the River Alyn as a tributary of the River Dee and the known problem with phosphates in the Llanarmon yn Ial area. Officers advised that the River Alyn itself and Llanarmon yn Ial area were not part of the SAC which focused on the area specifically around the River Dee. However, the wider catchment area still fell under the Habitats Regulations 2017 because increases in phosphates in those areas had a pathway into the River Dee. Attention was drawn to the

map attached to the report highlighting the distinction between SAC phosphate compliance areas and SAC phosphate sensitive areas

- Welsh Government designates riverine Special Areas of Conservation in light of recommendations made by Natural Resources Wales (previously Countryside Council for Wales) through the Joint Nature Conservation Committee
- Councillor Barry Mellor stressed the need to consider all phosphate sources entering the River Dee, including those from outside the SAC, and the issue would best be raised at the NMB. He added that the Welsh Government had provided funding to support the work of the NMBs, with up to £415k available across Wales in 2022-23 and additional provision in 2023-24 and 2024-25
- Councillor Rhys Thomas referred to survey work he had undertaken on the River Dee and he fully understood the problems associated with phosphate levels. He emphasised the need to work across the whole catchment area taking into account all causes of phosphate pollution with a view to resolving the problem and therefore was fully supportive of the work of the NMB.

Cabinet recognised the importance of tackling phosphate pollution both for environmental reasons and impact on planning applications, including future housing provision, and were fully supportive of the Council joining the NMB.

**RESOLVED** that Cabinet agrees –

- (a) *that Denbighshire County Council joins the Nutrient Management Board and works collaboratively with its partners to tackle phosphorus pollution in the River Dee catchment area, and*
- (b) *that the Council is represented by the Lead Member for Environment and Transport with the Lead Member for Local Development and Planning being the substitute.*

## **8 CABINET FORWARD WORK PROGRAMME**

The Cabinet forward work programme was presented for consideration and members noted that the item 'Queen's Market: Operator Contract Award' had been rescheduled from November to January. It was also noted that the reference to the lead member and officer relating to the Annual Treasury Management Report 2021-22 item for October should read Councillor Gwyneth Ellis and Steve Gadd.

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

The meeting concluded at 2.00 pm.