

To: Members of the Cabinet

Date: 23 September 2022

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Dear Councillor

You are invited to attend a meeting of the **CABINET** to be held at **1.00 pm** on **THURSDAY, 29 SEPTEMBER 2022** in the **COUNCIL CHAMBER, COUNTY HALL, RUTHIN AND BY VIDEO CONFERENCE.**

Yours sincerely

G. Williams  
Monitoring Officer

## **AGENDA**

### **1 APOLOGIES**

### **2 DECLARATION OF INTERESTS**

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

### **3 URGENT MATTERS**

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

### **4 MINUTES (Pages 5 - 16)**

To receive the minutes of the Cabinet meeting held on 26 July 2022 (copy enclosed).

**5 FINANCE REPORT (Pages 17 - 110)**

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, and seeking Cabinet approval of 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.

**6 PHASE 2 SOCIAL HOUSING RETROFIT WORKS - RHYDWEN DRIVE, RHYL (Pages 111 - 126)**

To consider a report by Councillor Rhys Thomas, Lead Member for Housing and Communities (copy enclosed) seeking approval to proceed with a Direct Award contract to Sustainable Building Services for energy retrofit works.

**7 FORMATION OF A NUTRIENT MANAGEMENT BOARD TO TACKLE PHOSPHORUS POLLUTION IN THE "RIVER DEE AND BALA LAKE" SPECIAL AREA OF CONSERVATION (Pages 127 - 148)**

To consider a joint report by Councillors Win Mullen-James, Lead Member for Local Development and Planning and Barry Mellor, Lead Member for Environment and Transport (copy enclosed) regarding formation of the Nutrient Management Board, and seeking lead member representation on the Board.

**8 CABINET FORWARD WORK PROGRAMME (Pages 149 - 152)**

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

**MEMBERSHIP**

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

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

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## LOCAL GOVERNMENT ACT 2000

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### 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, 26 July 2022 at 10.00 am.

## **PRESENT**

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

**Observers:** Councillors Karen Edwards, Chris Evans, Bobby Feeley, Huw Hilditch-Roberts, Merfyn Parry, Gareth Sandilands, Peter Scott, Andrea Tomlin, Huw Williams and Mark Young

## **ALSO PRESENT**

Chief Executive (GB); Corporate Director: Communities (NS); Heads of Service: Legal, HR and Democratic Services (GW), Finance and Property (SG), Education (GD), and Communities and Customer Services (LG); Scrutiny Co-ordinator (RE); Climate Change Project Manager (JH); Countryside and Heritage Services Manager (HR); Service Manager, Business Support and Communities (NJ); Principal Manager – School Support (JC); Business Coordinator: Leader’s Office (SE) and Committee Administrators (KEJ & SJ [Webcaster])

### **1 APOLOGIES**

There were no apologies.

### **2 DECLARATION OF INTERESTS**

The following members declared a personal interest in agenda item 8 ‘Sustainable Communities for Learning – Band B’ –

Councillor Gill German had two children who attended Prestatyn High School  
Councillor Jason McLellan had a child who attended Prestatyn High School  
Councillor Emrys Wynne was a School Governor at Ysgol Brynhyfryd, Ruthin

### **3 URGENT MATTERS**

At this point, the Leader advised that he had received a request from Councillor Mark Young for a late question to be put to Cabinet regarding care fees and sought advice thereon. The Head of Legal, HR and Democratic Services explained the constitutional provisions relating to a question to be submitted to Cabinet, and the

criteria for an urgent matter, neither of which had been met in this case. However, the Leader had discretion to allow the question. Having considered the question, and noting the importance of the topic, the Leader exercised his discretion and allowed the question to be put. The question referred to an existing policy and the Leader advised and reminded Councillor Young of the internal mechanisms available within the Council, such as the Scrutiny Committees, should he wish to challenge or scrutinise that policy.

Councillor Mark Young read out his question as follows:

“You will be aware of the press across Wales and more recently in North Wales regarding care costs paid by local authorities. Last month, Gwynedd Council’s Cabinet voted to increase fees for nursing care by 25%, and now also Anglesey have agreed to increase its fees, also by up to 25%. I am told that Conwy and Wrexham have also conducted reviews of funding levels. So due to these recent reports as mentioned, my question, after the above both being raised in the press and to me personally, and going alone the councils are moving away from the regional approach on care funding, where are Denbighshire regarding this? I feel the response today by Cabinet will be helpful and appreciated by elected members, residents and of course care providers.”

Councillor Elen Heaton, Lead Member for Health and Social Care responded to the question put as follows:

“I am aware of the recent press regarding care fees in North Wales and I do welcome this opportunity to address this issue and to clarify Denbighshire’s position. Each year, Denbighshire County Council sets the fees in advance of the next financial year for externally commissioned Residential and Nursing care packages, Specialist Care Homes, Domiciliary Care, and Supported Living Schemes. This is not a unilateral decision, it is in collaboration with the North Wales Regional Care Fees Group and in consultation with providers. Broadly following this regionally agreed methodology, a decision was taken in January of this year to increase the fees and to pay the Real Living Wage. This meant for the 2022 – 23 financial year (from the previous year fees) there was an increase of: 6.96% for residential care homes, 10.15% for EMI residential care homes, 7.04% for nursing homes, 10.21% for EMI nursing homes, and 8.12% for domiciliary care.

Letters had been sent out in February to providers outlining the proposed fee increases, and meetings had been held to discuss this. Whilst many of our providers have welcomed this, concerns have been raised about increased costs, such as: fuel cost increases impacting domiciliary care; groceries, utilities and insurance cost increases affecting care homes; acknowledging the reliance some have placed on the Welsh Government’s temporary covid-19 financial uplift support which has now been taken away, and of course the cost of further recruitment and retention challenges. Therefore, a further decision had been taken in June of this year to recognise this current challenge and to provide additional uplift to the current fees, and just as a side note I would like to add this was before Gwynedd and Anglesey had publically announced their fee increases. So this means for residential and nursing care home fees and specialist care home fees a decision was taken to increase CPI from 3.1% (September 2021) to 7% in March this year to

reflect the inflating costs. For domiciliary care a decision was taken to apply an additional 50p rate to all our hour-long calls, which is half the £1/hr which had been supplemented by the Welsh Government for the whole of 2021/22 and to increase the cost of increasing the half-hour calls by 50p in recognition of the provider feedback and reduced productive time between shorter calls. This has been backdated to 1 April 2022 and letters had been sent out on 21 June to the providers confirming this and it had been welcomed by many. I will just read a response from one of the providers for you, it reads “*I just wanted to thank you for the additional component to the uplift for 2022/23. It is very positive that you were able to respond to the points raised by providers and is appreciated. Please pass on our thanks to others involved in the review*”.

The most important point that I would like to add to that, as I think it is necessary for members to be aware of as well as residents, is that Denbighshire has always maintained the position with all of our providers, if they have particular difficulties, we would meet with them and undertake an open book exercise. So to reiterate this, the offer is there for providers to meet with the Council if they are having financial difficulties so long as they justify the need for additional support by opening their books. So to summarise, I do think it is important to consider the context from comparing figures as our social care market is significantly different to that of Anglesey and Gwynedd, so with that in mind Denbighshire has been reviewing this issue and has provided fee increases that have reflected our local pressures and I know that Denbighshire will continue to work with providers and the North Wales Regional Care Fees Group as it now begins work to determine the care fees for 2023/24.”

The Leader thanked Councillor Heaton for the response, as did Councillor Mark Young, who also highlighted the need to review the regional approach going forward given the move away from the North Wales standard fees by two councils.

#### **4 MINUTES**

The minutes of the Cabinet meeting held on 28 June 2022 were submitted.

**Matters Arising** – Page 8, Item 5 UK Government Levelling Up Fund Bid Approval – Clwyd West Constituency – In response questions from Councillor Huw Hilditch-Roberts regarding changes to the process since the last meeting and whether there would be an impact on Denbighshire’s bid, the Leader suggested he meet with Councillor Hilditch-Roberts and the Head of Planning, Public Protection and Countryside Services outside of the Cabinet meeting to discuss the issue further.

**RESOLVED** that the minutes of the meeting held on 28 June 2022 be received and confirmed as a correct record.

#### **5 REVIEW OF CABINET DECISION RELATING TO THE PROPOSED SCHEME OF DELEGATED DECISION MAKING FOR LAND ACQUISITION (FREEHOLD AND LEASEHOLD) FOR CARBON SEQUESTRATION AND ECOLOGICAL IMPROVEMENT PURPOSES**

Councillor Huw Williams, Chair of Communities Scrutiny Committee presented the report detailing the findings and recommendations of the Scrutiny Committee following consideration of the call-in of the Cabinet decision taken on 15 February 2022 in respect of the proposed scheme of delegated decision making for land acquisition for carbon sequestration and ecological improvement purposes.

In brief, the Committee acknowledged that if the Council was to achieve its ambition in relation to carbon reduction, it would need to adopt a multi-faceted approach, which would include buying parcels of land to be used to offset unavoidable carbon usage, and the Committee had been assured that prime agricultural land would not be purchased for this purpose. However, concerns had been raised regarding the potential unintended consequences that such land purchases may have on the future viability of local agricultural businesses and the livelihoods of local families, which could have a detrimental impact on the long-term economic sustainability of local communities, changing the fabric and ethos of community life in the county's rural areas. Consequently, Cabinet had been asked to revisit their decision taking into account the Committee's concerns and recommendations to secure rural communities' support for the process, reinforce elected members' involvement in the process, and ensure sufficient resources would be made available to the Countryside Services Team to deliver the Council's environmental ambitions.

Councillor Williams stressed that the Scrutiny Committee was not against the principle of the approach, but wanted the right process in place to best serve Denbighshire's residents and ensure an open and transparent process.

Cabinet considered the report and debate focused on the following points –

- Councillor Gwyneth Ellis was supportive of Cabinet reconsidering its decision taking into account the Scrutiny Committee's views. However, she felt that the recommended actions detailed in paragraphs 3.2 (i) – (iv) should be taken into account as part of that reconsideration, rather than agreed beforehand, and proposed an amendment on that basis, with a report back to Cabinet thereon
- clarity was provided around the decision making process and the role of scrutiny and it was noted that, due to the call-in, Cabinet's decision had not been implemented. Whilst officers could continue to purchase land under the existing processes, the expedited decision making process was suspended until such time Cabinet reconsidered its decision
- there was general support for the approach to land acquisition for the purposes of carbon sequestration and ecological improvement given the climate change emergency together with the need to expedite the delegated decision process for purchasing land in order to meet that objective without undue delay
- whilst it was agreed that further consultation as recommended should be undertaken with the Farming Union and Federation of Young Farmers Clubs as soon as possible, it was also recognised that a prompt response was required to minimise any delay in Cabinet making a final decision on the matter. Councillor Huw Williams reported on the success of the Flood Risk Task and Finish Group as a forum for discussion and, if appropriate, a Task and Finish Group could be established as a means of engaging with the relevant parties in this matter
- in terms of timescales, it was suggested that a report back to Cabinet in October would provide an appropriate amount of time to work with Farming Unions and

the Federation of Young Farmers Clubs to seek comprehensive responses in relation to the proposed scheme as recommended by the Scrutiny Committee

- the Head of Finance and Property confirmed the process of land acquisition was continuing and reported upon the current purchase of land in St. Asaph for that purpose which had received all the necessary approvals. However, the Council had missed out on the purchase of at least one piece of land since April due to the need for speed of decision making. Nevertheless, the process needed to be correct for all concerned and it was appropriate that a review be undertaken
- Councillor Merfyn Parry highlighted the importance of local knowledge, hence the recommendation for consultation with local members and Member Area Groups which would not cause undue delay in the process, and to be mindful of the needs of the farming communities in the area with a more inclusive process.
- it was accepted that a balance was required to expedite the delegated decision making process for land acquisition to maximise opportunities for the Council in meeting its carbon reduction targets whilst also providing an inclusive process to ensure support and buy-in from all stakeholders where possible; that balance would need to be considered as part of Cabinet's review of its original decision.

The Leader thanked Councillor Huw Williams for his contribution, highlighting the need for the Farming Unions and Federation of Young Farmers Clubs to engage and respond promptly to consultation. Councillor Williams provided assurances in that regard. He also highlighted a significant delay in progressing the sale of land he had introduced for carbon sequestration purposes which required addressing.

Councillor Ellis's proposed amendment to the recommendations was restated, seconded by Councillor Emrys Wynne, and upon being put to the vote it was –

**RESOLVED** that Cabinet –

- acknowledges Communities Scrutiny Committee's conclusions, its concerns and recommendations following its review of the Cabinet decision of 15 February 2022 in relation to a 'Proposed Scheme of Delegated Decision Making for Land Acquisition (Freehold and Leasehold) for Carbon Sequestration and Ecological Improvement Purposes';*
- agrees to reconsider its original decision, with a view to expediting the decision making process for purchasing land, and as part of that review will consider and take into account the recommendations made by the Scrutiny Committee as set out in paragraph 3.2 of the report, and*
- officers be asked to bring a report back to Cabinet on that review to be considered by Cabinet in October.*

## **6 SHARED PROSPERITY FUND**

Councillor Jason McLellan presented the report seeking Cabinet approval to further develop the Shared Prosperity Fund Programme, delegate authority to develop and submit Denbighshire's priorities for inclusion in the Regional Investment Strategy, and for Gwynedd County Council to act as regional lead for the programme.

The UK Government's Shared Prosperity Fund was part of the Levelling Up agenda and had replaced European Structural Funding. It was predominantly a revenue funding programme and Denbighshire's individual allocation was £25,647,958.

The Head of Communities and Customer Services detailed the arrangements for planning and delivering the Regional Investment Strategy with investment priorities focusing on: (1) Community and Place, (2) Supporting Local Business, and (3) People and Skills. At this stage there was no requirement to identify projects to achieve outcomes, and that element would be undertaken in the next stage of the process. Following submission of the strategy, a prospectus would be developed detailing the interventions and how stakeholders could draw down funding and deliver projects to help achieve outcomes. Finally, reference was made to the need for a regional partnership structure to provide assurance regarding appropriate engagement with the process and to oversee delivery of the programme.

The following points were raised during the ensuing debate –

- the Levelling Up Fund was a capital funding programme and whilst the Shared Prosperity Fund had an element of capital, it was largely a revenue funding programme. Shared Prosperity funding could be used for revenue projects in such a way as to maximise the impact from those capital Levelling Up projects and ensure best value, and were part and parcel of the same programme
- a number of staff would need to be recruited to manage and deliver the programme and up to 4% of Denbighshire's funding allocation could be used to bid for funding for that purpose. However, it was expected that significantly less than that amount would be spent on administering the programme
- the report focused on the regional arrangements and structure for delivery of the Regional Investment Strategy as the first stage in the process with the detail of projects to deliver and achieve outcomes to follow in the next stage. However, a bottom up approach had been taken in developing the regional strategy focusing on local priorities and need in the first instance, following which any common priorities with other authorities would be considered to identify where it might be more efficient or impactful to work together sub regionally or regionally. Assurance could be taken that approximately 40% of the allocation had been earmarked for investment in local communities (Community and Place priority)
- Councillor Huw Hilditch-Roberts was keen for elected members to be involved in the decision making process and identified as such in the structure for local delivery arrangements. The Head of Communities and Customer Services advised that, whilst there was no mandate from the UK Government in that regard, it was in Denbighshire's interests to undertake local engagement and there was an expectation that City/Town/Community Councils and Member Areas Groups would be involved in promoting the opportunity to bid for funding and identifying projects to be prioritised going forward. She offered to report back with further information on the local arrangements as part of the next stage
- the Leader referred to criticisms of the UK Government's lack of engagement with the Welsh Government regarding the domestically-funded replacements to the European programmes such as the Shared Prosperity Fund, and Councillor Mark Young stressed the issue needed to be addressed given the crossover of responsibility between the two governments and challenges faced. The Head of Communities and Customers gave assurances that Denbighshire was working

closely with the Welsh Local Government Association and Welsh Government colleagues with regard to regional investment, ensuring no duplication and identifying existing targets from various strategies and plans in place.

The Leader thanked members for their contributions to debate on the mechanisms of the investment strategy and how it would be delivered, and highlighted a wider discussion separate to that issue about the replacement of the European funding programmes and interactions in that regard.

**RESOLVED** that Cabinet –

- (a) *approve further development of the Shared Prosperity Fund programme within Denbighshire, and regionally through officer input, in line with the principles as set out in the report;*
- (b) *provides delegated authority to the Chief Executive and the Lead Member for Economic Growth and Tackling Deprivation to develop and submit Denbighshire's priorities for inclusion in the Regional Investment Strategy to enable the programme funding to be drawn down, and*
- (c) *supports the proposal to ask Gwynedd County Council to act as the lead body to submit the Regional Investment Strategy to UK Government and to lead subsequent programme delivery.*

## **7 PROCUREMENT OF NEW TEMPORARY EMERGENCY ACCOMMODATION SUPPORT SERVICE (HOMELESSNESS PREVENTION)**

Councillor Rhys Thomas presented the report seeking Cabinet approval to commence the procurement for a new homelessness temporary emergency accommodation support service.

Following on from the good work carried out in the previous Council term, work had been ongoing for some time on the project to develop the temporary emergency accommodation offer and provide holistic support to citizens placed in such accommodation owned by the local authority, to support them into permanent accommodation, reduce the risk of homelessness reoccurring and improve wellbeing outcomes. The procurement had been set out in the Commissioning Form appended to the report and the contract would be fully funded by the Housing Support Grant allocated by the Welsh Government. The intention was to offer a 5-year contract, which would be regularly monitored, to provide comprehensive 24-hour support to people leaving temporary emergency accommodation.

The Service Manager, Business Support and Communities responded to members' questions on the report as follows –

- there were approximately 185 households currently in temporary emergency accommodation and the expectation was that, with the funding available, support could be provided for up to 100 – 120 households a year at a rate of around £2k to support the range of activities that were required to move those households on. A separate contract for an early intervention and prevention

project was due to start in September to reduce the number of people becoming homeless and therefore it was anticipated that the new support service would be able to offer support to all those within temporary emergency accommodation

- as part of the rapid rehousing plans the aim was to ensure that the amount of time spent in temporary emergency accommodation was as brief as possible. However, there was a need to be mindful that the approach was very much person-centred and not all individuals would be able to move on straightaway
- most temporary emergency accommodation was located in the North of the county, mainly in the Rhyl area, and consisted of bed and breakfast accommodation and hotels. Work was currently ongoing to tender for renovation works to Epworth Lodge, Rhyl which would provide that accommodation in-house. However, it was acknowledged that homelessness was a county-wide issue and there was temporary emergency accommodation in the South of the county and support would be extended across Denbighshire
- there was currently capacity in temporary emergency accommodation for 210 households, with the Council's own in-house facility Epworth Lodge likely to be available from the last quarter of this year, and further work was required to identify additional units for in-house accommodation going forward. Councillor Emrys Wynne stressed the importance of providing such accommodation for people within their own communities and he was keen that every effort was made to secure units across the whole county for that purpose.

**RESOLVED** that Cabinet –

- (a) *approves the commencement of the procurement as set out in the Commissioning Form at Appendix 1 to the report, and*
- (b) *confirms that it has read and taken into account the Wellbeing Assessment (Wellbeing Impact Assessment Report for the Housing Support Grant Delivery Plan 2022 – 25 at Appendix 3 to the report).*

At this point (11.20 am) the meeting adjourned for a refreshment break.

## **8 SUSTAINABLE COMMUNITIES FOR LEARNING - BAND B**

Councillor Gill German presented the report on the findings from the review by the Modernising Education Programme Board of the prioritisation process for Band B of Sustainable Communities for Learning, as requested by Council in January 2022.

Following a notice of motion in January 2022, which had originated from concerns over the condition of Prestatyn High School, Council had requested that the condition surveys of all schools be reviewed to see whether they had changed to such an extent as to call into question the current priority order of schools. The Head of Education elaborated upon the review process undertaken by the Modernising Education Programme Board in April 2022 and re-assessment of the condition of school buildings to ensure they were a true reflection of the education estate. The review found no significant change in respect of the condition of schools since 2016 which would impact on the chosen priorities, concluding that the prioritisation was correct and that schools earmarked for Band B investment represented those with the greatest need. With specific regard to Prestatyn High

School, the Board noted that work had been undertaken with the school to make the best use of capital investment from the Building Maintenance scheme.

The following points were made during the ensuing debate –

- whilst there was no guarantee that there would be a further tranche of funding for schools following Band B, there was an expectation in that regard, but the nature of any future funding priorities and what form it would take was unknown
- Councillor Emrys Wynne had declared an interest as a school governor of Ysgol Brynhyfryd and expressed his disappointment that it had not been possible to include that school and other schools requiring investment as part of the Band B process, and he hoped there would be further opportunities to invest in those schools as part of future funding tranches. Officers acknowledged that other schools also required investment and that there was insufficient funding to invest in all those schools. However, other funding streams in addition to Band B, such as the Building Maintenance scheme, were used to respond to the needs of other schools not currently subject to the major investment via Band B
- the rollout of free school meals in primary schools was subject to separate funding, with a capital scheme for some of the initial works to enable provision for Reception in September and Years 1 and 2 around Easter, with dialogue between local authorities and the Welsh Government regarding future requirements for the rollout through to Year 6. There would be revenue implications as a result of the change but the free school meals provision was being heavily promoted with a view to ensuring a strong take up going forward.

Councillor Gill German had declared a personal interest in the item given that she had children who attended Prestatyn High School and she was also a former pupil. Along with fellow Prestatyn member Councillor Jason McLellan, she had undertaken a tour of the school and discussed with the Head teacher and Chair of Governors the issues relating to the notice of motion. Reference was made to the appendix to the report detailing the 5-year programme of investment to address the school's priorities and progress made in that regard, and she was pleased to provide an update on further progress relating to the car park and walkway access corridor. She also provided assurances that she would ensure timely progress to address the school's leading priorities in line with the 5-year programme and to secure the best possible environment for pupils going forward.

Councillor Huw Hilditch-Roberts had been pleased to note that the position with Prestatyn High School had been accurately reflected following the notice of motion and was keen to ensure that process was not used by councillors as a means of lobbying for school investment in their ward areas. He had also been pleased to note that the findings of the Modernising Education Programme Board provided confidence in the prioritisation process for schools. Councillor German agreed, clarifying that her comments regarding investment in Prestatyn High School related to previously agreed works, and the negative press that had surrounded the notice of motion had not represented the school's views on the matter. She reiterated the need for a fair and transparent prioritisation process for schools and the review findings had demonstrated that process had been carried out appropriately and correctly. As lead member she represented every child in Denbighshire, every child mattered, and she would ensure that every school had due attention.

**RESOLVED** that Cabinet confirms the view of the Modernising Education Programme Board that no significant change had occurred in respect of the condition of school buildings and that the current policy order of schools is still current and correct.

## 9 FINANCE REPORT

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

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

- the net revenue budget for 2022/23 was £233.693m (£216.818m in 2021/22)
- an overspend of £1.936m 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 also drew members' attention to the following –

- the budget position in Education and Children's Services had worsened since last month with a forecasted overspend of £1.938m; the majority of the pressure (£1.542m) related to new residential and independent fostering placements and the difficulties in predicting spend for that demand-led service had been well documented. That aspect would form part of the budget discussion in the autumn as to how best to deal with the pressure going forward. The total overspend was currently manageable from contingencies but any further increase would likely require the use of base level reserves
- the Capital Plan contingency had increased by £1.676m to £2.176m due to carrying forward the unhypothecated element of a capital grant received from the Welsh Government in March, and £1.2m from that contingency had been allocated to the Waste Project in line with Cabinet's previous approval in April, leaving an element of capital contingency for a number of smaller projects
- given that Cabinet would next meet in September due to the August recess, a number of risks were highlighted around school budgets, school transport, car parking income, and inflation including the local government pay offer which had been made the previous day and final settlement. Close budget monitoring would continue and Cabinet would receive a report back in September.

**RESOLVED** that Cabinet note the budgets set for 2022/23 and progress against the agreed budget strategy.

## 10 CABINET FORWARD WORK PROGRAMME

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

- Creation of a Nutrient Management Board (River Dee catchment) – September
- Queen's Market: Operator Contract Award – rescheduled to October
- Review of Cabinet Decision: proposed scheme of delegated decision making for land acquisition for carbon sequestration and ecological improvement purposes – October

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

The meeting concluded at 12.05 pm.

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<b>Report to</b>	Cabinet
<b>Date of meeting</b>	29 September 2022
<b>Lead Member / Officer</b>	Councillor Gwyneth Ellis, Lead Member for Finance, Performance and Strategic Assets / Steve Gadd, Head of Finance and Property
<b>Report author</b>	Steve Gadd, Head of Finance and Property
<b>Title</b>	Finance Report (August 2022/23)

## **1. What is the report about?**

The report gives details of the council's revenue budget and savings as agreed for 2022/23. 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 2022/23.

## **3. What are the Recommendations?**

- 3.1 Members note the budgets set for 2022/23 and progress against the agreed strategy.
- 3.2 Members approve new salt storage facilities at Corwen and Lon Parcwr, Ruthin depot sites as detailed in section 6.9 and Appendix 5.
- 3.3 Members approve the development and construction of a new welfare, vehicle and equipment storage facilities at the Rhyl Botanical Gardens Depot as detailed in section 6.9 and Appendix 5.

## **4. Report details**

The report provides a summary of the council's revenue budget for 2022/23 detailed in Appendix 1. The council's net revenue budget is £233.696m (£216.818m in 21/22). The position on service and corporate budgets is a forecast overspend of £1.953m (£1.936m overspend last month). Narrative around the current risks and assumptions underlying this assessment are outlined in Section 6 and Appendix 2.

The 2022/23 budget required service savings and efficiencies of £0.754m to be identified and agreed as detailed below:

- Fees and Charges inflated in line with agreed Fees and Charges policy (£0.120m).
- Operational efficiencies (£0.634m) mostly identified by services throughout the year and within Head Service delegated responsibility in consultation with Lead Members.
- No savings were requested from Community Support Services or Schools.

The 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 Impact of Corona Virus and Inflation** - The strategy of working in partnership with Welsh Government helped secure over £15m direct financial help last year. We continue to claim for payments to Self-isolation and Statutory Sick Pay Enhancement payments, along with Free School Meals direct payments. A contingency of £1.9m was agreed as part of the budget for 22/23 to fund any ongoing impact of the pandemic which cannot be

claimed from WG this year, and in recognition of the increases in inflation at the time the budget was set. Early indications are that whilst the risk due to covid has diminished considerably, the inflationary risk has increased largely due to the war in Ukraine. The position will be monitored closely over the coming months

**6.2 Corporate Budgets** – It is currently estimated that corporate non-inflationary related contingencies amounting to £422m will be available to be released. Details relating to other risks are still being analysed:

- Pay settlements for 2022/23
- Call on contingencies relating to energy and other inflationary pressures (see 6.1)

These will be monitored closely over the coming months.

**6.3 Education and Children's Service** – The current outturn prediction is £2.457m overspend (previously £1.938m). Although an additional pressure of £750k was accepted as part of the agreed budget for 2022/23 this remains an area of concern. The majority of the pressure (£1.5m) relate to residential and independent fostering placements, which have either commenced early this financial year or are now projected to continue longer than previously predicted. The Out-of-County income budget pressure has increased this month by £519k to £611k with a decrease in expected income, due to a reduction in number of pupils from other Councils. The projected overspend assumes we will receive Welsh Government funding of £0.880m this year, although £0.300m of this is yet to be confirmed.

**6.4 Community Support Service** – Although an additional pressure of £3.127m was included in the budget for 2022/23 this service area remains a risk. Homelessness in particular remains an area of pressure. As highlighted in the Final Outturn Report a service cash reserve of £2.440m is available to help fund any in year pressures. The service is anticipating having to use this cash reserve to fund in-year pressures in 2022/23.

**6.5 Schools** - The budget agreed by Council for 2022/23 included a total net additional investment (excluding increases in Welsh Government grants) in schools delegated budgets of just over £4.4m. The latest projection for school balances to be carried forward into 2023/24 is a net credit balance of £7.285m, which represents a decrease of £5.163m on the balances brought forward into 2022/23 of £12.448m. The movement is as expected and highlighted in the Final Outturn Report as the movement last year largely related to the receipt of one-off funding and one-off savings relating to schools being closed for

much of the year and, in particular, a number of large grants were received at the end of March. The grants are now projected to be spent this financial year on the catch-up and Covid recovery programme in schools. There is a small underspend of £108k 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 £570k which is £567k more than the £4k at the time the budget was approved. The movement relates to a reduction in estimated rental income. HRA balances are therefore forecast to be £1.486m at the end of the year. The HRA Capital budget of £29.9m is largely allocated between planned improvements to existing housing stock (£17m) and new build developments and acquisitions (£13m).

**6.7 Treasury Management** – At the end of August, the council’s borrowing totalled £239.683m at an average rate of 3.78%. Investment balances were £23.7m at an average rate of 1.5%.

**6.8** A summary of the council’s **Capital Plan** is enclosed as Appendix 3. The approved capital plan is £66.1m with expenditure to date of £8.2m. Appendix 4 provides an update on the major projects included in the overall Capital Plan. The Capital Plan contingency was increased by £1.676m to £2.176m (up from the £0.500m agreed in February) due to carrying forward the unhypothecated element of a capital grant received from WG in March. After an allocation made to the Waste Project, the contingency level at £1m will help mitigate the risks to the overall programme of the impact of inflation on capital costs.

**6.9** The Budget Board has reviewed and support business cases for new salt storage facilities at Corwen and Lon Parcwr, Ruthin depot sites and new welfare, vehicle and equipment storage facilities at the Rhyl Botanical Gardens depot as detailed in Appendix 5 and recommended in 3.2.and 3.3 respectively.

## **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 25 January.

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

In addition to regular reports to the Corporate Governance Committee, the budget process has been considered by 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 Covid pandemic has continued to impact on the level of consultation and engagement with the public, however plans are in place to engage early with all stakeholders during the budget process for 2023/24.

## **9. Chief Finance Officer Statement**

Specific pressures remain evident in social care budgets, both Adults' and Children's. Significant investment has gone into these 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 both services will need to be closely monitored and reviewed in the coming months.

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

This remains a challenging financial period and there is still uncertainty around the ongoing inflationary increases, Brexit and the financial strategy of the UK government in dealing with the long term financial impact on the public finances of the response to Covid and the cost of living crisis. Although the financial outlook looks uncertain, our finances are in a healthy position and a robust 3/5 year budget process has recently been approved by SLT, CET, Cabinet and scrutinised by the Governance and Audit Committee.

## **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 2022/23

Jul-22	Net Budget	Budget 2022/23			Projected Outturn							Variance
	2021/22	Expenditure	Income	Net	Expenditure	Income	Net	Expenditure	Income	Net	Net	Previous Report
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	%	£'000
Communities and Customers	3,263	4,321	-850	3,471	5,571	-2,100	3,471	1,250	-1,250	0	0.00%	0
Education and Children's Service	17,802	34,509	-15,989	18,520	31,645	-10,668	20,977	-2,864	5,321	2,457	13.27%	1,938
Business Improvement and Modernisation	4,593	6,262	-1,121	5,141	6,383	-1,318	5,065	121	-197	-76	-1.48%	-21
Legal, HR and Democratic Services	2,364	4,152	-1,632	2,520	4,023	-1,560	2,463	-129	72	-57	-2.26%	-59
Finance and Property	5,744	10,537	-4,640	5,897	8,986	-3,103	5,883	-1,551	1,537	-14	-0.24%	-14
Highways and Environmental Services	15,730	29,093	-12,505	16,588	23,595	-6,965	16,630	-5,498	5,540	42	0.25%	42
Planning and Public Protection	9,562	17,588	-7,312	10,276	18,426	-8,138	10,288	838	-826	12	0.12%	40
Community Support Services	39,854	63,699	-20,399	43,300	63,699	-20,399	43,300	0	0	0	0.00%	0
Leisure - Retained Budgets	3,255	3,393	0	3,393	3,404	0	3,404	11	0	11	0.32%	10
<b>Total Services</b>	<b>102,167</b>	<b>173,554</b>	<b>-64,448</b>	<b>109,106</b>	<b>165,732</b>	<b>-54,251</b>	<b>111,481</b>	<b>-7,822</b>	<b>10,197</b>	<b>2,375</b>	<b>2.18%</b>	<b>1,936</b>
Corporate	18,474	50,873	-29,271	21,602	50,451	-29,271	21,180	-422	0	-422	-1.95%	0
Precepts & Levies	5,060	5,381	0	5,381	5,381	0	5,381	0	0	0	0.00%	0
Capital Financing	15,176	15,956	0	15,956	15,956	0	15,956	0	0	0	0.00%	0
<b>Total Corporate</b>	<b>38,710</b>	<b>72,210</b>	<b>-29,271</b>	<b>42,939</b>	<b>71,788</b>	<b>-29,271</b>	<b>42,517</b>	<b>-422</b>	<b>0</b>	<b>-422</b>	<b>-0.98%</b>	<b>0</b>
<b>Council Services &amp; Corporate Budget</b>	<b>140,877</b>	<b>245,764</b>	<b>-93,719</b>	<b>152,045</b>	<b>237,520</b>	<b>-83,522</b>	<b>153,998</b>	<b>-8,244</b>	<b>10,197</b>	<b>1,953</b>	<b>1.28%</b>	<b>1,936</b>
<b>Schools &amp; Non-delegated School Budgets</b>	<b>75,941</b>	<b>91,350</b>	<b>-9,699</b>	<b>81,651</b>	<b>94,592</b>	<b>-7,885</b>	<b>86,707</b>	<b>3,242</b>	<b>1,814</b>	<b>5,056</b>	<b>6.19%</b>	<b>5,056</b>
<b>Total Council Budget</b>	<b>216,818</b>	<b>337,114</b>	<b>-103,418</b>	<b>233,696</b>	<b>332,112</b>	<b>-91,407</b>	<b>240,705</b>	<b>-5,002</b>	<b>12,011</b>	<b>7,009</b>	<b>3.00%</b>	<b>6,992</b>
<b>Housing Revenue Account</b>	<b>653</b>	<b>17,585</b>	<b>-17,581</b>	<b>4</b>	<b>17,578</b>	<b>-17,008</b>	<b>570</b>	<b>-7</b>	<b>573</b>	<b>566</b>		<b>318</b>

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## Appendix 2 - Service Variance Narrative

Service	Variance Last Month £000	Variance This Month £000	Change £000	Description
Communities and Customers	0	0	0	See body of report for details
Education and Children's Service	1,938	2,457	519	See body of report for details. All residential and fostering placements have been costed to realistic timescales however no allowance has been made for any further placements throughout the year. Increased overspend this month relates to further reduction in anticipated income due to reduction in number of pupils from Out-of-County.
Business Improvement and Modernisation	-21	-76	-55	Underspend due to a vacancy savings, further increased this month.
Legal, HR and Democratic Services	-59	-57	2	Underspend due to a number of temporary vacancy savings, further increased this month.
Finance and Property	-14	-14	0	The underspend relates to the net impact of temporary vacancy savings due to a number of retirements within finance.
Highways, Facilities and Environmental Services	42	42	0	The overspend is due to a number of minor variances. A review of the budgeted arrangements within the Streetscene is currently ongoing to help streamline processes (e.g. removal of timesheets to help free up officer time). Waste service in particular relies on grant income which have yet to be confirmed by Welsh Government so remains a risk.
Planning and Public Protection	40	12	-28	The overspend relates to planning income which, although has recovered over recent months, is still below pre-pandemic levels. This will be monitored closely over coming months. Risks remain around School Transport however following the approval of a £0.500m pressure as part of the 22/23 budget process it is hoped that this area will remain in a break even position. As always the true picture will not be known until the Autumn term contracts have been agreed.
Community Support Services	0	0	0	See body of report for details
Leisure - ADM	10	11	1	The movement relates to minor variances.
Corporate & Miscellaneous	0	-422	-422	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.
<b>Council Services &amp; Corporate Budget</b>	<b>1,936</b>	<b>1,953</b>	<b>17</b>	

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**Denbighshire County Council - Capital Plan 2022/23**  
**Position to end AUGUST 2022**

**APPENDIX 3**

	<b>2021/22 OUTTURN POSITION £000s</b>	<b>2022/23 ORIGINAL ESTIMATE £000s</b>	<b>2022/23 LATEST ESTIMATE £000s</b>
<b>Capital Expenditure</b>			
Total Estimated Payments - Other	18,609	23,771	41,202
Total Estimated Payments - Major Projects:			
Housing Improvement Grants	1,210	1,200	1,565
Highways Maintenance	4,109	4,710	7,495
East Rhyl Coastal Defence Scheme	5,137	3,575	2,333
Rhyl Queens Market Redevelopment	1,682	3,493	6,403
Waste Service Remodelling	2,152	11,428	6,087
Contingency		500	1,014
<b>Total</b>	<b>32,899</b>	<b>48,677</b>	<b>66,099</b>
<b>Capital Financing</b>			
External Funding	20,482	19,399	39,920
Receipts and Reserves	2,578	7,944	10,689
Prudential Borrowing	9,839	21,334	15,490
Unallocated Funding	0	0	0
<b>Total Capital Financing</b>	<b>32,899</b>	<b>48,677</b>	<b>66,099</b>

Note: 2022-23 Original Estimate is the position as approved by Council on 22nd February 2022

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<b>Rhyl Queens Market Redevelopment</b>	
Total Budget	£13.232m
Expenditure to date	£6.923m
Estimated remaining spend in 22/23	£3.309m
Future Years estimated spend	£2.000m
Funding	WG £8.060m DCC Asbestos £0.272m. DCC £4.900m
<b>Narrative:</b>	
<p>Construction commenced on Monday 15 August by Wynne Construction and is scheduled to finish June 28<sup>th</sup> 2023.</p> <p>Currently in the process of looking to procure an operator to run the facility once developed. Hoping to go out to the Market later this month.</p>	
Projects updates	£6.403m

<b>Waste Service Remodelling</b>	
Total Budget	£20.495m
Expenditure to date	£6.240m
Estimated remaining spend in 22/23	£6.087m
Future Years estimated spend	£8.168m
Funding	WG £11.132m, DCC £9.363m
<b>Narrative:</b>	
<p>A number of work streams are being taken forward including:</p> <ul style="list-style-type: none"> <li>• Development of a new single central waste transfer station depot on land adjacent to the Colomendy Industrial Estate in Denbigh. The Phase 1 Enabling Works Contract commenced on site on July 5<sup>th</sup> 2021 and completed on April 14<sup>th</sup> 2022. A Contract has now been awarded for the Phase 2 works to complete construction of the new waste transfer station. Works on Phase 2 commenced on site on August 15<sup>th</sup> 2022 and anticipated to take 12 months with the new site ready to support a subsequent roll out of the proposed new service model from the autumn of 2023</li> <li>• 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 c. 3 months prior to roll out of the new service</li> <li>• Procurement of the new containers required for the new collections model are ongoing, with the main order for the trolley boxes for the recycle anticipated to be awarded before the end of September 2022 to secure a unit price given ongoing price fluctuations in the market</li> <li>• 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</li> </ul>	
Forecast In Year Expenditure 22/23	£6.672m

The Budget Board considered and support two business cases for capital investment, for approval by Members.

## **1. Recommendations of the Budget Board**

- 1.1 Members approve new salt storage facilities at Corwen and Lon Parcwr, Ruthin depot sites as detailed in section 2 and in Appendix 5.1.
- 1.2 Members approve the development and construction of a new welfare, vehicle and equipment storage facilities at the Rhyl Botanical Gardens Depot as detailed in section 3 and in Appendix 5.2.

## **2. New salt storage facilities at Corwen and Lon Parcwr, Ruthin depot sites**

- 2.1 The business case is to replace the temporary portacabin style buildings that currently serve as welfare and equipment storage at Corwen and develop new salt storage facilities at Corwen and Lon Parcwr, Ruthin depot sites with new, purpose built facilities. The Business Case and the Wellbeing Impact Assessment is included as Appendix 5.1.
- 2.2 This will involve the replacement of existing temporary buildings at Corwen and upgrade of current salt storage and drainage systems at both sites, which are not fit for purpose and do not comply with current guidelines, which has been highlighted in recent correspondence from Natural Resources Wales, (NRW).
- 2.3 The redevelopment of the sites will also allow significant improvements to be made to welfare, vehicle and equipment storage facilities, which are deemed to be inadequate and do not meet current operational requirements. The replacement buildings will be designed and developed in a way which minimises ongoing operational costs and reduces the environmental impact of the buildings, whilst also maximising the potential use of renewable

technologies, which will significantly contribute towards the Council's Climate and Ecological Emergency aspirations

- 2.4 These proposals will have a significant positive impact on Highways and Environmental Services, providing appropriate and fit for purpose storage and welfare facilities. This will be beneficial and provide a more efficient, safer working environment for the staff, whilst ensuring full compliance with environmental standards, whilst providing further resilience for winter maintenance and adverse weather service delivery.

### **3. New welfare, vehicle and equipment storage facilities at the Rhyl Botanical Gardens Depot**

- 3.1 The business case is to develop and construct new welfare, vehicle and equipment storage facilities along with the reconfiguration of the remaining site at the Rhyl Botanical Gardens Depot in order to replace the existing temporary buildings, which are no longer fit for purpose and are beyond economic repair, some of which have already been demolished due to significant safety concerns following recent storm damage. The Business Case and the Wellbeing Impact Assessment is included as Appendix 5.2.
- 3.2 The replacement buildings will be designed and developed in a way which minimises ongoing operational costs and reduces the environmental impact of the buildings, whilst also maximising the potential use of renewable technologies, which will significantly contribute towards the Council's Climate and Ecological Emergency aspirations.
- 3.3 The council has recently given approval for considerable investment to be made in developing the staff office accommodation at this site, with construction works set to be completed in December 2022. The proposed development will complement this project, thereby future proofing the service's operational requirements for the site for many years to come.

## STRATEGIC INVESTMENT GROUP

# BUSINESS CASE – CAPITAL INVESTMENT

*This Business Case provides justification for undertaking a project. The completed form will be reviewed by the Strategic Investment Group who will make a recommendation to Council whether the bid should be approved and included within the Capital Plan. All sections should be completed and evidence of costs will need to be supplied.*

*For details of Strategic Investment Group meetings and deadlines for the submission of this form, please contact Richard Humphreys, Capital & Technical Finance Team on ext. 6144.*

<b>Project Name:</b>	Installation of salt barns at Corwen and Lôn Parcwr depots as well as construction of improved welfare and storage facilities at Corwen depot.
<b>Project Reference:</b>	TBC
<b>Project Manager:</b>	TBC
<b>Workstream/Programme:</b>	TBC

<b>Head of Service/Project Sponsor</b>	Tony Ward	<b>Lead member:</b>	Cllr Barry Mellor Cllr Gwyneth Ellis (Lead Member of AMG group)
<b>Service:</b>	Highways and Environmental Services	<b>LM Portfolio:</b>	
<b>Form completed by:</b>	Jon Chapman/Andy Clark	<b>Date:</b>	
<b>Service Accountant:</b>	Martyn Dodd	<b>Date:</b>	

### PROJECT TYPE

Please categorise your project type. Mark **one** box only.

SMALL	<input type="checkbox"/>	MEDIUM	<input type="checkbox"/>	LARGE	<input checked="" type="checkbox"/>
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<b>DECISION SOUGHT FROM SIG:</b>	<ul style="list-style-type: none"> <li>To approve the concept of the project.</li> <li>To recommend that Cabinet allocate £ 2,231,060.13 of Council funds to install salt barns in Lôn Parcwr, Ruthin (£1,302,232.17) and Corwen Depots (£928,827.96)</li> </ul>
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## EXECUTIVE SUMMARY

Highlights the key points in the Business Case to include:-

- what the project will achieve / important benefits
- estimated costs
- how the project will be funded?

### Objectives

- To prevent environmental pollution caused by the leaching of salt to the nearby watercourse through lack of suitable salt holding and drainage facilities at the existing site
- To improve Denbighshire's resilience to winter weather by significantly increasing the storage capacity for salt - from 3,200 tonnes to 5,500 tonnes (table 1 in accompanying reports)
- To comply with current legislation and industry best practice concerning the storage and handling of rock salt
- To address concerns set out by NRW and ensure compliance

### Components

This project aims to replace the substandard salt storage and drainage facilities at the Corwen and Lôn Parcwr sites including:

1. Removal of the existing temporary welfare and storage facilities at Corwen depot.
2. Design and development of new salt storage facilities at Corwen and Lôn Parcwr
3. Design and improve current drainage systems at Corwen and Lôn Parcwr depots in order to ensure compliance with current standards and legislation.

The proposals in this report are detailed in the attached Asset Management Group (**Appendix B**) May 2022. Existing site plans and the proposed new layouts are detailed in **Appendices F and G respectively**.

The project recognises the need and demand of the services operating both sites. The service based at these sites deliver the winter maintenance service for the south of the county and also form a base for the operation needs for various Streetscene functions. The site runs an efficient operation and has been strategically located to cover the far reaching edges of rural southern Denbighshire this is also vital to in terms of winter maintenance provision to comply with Welsh Government and the North and Mid Wales Trunk Road Agency guidelines. It should also be noted that the council receives significant financial contributions for undertaking winter maintenance functions on behalf of NMWTRA as Welsh Governments agent, this involves contributions towards the upkeep and depreciation of depots, buildings, vehicles along with ongoing maintenance costs and any necessary training that is required (**Reference Appendix K**). NMWTRA have indicated that they would not be able to directly provide a contribution to the capital build cost, however NMWTRA's contribution towards the financial depreciation and upkeep for depots and buildings would increase significantly. This is based on the project being funded by a capital allocation and the current estimated lifespan of the building is based on 40 years which would involve a depreciation contribution of £12k per year. Furthermore, NMWTRA have also indicated that they would also cover the revenue running and maintenance cost, again on a pro-rata basis based on a network apportionment between trunk road and county roads. Should the project be funded by prudential borrowing in its entirety NMWTRA are willing to provide a contribution towards this cost on a similar pro-rata basis. The council would also incur additional costs for running county routes separate to trunk road routes should this collaboration end. Therefore, it is envisaged that there will be a long term requirement for sites at

these locations. Furthermore, it is essential that both sites are maintained into the future as operational depots in order to provide resilience during adverse weather events.

This business case will explore the options of redeveloping and upgrading salt storage facilities at both Corwen and Lôn Parcwr sites. We believe that this is necessary as the current Welsh Government guidance for Trunk Road Winter Maintenance operations stipulates that all routes should be treated within 2 hours (**reference Appendix H**) this would not be achievable running all routes from one location, such as the Lôn Parcwr site. A summary of this potential impact is shown in the below analysis (table 1, below) carried out using specialist route optimisation software. This is based on a scenario where the two routes currently run from Corwen (routes H & I) are instead run from Lôn Parcwr. In addition to this, running routes from one depot would significantly reduce salt storage capacity by circa 1500 tonnes and therefore lower resilience and fail to meet Welsh Government guidelines on the storage capacities we hold.

		Time (hrs)	Distance (miles)	Fuel used (l)	CO2 emissions per run	Cost of fuel per run	Cost of driver per run	Total cost per run
Route H	With Corwen	2.09	59.75	67.22	181.50	£100.83	£23.34	£124.17
	Without Corwen	3.15	86.18	96.95	261.76	£145.42	£39.19	£184.61
Route I	With Corwen	2.20	60.34	67.88	183.29	£101.83	£24.96	£126.79
	Without Corwen	3.23	86.06	96.82	261.41	£145.23	£40.39	£185.62

**Table 1 – Cost of not running routes from Corwen Depot.**

The current salt storage facilities are proven to be of insufficient and do not meet current environmental standards. (**See photos in Appendix F**) These facilities are not fit for purpose and fall far short of meeting the standard required for a modern operational service. Two samples were sent to our supplier’s lab for testing, one sample was that of freshly delivered salt and the second was taken from salt that has been stores on site for some time. The results show that the recently delivered salt was achieving a moisture content of 3.85% whereas the results of the older salt were achieving 12.75%, this is much higher than the recommended guidance of 4% or less. This information is shown in **Appendix E**. The importance of moisture content is further emphasised within section 4.3 of the attached NWSRG report (**Appendix H**).

The current welfare and storage buildings on site at Corwen do not meet our current operational and health & safety/welfare requirements and have limited storage capacity this also results in staff having to travel to other sites to collect equipment and consumable materials.

The construction and age of the temporary buildings mean that they are beyond economic repair and we propose the replacement of the temporary buildings with one purpose built permanent building that will encompass salt storage, equipment storage and welfare facilities. It should be noted that this is now become a priority due to recent intervention and subsequent warnings from NRW which has resulted in the need for the service to temporarily cease winter maintenance operations from the Corwen depot.

**What The Project Will Achieve**

This project will:

- Improved covered salt storage facilities thus mitigating the potential pollution risk into surface water courses.
- Improved site drainage that meets current standards and legislation.
- Consolidated and improved vehicle storage to accommodate compact sweepers and/or gang mowers along with a number of other types of equipment (Corwen only).
- Additional staff welfare; 1 no Accessible WC shown within the proposed new storage unit, with a small kitchenette area for tea/coffee facility (Corwen only).
- General storage for small plant and equipment (Corwen only).
- Increased EV charging facilities for council vehicles.

If the preferred option is approved there may be the scope for potential savings for heating, electricity and water consumption that could have a positive impact on revenue budgets. This option will also remove the need for extensive annual maintenance costs as well as the cost to 'sheet' the salt piles within the depots which is adding to the winter maintenance service revenue pressure.

## BUSINESS OPTIONS

Analysis and reasoned recommendation for the base business options of: do nothing / do the minimal or do something.

You must include an environmentally enhanced (net carbon zero/ecologically positive compatible) option. If your project is a business development project, then this may not be relevant.

<b>Option 1:</b>	<b>Do nothing – maintain the existing situation</b>				
<b>Please provide brief details:</b>					
<ul style="list-style-type: none"> <li>• Current welfare facilities in Corwen deteriorates to such an extent that it is inappropriate to continue to base staff there – in this scenario, alternative temporary welfare facilities would need to be identified and purchased, which in turn would have its own cost implication.</li> <li>• Risk of Legal action and possible financial penalties due to non-compliance with current environmental standards, which poses a significant risk to continued winter maintenance operations in both depots.</li> <li>• Costs escalate – costs have been prepared in-house by property professionals. The project may need to be value engineered in order to stay within an agreed budget. Given current volatile markets and uncertainties with fuel prices, suppliers, material costs etc., any delay could result in increased future costs to carry out the necessary building and site improvements.</li> <li>• Staff would continue to work in conditions that are sub-standard and fall short of the level of facilities expected by employees and unions. The poor energy efficiency record at this site would continue. The Do Nothing option, in essence, would postpone the need to find a more permanent solution to the inadequate salt storage and welfare issues. This option is not considered to be suitable nor sustainable and poses a considerable risk to the future winter maintenance service operation at these sites as outlined within the service risk register (Appendix C).</li> </ul>					
<b>Please mark with an X how this option compares with the preferred option in terms of Cost, Time, Quality and Benefits:</b>					
<b>Costs</b>	Costs more		<b>Time</b>	Takes longer to deliver	
	Costs the same			Takes the same to deliver	
	Costs less	<b>X</b>		Is quicker to deliver	<b>X</b>
<b>Quality</b>	Improves the quality		<b>Benefits</b>	Improves benefits	
	Is the same quality			No impact on benefits	
	Is a lower quality	<b>X</b>		Worsens benefits	<b>X</b>
<b>What is the main reason this option has not been selected?</b>					
<p>The current age and condition of the temporary buildings at Corwen do not meet current or future needs or the standards expected by staff and trade unions.</p> <p>This option doesn't address the sub-standard and inefficient salt storage facilities each site. It delays the inevitable requirement to replace the current sub-standard buildings and facilities.</p> <p>This option doesn't address concerns raised by NRW and as such the council is at risk of receiving financial penalties for non-compliance with environmental standards. This may also result in the authority not being able to use current depots for winter maintenance purposes.</p>					

<b>Option 2:</b>	<b>Installation of salt barns at Corwen and Lôn Parcwr depots as well as the construction of improved welfare and storage facilities at Corwen depot.</b>
------------------	-----------------------------------------------------------------------------------------------------------------------------------------------------------

**Please provide brief details:**

Construction of improved salt storage facilities at Lôn Parcwr depot and salt storage facilities that encompass storage and welfare at Corwen depot. This will replace existing inadequate storage through partly sheeted stock piles which will in turn improve the safety of road users in Denbighshire, reduce environmental pollution, improve operational efficiencies whilst delivering cost savings and reducing wastage. This will also address the inadequate welfare facilities at the Corwen site.

The project recognises the need to improve the drainage systems and infrastructure of both Corwen and Ruthin depots in order to satisfy NRW concerns and ensure compliance.

The project would foresee the following benefits achieved:

- Improved covered salt storage facilities thus mitigating the potential pollution risk into surface water courses.
- Improved site drainage that meets current standards and legislation.
- Consolidated and improved vehicle storage to accommodate compact sweepers and/or gang mowers along with a number of other types of equipment (Corwen only).
- Additional staff welfare; 1 no Accessible WC shown within the proposed new storage unit, with a small kitchenette area for tea/coffee facility (Corwen only).
- General storage for small plant and equipment (Corwen only).
- Increased EV charging facilities for both council and private staff vehicles.

Plans and drawings of the proposals can be found in **Appendix G, Sections 1 and 2**

**Please mark with an X how this option compares with the preferred option in terms of Cost, Time, Quality and Benefits:**

<b>Costs</b>	Costs more		<b>Time</b>	Takes longer to deliver	
	Costs the same	<b>X</b>		Takes the same to deliver	<b>X</b>
	Costs less			Is quicker to deliver	
<b>Quality</b>	Improves the quality		<b>Benefits</b>	Improves benefits	
	Is the same quality	<b>X</b>		No impact on benefits	<b>X</b>
	Is a lower quality			Worsens benefits	

**What is the main reason this option has not been selected?**

This is the preferred option as this meets the service requirements for storage of salt and equipment whilst also addressing the lack of welfare provision. These improvements will future proof this site for many years to come and mitigate against potential litigation on environmental grounds. This would also positively contribute to the council's commitment to the climate and ecological emergency through use of renewable technology.

In addition to providing staff with the appropriate accommodation and storage facilities, this option could reduce carbon omissions and reduce energy costs from lower fleet mileage and more energy efficient buildings. An Eco Build would serve as an exemplar for future DCC building projects and demonstrate our commitment to the Climate Emergency (options detailed within **Appendix I**).

The estimated cost of delivering this option would total £ 2,231,060.13. A detailed breakdown of these costs are shown in **Appendix J**.

<b>Option 3:</b>	<b>Explore the possibility of utilising the soon to be vacant waste transfer site in Ruthin as opposed to building a salt barn at the Lôn Parcwr salt storage site. As well as develop a salt barn at Corwen.</b>				
<b>Please provide brief details:</b>					
<p>Consider the use and redevelopment of the existing waste transfer site for the storage of all salt.</p> <p>Plans and drawings of these proposals can be found in <b>Appendix G, Sections 2 and 3</b></p>					
<b>Please mark with an X how this option compares with the preferred option in terms of Cost, Time, Quality and Benefits:</b>					
<b>Costs</b>	Costs more		<b>Time</b>	Takes longer to deliver	<b>X</b>
	Costs the same			Takes the same to deliver	
	Costs less	<b>X</b>		Is quicker to deliver	
<b>Quality</b>	Improves the quality		<b>Benefits</b>	Improves benefits	
	Is the same quality			No impact on benefits	
	Is a lower quality	<b>X</b>		Worsens benefits	<b>X</b>
<b>What is the main reason this option has not been selected?</b>					
<p>There are significant concerns in respect of limited storage capacity which would effectively mean that we could only store half of the salt on site which would limit resilience, this would not meet Welsh Government requirements for salt storage. Furthermore, this site may not be available until September 2025 at the earliest, which would effectively result in further non-compliance until such time which obviously places the council's Winter Maintenance service at risk. Further concerns have also been expressed in terms of the existing permits in place for the use of the site going forward and permissions would still need to be sought from NRW and Welsh Water.</p> <p>In order to pursue this option this would involve the development of part of the old waste transfer site, which would involve seeking the necessary permits and extensive work may be required, which would make this option more expensive than the preferred option and not deliver the benefits required.</p>					

## EXPECTED BENEFITS

The benefits that the project will deliver expressed in measurable terms against the situation as it exists prior to the project. Remember to capture co-benefits (the added benefits we get from this action/project as well as the direct benefits it will realise).

Expected benefits from this project include:				
<b>Benefit</b>	<b>Description</b>	<b>Existing</b>	<b>Post Project</b>	<b>Variance</b>
Improved health, wellbeing and equality for Corwen site	Improved working and welfare conditions for staff and visitors	Sub-standard facilities	Fit for purpose facilities	
Reduced energy consumption and associated carbon	Improved efficiency along with the use of renewable technologies	Upgraded utility connections would be required for new buildings.	The site will be more energy self-sufficient with own supplies	Possible annual savings
Safer storage of materials to comply with current standards	Provision of new facilities for safe and adequate storage of salt	Current facilities are inadequate which limit resilience and leaves the council open to risk of prosecution and associated reputational damage to the authority.	Facilities which comply with current standards and legislation	
Safer storage of equipment at Corwen	Provision of new facilities for safe and adequate storage of supplies, vehicles and plant	Current facilities are inadequate which do not provide adequate storage leading to expensive equipment being stored outside which shortens their operational life	Facilities which comply with current standards and legislation	
Increased resilience for the Winter Maintenance service	Provision of additional storage capacity of salt.	Current facilities do not allow us to store the capacity recommended by Welsh Government	Increased capacity and resilience of Winter Maintenance service.	

## EXPECTED DIS-BENEFITS

Outcomes perceived as negative by one or more stakeholders

Outcomes that could be perceived as negative by one or more stakeholders are as follows:

- The new build may raise the possibility of objections from local residents although there are few properties in the vicinity.
- Its anticipated that there will be disruption to the service during the construction phase, although other options are being considered to mitigate and minimise disruption during this period.
- Facilities at Corwen will deteriorate further while the new build develops.

## TIMESCALE

Over which the project will run (summary of the Project Plan) and the period over which the benefits will be realised

Date	Milestone
July 2022	Business case to SIG
July/August 2022	Operational sign off of new design and proceed with detailed design
July/August 2022	Political sign off on Project Business Case
August/September 2022	Planning permission process
November 2022	Tendering exercise
January/February 2023	Demolition/removal of existing buildings
March/April 2023	Build new facilities
October 2023	New site operational

## CAPITAL COSTS – CONSTRUCTION PROJECTS

**COMPLETE ALL THREE TABLES BELOW FOR CONSTRUCTION PROJECTS  
LEAVE BLANK/DELETE SECTION FOR BUSINESS DEVELOPMENT PROJECTS**

*The capital cost of a project is an important consideration in terms of whether or not it should proceed.*

- Any costs relating to ICT infrastructure and equipment should have been provided by ICT department.
- Any costs that relate to construction should have been provided by Design & Development or Building Services.

Please provide details of any capital funding that has already been spent on the project:	
Enter details of cost element below:	Total
Feasibility (surveys, market research, etc.)	
Client side project management	
OTHER (please enter)	
OTHER (please enter)	
<b>TOTAL</b>	

Please provide details of the capital funding requirement (not including amount already spent):				
Enter details of cost element below:	Ruthin	Corwen	Future Years	All Years Total
Feasibility (surveys, market research, etc.)	By client	By client		N/A
Client side project management	By client	By client		N/A
Reposition areas of existing exposed salt piles, site clearance ,remove concrete waste block storage area and remove existing site storage containers	£25,772.50	£7,500.00		£33,272.50
Construction of new build , salt store	£846,424.73	£574,077.50		£1,420,502.23
Photo voltaic array, linked to battery storage - to be sized by specialist (21m2 allowed at present)	£8,108.10	£4,331.25		£12,439.35
Allow for all dilapidation surveys to surrounding area	£500.00	£500.00		£1,000.00
Direction signage	£500.00	£500.00		£1,000.00
Site preparation , hardstanding's and kerbing Drainage provision to the new building and the site hardstanding's .Includes an allowance for a	£78,300.00	£87,380.00		£165,680.00
underground storage tank for waste water	£35,901.65	£44,662.50		£80,564.15
Private external lighting columns	£4,000.00	£4,000.00		£ 8,000.00
Soft landscaping	£250.00	£500.00		£750.00
Allowance for incoming services	£3,465.00	£3,465.00		£6,930.00
Proposed weigh bridge , surface mounted	£32,500.00	N/A		£32,500.00

Planning/Building Regulation Costs (Estimate)	By client	By client		N/A
Project/design team fees (F) 12.0% (5.5% Architect, 2.50% QS, 1.00% M&E , Structural 1.00%,COW 1.00% CDMC 1.00%)	£ 126,840.80	£ 100,433.94		£227,274.74
Legal Costs and Fees	By client	By client		N/A
Preliminaries	£21,284.66	£17,038.86		£38,323.52
Contingency (10.00%)	£118,384.74	£84,438.91		£202,823.65
<b>TOTAL</b>	<b>£1,302,232.17</b>	<b>£ 928,827.96</b>		<b>£2,231,060.13</b>

Please provide details of proposed capital funding sources					
Enter details of funding source	Status:	Ruthin	Corwen	Future Years	TOTAL
Strategic Capital Funding	tbc	£1,302,232.17	£ 928,827.96		£2,231,060.13
<b>TOTAL</b>		<b>£1,302,232.17</b>	<b>£ 928,827.96</b>		<b>£2,231,060.13</b>

## REVENUE COST IMPACT

### TO BE COMPLETED FOR ALL PROJECTS

*In considering whether a project should be developed due regard should be made to the potential impact on revenue budgets.*

If the activity will result in a requirement for additional revenue funding, please provide details below:			
What is the impact of this project in terms of the <u>annual</u> revenue requirement for:	Existing Revenue Budget	Post-project Revenue Budget	Increase/ Decrease
staff costs (salaries and associated)	No change	No change	No change
energy costs (heating, lighting, ICT, etc.)	2,959.08		
property maintenance and servicing costs	176	Reduction in maintenance costs	
other property related costs (rental, insurance, etc.)	30	No change	No change
ongoing ICT costs (licences, etc.)	No change	No change	Same
mileage of Denbighshire fleet vehicles	No change	Decrease	Same

<b>mileage for business travel by Denbighshire employees using their personal vehicles</b>	No change	Decrease	Same
<b>OTHER (please enter)</b>	No change	No change	Same
<b>OTHER (please enter)</b>	No change		
<b>OVERALL REVENUE REQUIREMENT</b>	No change		

Please provide brief details of the revenue impact of this project:

- Where revenue savings are forecast, you should detail what is proposed for the saving (e.g. reduction of an existing revenue budget, re-allocation of revenue to alternative services area, etc.)
- Where revenue increases are forecast, you should provide details of how the revenue shortfall will be addressed. In this instance you should also append a three year surplus/deficit forecast.
- Details of any one-off revenue cost requirements that may be required post-project implementation (e.g. recruitment, redundancies, etc.). DO NOT include any costs detailed in the capital section of this Business Case

## WHOLE LIFE COST

**NOTE: THIS SECTION IS CURRENTLY IN DEVELOPMENT AND FURTHER GUIDANCE ISSUED IN DUE COURSE. OFFICERS DO NOT NEED TO COMPLETE THIS SECTION AT THIS STAGE UNLESS THEY HAVE UNDERTAKEN A WHOLE LIFE COSTING EXERCISE ALREADY INDEPENDENTLY WITHIN THEIR PROJECT.**

Please provide brief details of the whole life cost impact of this project over a 20-year period. This should be completed for the preferred business option as well as for the environmentally enhanced business option if it is not selected as the preferred option:

- [guidance to follow]
- [guidance to follow]

- *[guidance to follow]*

## **PROJECT MANAGEMENT**

*Please provide details of proposed project management – Establishment of Project Board etc.*

- Project Board to be established which includes:-
    - Tony Ward Project Sponsor, DCC
    - Cllr Barry Mellor - Lead Member, DCC
    - Andy Clark and Jon Chapman - Senior User Representatives, DCC
    - Design and Construction - Design Team
  - Project Team to be established once approval has been granted to proceed
  - Internal Project to report to Programme Boards (subject to confirmation)
  - Internal Project Manager to be supplied by D&C

## **STATUTORY REQUIREMENTS / HEALTH & SAFETY**

*This section should identify how the activity will help Denbighshire meet any of its statutory requirements. Please include any Health & Safety Issues that the activity will address in this section. Please leave blank if not applicable.*

This project enables the Council to meet its statutory obligations relating to:

The architects are designing out health and safety risk from the outset, for example in terms of:

- site strategy for segregating vehicle (public & service) and pedestrian access
- allowing for maintenance/emergency access and accessible provision
- considering site levels, flood risk
- outline specification in terms of buildability and headline technical requirements
- Allowances in area schedule for circulation, servicing and maintenance; etc.

## CARBON MANAGEMENT IMPACT

Please consult with Council's Principal Energy Manager ([robert.jones@denbighshire.gov.uk](mailto:robert.jones@denbighshire.gov.uk)) and the Council's Climate and Ecological Change Programme Manager ([helen.vaughan-evans@denbighshire.gov.uk](mailto:helen.vaughan-evans@denbighshire.gov.uk)) before completing this section.

Denbighshire has committed to reducing its carbon emissions from buildings and fleet by at least 15% by 2022, for the Council to be net carbon zero by 2030 (buildings, fleet, waste, business travel, staff commuting, street lighting) and for the Council to reduce its supply chain emissions by 35% by 2030.

The Business Case requires you to make a forecast for the anticipated carbon emissions impact of the project.

Annual Forecasts:	Annual (current)	Carbon (kgCO <sub>2</sub> e)	Annual (Post Project)	Carbon (kgCO <sub>2</sub> e)	Carbon Variance	Comments
Money spent on external goods and services (UNIT= £)	n/a		n/a			
Energy consumption in buildings: (UNIT = kWh)	110,000		Uncertain but likely to be neutral			Whilst the project is increasing the physical areas of accommodation it is assumed it will be replacing accommodation which is not fit for purpose and highly energy inefficient thus on balance result in neutral impact KWH and Carbon wise.
Energy consumption in Street Lighting: (UNIT = kWh)	n/a		n/a			
Fuel consumption of Denbighshire Fleet vehicles: (UNIT = litres/ kWh)	n/a		n/a			
Mileage of Business Travel (personal vehicles): (UNIT = miles travelled)	n/a		n/a			
Mileage of Staff Commute: (UNIT = miles travelled)	n/a		n/a			

<b>Tonnes of waste produced: (UNIT = tonnes)</b>	n/a		n/a			
<b>One off Forecasts:</b>			<b>Project cost (£)</b>	<b>Carbon (kgCO2e)</b>		<b>Comments</b>
<b>Money spent on external goods and services (UNIT= £)</b>			£1,964,464	726,851		Capital spend on construction multiplied by emission factor of 0.37 (construction)
<b>TOTAL CARBON EMISSIONS</b>						

<b>Annual Forecasts:</b>	<b>Current</b>	<b>Carbon Absorption (kgCO2e)</b>	<b>Post Project</b>	<b>Carbon Absorption (kgCO2e)</b>	<b>Carbon Absorption Variance</b>	<b>Comments</b>
<b>Hectare of Grassland (UNIT=ha)</b>	n/a		n/a			
<b>Hectares of Forestland (UNIT=ha)</b>	n/a		n/a			
<b>TOTAL CARBON ABSORPTION</b>						

*Please highlight the appropriate cell depending on whether on balance this project helps, hinders or is neutral to the Council's goal to become net carbon zero by 2030 (reducing carbon emissions and increasing carbon absorption).*

<b>Net Carbon Zero Council Summary</b>	HELPS	HINDERS	NEUTRAL
----------------------------------------	-------	---------	---------

*Please provide brief details of the carbon impact of this project, and detail specific actions that will be taken to reduce carbon emissions. If carbon emissions are expected to increase as a result of this project, please provide details of proposed actions to compensate for this increase in other areas of the Service's activity and/or via tree planting/land management for the benefit of carbon sequestration.*

**Climate Change Lead Officer statement:**

*Please provide a statement from the Climate Change Lead Officer. Contact Helen Vaughan-Evans on [climatechange@denbighshire.gov.uk](mailto:climatechange@denbighshire.gov.uk).*

The preferred option (option 2) of installation of salt barns at Corwen and Lôn Parcwr depots as well as the construction of improved welfare and storage facilities at Corwen depot could help the Council meet its goal to become Net Carbon Zero by 2030. By adopting a higher energy efficient design option, the development will have reduced water and energy consumption and therefore reduced carbon emissions. This is likely to provide operational cost savings. It could also serve as an exemplar for future DCC building projects and emphasise the Council's commitment to the Climate Emergency.

The electricity supply to the site has recently been upgraded as part of the corporate electric vehicle project, together with the installation of a rapid EV charger. The location of these, and how they are used e.g. lorry turning circle to park at EV charger, will need to be taken into account in the design of the site layout.

However, DCC's Climate and Ecological Change Strategy has a 'plus' target for reducing carbon from its supply chain by 35% by 2030. The construction of these buildings and site development is predicted to produce 727 tonnes CO<sub>2</sub>e via the supply chain. Therefore, every effort should be taken within the procurement activity of this spend to specify the works for the benefit of low carbon (e.g. via the use of lower spend lots to open the field to local SME's), to assess the bids from a low carbon consideration (e.g. including quality criteria questions with a scoring weighting) and monitor carbon emission performance of the chosen contractor (e.g. through contract management, provision of data).

To help reduce carbon emissions, the project designer(s) should be aware of the minimum standard for new build and refurbishments based on carbon in operation and embodied carbon which was passed by Cabinet in December. Papers/info here (agenda item 8):

<https://moderngov.denbighshire.gov.uk/ieListDocuments.aspx?CId=281&Mid=6276&LLL=0>

Any procurement over £25k should seek Community Benefits and I would encourage the project manager to focus their negotiations with the contractor around securing additional interventions for the benefit of low carbon, biodiversity improvements, carbon sequestration and/or climate and ecological change education/awareness.

The project manager should continue to engage with their Procurement Business Partner and the Community Benefits Hub (Karen Bellis) early in maximising on low carbon / carbon sequestration opportunities from the supply chain associated with this project.

**Supplied by:** Jane Hodgson      **Date:** 13 July 2022

## BIODIVERSITY IMPACT

Please consult with Denbighshire's Biodiversity Lead Officer before completing this section. Contact Joel Walley on [joel.walley@denbighshire.gov.uk](mailto:joel.walley@denbighshire.gov.uk).

The Council has a statutory duty to ensure compliance and enforcement of the Habitats Regulations (as amended in 2017). Furthermore, the Environment (Wales) Act, 2016 requires the Council to maintain and enhance biodiversity, and promote the resilience of ecosystems. At this pre-feasibility stage, please determine the anticipated impact of the project on biodiversity, and proposed measures to ensure the project results in an overall biodiversity enhancement.

Please mark a cross in the appropriate box.

<b>Will this project impact on a habitat that supports living organisms (plant or animal), or involve physical works to property or Land?</b>	<b>Yes</b>	x	<b>No</b>	
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If you have answered yes to the above question, please complete all the following biodiversity sections. If answered no, please leave blank

<b>IMPACTS ON BIODIVERSITY</b>	<b>Yes</b>		<b>No</b>	x
Has an ecological appraisal or survey of the site or proposals taken place?				
Cofnod eMapper Link:				
Please provide brief summary of survey findings, or provide a copy of the ecological report for review:				
N/A				

Please provide brief details of how the project will avoid harm to biodiversity.

- None proposed at this time

Please provide brief details of how the project will mitigate and compensate for any harm to biodiversity.

- None proposed at this time

Please provide brief details of how the project will enhance biodiversity and restore ecosystem resilience.

- None proposed at this time

Please highlight the appropriate cell depending on whether on balance this project helps, hinders or is neutral to the Council's goal to become ecologically positive by 2030 (increasing the species richness of land).

<b>Ecologically Positive Council Summary</b>	<b>HELPS</b>	<b>HINDERS</b>	<b>NEUTRAL</b>
----------------------------------------------	--------------	----------------	----------------

**Ecology Officer summary:**

Please provide a statement from the Biodiversity Lead Officer. Contact Joel Walley on [joel.walley@denbighshire.gov.uk](mailto:joel.walley@denbighshire.gov.uk).

NRW reporting and investigation, has shown that the current setup is creating pollution to nearby watercourses, which is likely to be causing harm to wildlife. The proposals would stop this, and would likely result in a benefit to biodiversity.

At present, the site appears to be of low biodiversity value, with no apparent greenery or natural habitats present.

No on-site ecological avoidance, mitigation, compensation, or enhancement measures are proposed. With careful design, the scheme could be improved. Some of the following should be considered, in order to deliver a net benefit to biodiversity, as required under Planning Policy Wales 11, and in compliance with the Environment (Wales) Act, 2016 and Denbighshire County Council's Climate and Ecological Emergency Strategy.

- Green Roof on the new buildings
- Bat and Bird Boxes installed around the site and on new buildings.
- Tree Planting (within tree pits)
- Green Wall installation
- Raised planters, containing species with a known benefit to wildlife
- Offsite habitat creation and restoration in the local area.

Access to nature has been shown to improve well-being, and the inclusion of some of these things would likely be of benefit to the many staff using the site.

**Name:** Joel Walley      **Date:** 05/07/2022

## MAJOR RISKS TO THE PROJECT

A summary of the key risks associated with the project together with the likely impact and plans should they occur is provided below:

Title	Inherent Risk	Mitigating Action	Residual Risk
Failure to secure capital funding for the build at Corwen and Lôn Parcwr.	A2	<ul style="list-style-type: none"> <li>Seek necessary funding to continue with build to ensure compliance, without SIG funding the project cannot proceed</li> </ul>	E2
Potential legal prosecution to the Council on the grounds of non-compliance of current environmental standards	A1	<ul style="list-style-type: none"> <li>Seek necessary funding to continue with build to ensure compliance, without SIG funding the project cannot proceed</li> </ul>	E1
Potential challenge to the Council on Health & Safety concerns	A2	<ul style="list-style-type: none"> <li>Seek necessary funding to continue with build to ensure compliance, without SIG funding the project cannot proceed</li> </ul>	E2
Increase in material and build costs due to delay in gaining funding	A2	<ul style="list-style-type: none"> <li>Seek necessary funding to continue with build to ensure compliance, without SIG funding the project cannot proceed</li> </ul>	E2
Facilities deteriorate and leave both sites vulnerable for efficient operations	A1	<ul style="list-style-type: none"> <li>Seek necessary funding to continue with build to ensure compliance, without SIG funding the project cannot proceed</li> </ul>	E2

Likelihood	A - Almost Certain					
	B - Highly Likely					
	C - Probable					
	D - Possible					
	E - Rare					
		5 - Very Low	4 - Low	3 - Medium	2 - High	1 - Very High
		Impact				

## SUPPORTING INFORMATION

Please list any supporting documents that accompany this Business Case

Please find attached the following supporting documents:

Report: Salt Barn Installation at Lôn Parcwr Depot, Ruthin and Corwen Depot  
Appendix A - Wellbeing Impact Assessment  
Appendix B - AMG Report  
Appendix C - Risk Register entry  
Appendix D - Correspondence from NRW  
Appendix E - Salt lab test results  
Appendix F - Photos of Existing Conditions  
Appendix G - Proposals (Design/Layout)  
Appendix H - Salt storage report NWSRG  
Appendix I - Energy efficiency and savings assessment  
Appendix J - Capital Spend Breakdown  
Appendix K – NMWTRA Costs and Payments

## ANNUAL CAPITAL BIDS – BLOCK ALLOCATIONS

Please provide details of expenditure and commitments for allocations received in the current financial year.

N/A

## COUNTY LANDLORD STATEMENT

Please provide a statement from the County Landlord and where applicable the recommendation of the Asset Management Group. Contact Tom Booty on [tom.booty@denbighshire.gov.uk](mailto:tom.booty@denbighshire.gov.uk).

The proposals improve unsatisfactory accommodation and provide a long-term solution to address the various shortcomings of the existing facilities. Reducing the operational costs and environmental impact of the site(s) is in line with Council and National Policies and legislative requirements. The Council's policy of developing zero carbon buildings (in operation) will need to be applied where practical which will need to be factored in to any development of costs.

Supplied by: David Lorey, Lead Officer Corporate Property and Housing Stock  
Date: 28 June 2022

## CHIEF FINANCE OFFICER STATEMENT

Please provide a statement from the Chief Finance Officer. Contact Steve Gadd on [steve.gadd@denbighshire.gov.uk](mailto:steve.gadd@denbighshire.gov.uk).

As stated in the report there has yet to be a capital business case which can be considered prior to the release of funding. It is important that all bids for the capital funding available for allocation this financial year are judged on their relative merits and that will be done at a strategic level. This will avoid allocations based on need and priorities and not on a first come first serve basis. AMG support would be expected for such projects before consideration for funding.

**Supplied by: Steve Gadd Date: 14/07/2022**

**VERIFICATION:**

<b>Project Manager:</b>			
<b>Project Sponsor:</b>			
<b>Name:</b>		<b>Position:</b>	
<b>Signature:</b>		<b>Date:</b>	

**For use by Finance:**

<b>Result of S.I.G. Review</b>	
<b>Date of Meeting</b>	
<b>Approval</b>	
<b>Code</b>	

# **Appendix A**

## Wellbeing Impact Assessment

## **Provision of New Salt Storage Facilities in Lon Parcwr and Corwen Depots:**

### **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:** 1060

**Brief description:** The proposal will be assessing the provision of bespoke salt storage facilities for the south of the county at Lon Parcwr and Corwen depots.

**Date Completed:** 10/06/2022 09:51:39 Version: 1

**Completed by:** Jon Chapman

**Responsible Service:** Highways & Environmental Services

**Localities affected by the proposal:** Dee Valley, Denbigh, Ruthin, Llangollen,

**Who will be affected by the proposal?** DCC winter maintenance operative and local residents.

**Was this impact assessment completed as a group?** No

## 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 : 28 / 36.**

### Summary for each Sustainable Development principle

#### Long term

The proposals for the salt storage facilities at the depots will have significant opportunities to provide measures which will contribute towards the authorities Climate Change Emergency targets. Measures such as rainwater capture, ground source heat pumps, green rooftops and the creation of additional wildflower areas on and around the site. These measures will ensure the future viability and sustainability of the depot.

#### Prevention

The proposals for the salt storage facilities at the depots will have significant opportunities to provide measures which will contribute towards the authorities Climate Change Emergency targets. Measures such as rainwater capture, ground source heat pumps, green rooftops and the creation of additional wildflower areas on and around the site. These measures will ensure the future viability and sustainability of the depot.

#### Integration

The project will ensure the depots are future proofed and fit for purpose for decades to come. Another key factor in the requirement to implement this project is to address health & safety concerns with the current depots and ensure the requirements of current legislation are complied with.

## Collaboration

In order to successfully deliver this project in line with the proposals outlined input from a number of partners will be key. Green measures previously outlined will require input from the authorities Ecology team.

## Involvement

The workforce operating in both depots which this project will affect have been consulted and informed of developments and their feedback on the initial designs will be sought and taken into consideration.

## Summary of impact

Well-being Goals	Overall Impact
<a href="#">A prosperous Denbighshire</a>	Positive
<a href="#">A resilient Denbighshire</a>	Positive
<a href="#">A healthier Denbighshire</a>	Neutral
<a href="#">A more equal Denbighshire</a>	Neutral
<a href="#">A Denbighshire of cohesive communities</a>	Neutral
<a href="#">A Denbighshire of vibrant culture and thriving Welsh language</a>	Neutral
<a href="#">A globally responsible Denbighshire</a>	Neutral

## Main conclusions

Overall this project will contribute positively to the authorities climate emergency declaration by

## Provision of New Salt Storage Facilities in Lon Parcwr and Corwen Depots

ensuring new infrastructure is modern and fit for purpose which embraces the use of green technology.

## **The likely impact on Denbighshire, Wales and the world.**

### **A prosperous Denbighshire**

#### **Overall Impact**

Positive

#### **Justification for impact**

This project will secure the presence of an winter maintenance operational depots for Lon Parcwr and Corwen areas for generations to come, thus securing the ability to deliver an effective and efficient winter maintenance service in the short/medium and long term.

#### **Further actions required**

n/a

#### **Positive impacts identified:**

##### **A low carbon society**

Green technology will be a consideration in the development of the final proposals for this project

##### **Quality communications, infrastructure and transport**

This project will enhance the infrastructure in our existing depot making it fit for purpose

##### **Economic development**

The project secures the presence of an winter maintenance operations in Corwen and Lon Parcwr depots for generations to come which in turn will enhance and support the local economy

##### **Quality skills for the long term**

Securing the future of Corwen and Lon Parcwr depots as winter maintenance will enable the authority to continue to deliver winter maintenance operations in the south of the county.

##### **Quality jobs for the long term**

Securing the future of Corwen and Lon Parcwr depots as winter maintenance will enable the authority to continue to deliver winter maintenance operations in the south of the county.

**Childcare**

n/a

**Negative impacts identified:**

**A low carbon society**

n/a

**Quality communications, infrastructure and transport**

n/a

**Economic development**

n/a

**Quality skills for the long term**

n/a

**Quality jobs for the long term**

n/a

**Childcare**

n/a

**A resilient Denbighshire**

**Overall Impact**

Positive

**Justification for impact**

Installation of green technology in the new building will reduce energy consumption and make a positive contribution to the council climate emergency agenda.

**Further actions required**

n/a

**Positive impacts identified:**

**Biodiversity and the natural environment**

Creation of a biodiversity areas in the vicinity will be considered as part of this project

**Biodiversity in the built environment**

The possibility of installing a living roof will be considered in the design proposals

**Reducing waste, reusing and recycling**

Rainwater harvesting technology will be considered.

**Reduced energy/fuel consumption**

PV panels and ground source heat pumps to be installed in new building

**People's awareness of the environment and biodiversity**

n/a

**Flood risk management**

Appropriate site drainage will be installed at the sites.

**Negative impacts identified:**

**Biodiversity and the natural environment**

n/a

**Biodiversity in the built environment**

n/a

**Reducing waste, reusing and recycling**

n/a

**Reduced energy/fuel consumption**

n/a

**People's awareness of the environment and biodiversity**

n/a

**Flood risk management**

n/a

**A healthier Denbighshire**

**Overall Impact**

Neutral

**Justification for impact**

n/a

**Further actions required**

n/a

**Positive impacts identified:**

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

n/a

**Access to good quality, healthy food**

n/a

**People's emotional and mental well-being**

n/a

**Access to healthcare**

n/a

**Participation in leisure opportunities**

n/a

**Negative impacts identified:**

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

n/a

**Access to good quality, healthy food**

n/a

**People's emotional and mental well-being**

n/a

**Access to healthcare**

n/a

**Participation in leisure opportunities**

n/a

**A more equal Denbighshire**

**Overall Impact**

Neutral

**Justification for impact**

n/a

**Further actions required**

n/a

**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**

n/a

**People who suffer discrimination or disadvantage**

n/a

**People affected by socio-economic disadvantage and unequal outcomes**

n/a

**Areas affected by socio-economic disadvantage**

n/a

**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**

n/a

**People who suffer discrimination or disadvantage**

n/a

**People affected by socio-economic disadvantage and unequal outcomes**

n/a

**Areas affected by socio-economic disadvantage**

n/a

**A Denbighshire of cohesive communities**

**Overall Impact**

Neutral

**Justification for impact**

n/a

**Further actions required**

n/a

**Positive impacts identified:**

**Safe communities and individuals**

n/a

**Community participation and resilience**

n/a

**The attractiveness of the area**

n/a

**Connected communities**

n/a

**Rural resilience**

n/a

**Negative impacts identified:**

**Safe communities and individuals**

n/a

**Community participation and resilience**

n/a

**The attractiveness of the area**

n/a

**Connected communities**

n/a

**Rural resilience**

n/a

## **A Denbighshire of vibrant culture and thriving Welsh language**

### **Overall Impact**

Neutral

### **Justification for impact**

All site signage will be bi-lingual as per DCC Welsh Language Policy helping to promote the use of the Welsh Language

### **Further actions required**

n/a

### **Positive impacts identified:**

#### **People using Welsh**

All site signage will be bi-lingual as per DCC Welsh Language Policy

#### **Promoting the Welsh language**

All site signage will be bi-lingual as per DCC Welsh Language Policy

#### **Culture and heritage**

n/a

### **Negative impacts identified:**

#### **People using Welsh**

n/a

#### **Promoting the Welsh language**

n/a

**Culture and heritage**

n/a

**A globally responsible Denbighshire**

**Overall Impact**

Neutral

**Justification for impact**

n/a

**Further actions required**

n/a

**Positive impacts identified:**

**Local, national, international supply chains**

n/a

**Human rights**

n/a

**Broader service provision in the local area or the region**

n/a

**Reducing climate change**

n/a

**Negative impacts identified:**

**Local, national, international supply chains**

n/a

**Human rights**

n/a

**Broader service provision in the local area or the region**

n/a

**Reducing climate change**

n/a

## STRATEGIC INVESTMENT GROUP

# BUSINESS CASE – CAPITAL INVESTMENT

*This Business Case provides justification for undertaking a project. The completed form will be reviewed by the Strategic Investment Group who will make a recommendation to Council whether the bid should be approved and included within the Capital Plan. All sections should be completed and evidence of costs will need to be supplied.*

*For details of Strategic Investment Group meetings and deadlines for the submission of this form, please contact Richard Humphreys, Capital & Technical Finance Team on ext. 6144.*

<b>Project Name:</b>	Botanical Gardens Depot – Phase 2 Improvement Works
<b>Project Reference:</b>	TBC
<b>Project Manager:</b>	Michael Bennion
<b>Workstream/Programme:</b>	

<b>Head of Service/Project Sponsor</b>	Tony Ward	<b>Lead member:</b>	Cllr Barry Mellor Cllr Gwyneth Ellis (Lead Member of AMG group)
<b>Service:</b>	Highways and Environmental Services	<b>LM Portfolio:</b>	
<b>Form completed by:</b>	Michael Bennion/Andy Clark	<b>Date:</b>	
<b>Service Accountant:</b>	Martyn Dodd	<b>Date:</b>	

### PROJECT TYPE

Please categorise your project type. Mark **one** box only.

SMALL	<input type="checkbox"/>	MEDIUM	<input checked="" type="checkbox"/>	LARGE	<input type="checkbox"/>
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<b>DECISION SOUGHT FROM SIG:</b>	To approve funding of £1,360,455.16 to enable phase two health & safety improvement works to the Botanical Gardens Depot following completion of the Phase 1 improvements
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## EXECUTIVE SUMMARY

Highlights the key points in the Business Case to include: -

- what the project will achieve / important benefits
- estimated costs
- how the project will be funded?

### COMPONENTS

This project aims to replace the substandard and environmentally inefficient equipment and vehicle storage facilities at the Botanical Gardens Depot site in Rhyl through:

1. Removal of the existing storage facilities
2. Redesign and relocation of waste storage bays
3. The construction of new purpose built facilities to meet the needs of the service and in accordance with the well-being impact assessment (**Appendix A**).
4. Implementing an eco-friendly design that will serve as an exemplar for future accommodation projects.

The proposals in this report are detailed in the attached Asset Management Group (**Appendix B**) April 2022. Existing site plans and the proposed new layout are detailed in **Appendices E and F respectively**.

The project recognises the need and demand of the services operating from the Botanical Gardens Depot site in Rhyl. The staff based at this site deliver the street-scene service for the north of the county. 60 frontline staff are based here, 10 of which are office based. The site runs an efficient operation and has been strategically located in Rhyl to provide the most efficient and reactive service. It is envisaged that there will be a long term requirement for a site at this location. The service has previously explored the option of relocating to the Kinmel Park site in Bodelwyddan, this was assessed within the Phase 1 redevelopment proposal and subsequently discounted as a viable option due to the costs involved (as indicated in **Appendix I**). The council has therefore made a long term commitment towards retaining this site as an operational depot and construction of phase 1 works has now commenced on site with a forecast completion of Spring 2023.

The existing vehicle and waste storage facilities are of a poor standard and consist of a series of old buildings (**See photos in Appendix E**) These facilities are no longer fit for purpose and fall far short of meeting the standard required for a modern operational service.

The current buildings on site have been added over a number of years and don't meet our current operational requirements and have limited storage capacity this also results in staff having to travel to other sites to collect equipment and consumable materials.

The construction and age of the buildings mean that they are beyond economic repair and we propose the replacement of all the existing buildings with one purpose built permanent building. It should be noted that this is now become a priority due to recent storm damage which has resulted in some buildings having to be demolished for health and safety reasons. The remaining storage facilities on site are completely inadequate.

The Strategic Asset Management and Design Teams have been working with the Environmental Services Team to find an appropriate solution. Three options have been considered:

- **Do nothing and continue with the current infrastructure**  
This options would not be viable longer term as the current Nissen hut will need to be demolished in the next few months for health & safety reasons leaving no suitable storage for our fleet of ride on mowers/ quadbike etc. thus meaning they will then be stored outside in the elements which will adversely affect the equipment ultimately meaning they will not last as long and require replacement more frequently. Current waste storage capacity no longer meets our operational requirements and therefore will increase costs due to the use of external or third party waste disposal facilities. This is also limiting the recycling and potential income streams for the site.
- **Demolish and rebuild the existing storage facilities without renewable technology**  
This option would provide funding for the demolition and replacement of the Nissen hut and redesign of the waste storage facilities using standard building practices but would not utilise renewable technology such as solar PV and heat pumps etc.
- **Demolish and rebuild the existing storage facilities using renewable technology**  
This option whilst the most expensive would provide the ideal solution and address all the ongoing problems highlighted. This would also provide the scope for renewable technology to be introduced in line with the council's current climate and ecological emergency commitment. This would also provide increased EV charging facilities in order to future proof provision for DCC fleet vehicles.

#### **WHAT THE PROJECT WILL ACHIEVE**

This project will:

- Deliver a purpose built facility in the north of the county for our Streetscene service
- Provide an exemplar eco building that will help the authority achieve its carbon reduction targets
- Provide a bespoke vehicle and equipment storage facility in addition to an independent stores facility for the depot
- Ensure working conditions meet access and equality standards
- Ensure that the Streetscene service continues to operate from the Rhyl area, thus providing a central base to service the three north MAG areas with the highest population density and largest tourism related service expectation and associated demands throughout the summer season.
- The project will help the council to reduce carbon emissions, following the recent climate change declaration.

**COST**

Please see table below showing indicative costs:

Do nothing and continue with the current infrastructure	No Cost
Demolish and rebuild the existing storage facilities without renewable technology	£1,307,139.70
Demolish and rebuild the existing storage facilities using renewable technology	£1,360,455.16

If the preferred option is approved there may be the scope for potential savings for heating, electricity and water consumption that could have a positive impact on revenue budgets. This option will also remove the need for extensive annual maintenance costs, which is currently creating a service revenue pressure.

**FUNDING**

The project will be delivered through DCC Capital Funding.

Project expenditure is estimated be over FY 2023/24 – 24/25, with most of the spending being envisaged within 23/24.

## BUSINESS OPTIONS

Analysis and reasoned recommendation for the base business options of: do nothing / do the minimal or do something.

<b>Option 1:</b>	<b>Do nothing and continue with the current infrastructure</b>				
<b>Please provide brief details:</b>					
<p>Continue with existing vehicle, equipment and waste storage facility arrangements.</p> <p>The do nothing option would essentially mean that the DCC staff working from the Botanical Gardens would continue to use facilities that are unfit for purpose, fail to meet access and equality standards and would continue to require significant annual spending on temporary solutions to maintenance problems. The facilities, if left in their present condition, will continue to deteriorate as an incident last year only proved – substantial damage was sustained during Storm Arwen (<b>see Appendix D</b>) which resulted in the demolition of storage buildings due to health and safety concerns and further damage was sustained to the remaining buildings that are still in situ, some of which also now need to be demolished.</p> <p>Staff would continue to work in conditions that are sub-standard and fall short of the level of facilities expected by employees and unions. The poor energy efficiency record at this site would continue. The Do Nothing option, in essence, would postpone the need to find a permanent solution to the Botanical Gardens accommodation issue. This option is not considered to be suitable nor sustainable and poses a considerable risk to the future service operation at this site as outlined within the service risk register (<b>Appendix C</b>).</p>					
<b>Please mark with an X how this option compares with the preferred option in terms of Cost, Time, Quality and Benefits:</b>					
<b>Costs</b>	Costs more		<b>Time</b>	Takes longer to deliver	
	Costs the same			Takes the same to deliver	
	Costs less	<b>X</b>		Is quicker to deliver	<b>X</b>
<b>Quality</b>	Improves the quality		<b>Benefits</b>	Improves benefits	
	Is the same quality			No impact on benefits	
	Is a lower quality	<b>X</b>		Worsens benefits	<b>X</b>
<b>What is the main reason this option has not been selected?</b>					
<p>The current age and condition of the remaining buildings do not meet current or future needs.</p> <p>This option doesn't address the sub-standard and inefficient facilities problems at the Botanical Gardens site. It delays the inevitable requirement to replace the current sub-standard buildings and facilities.</p> <p>The condition of the remaining buildings is a considerable concern and if further demolition is required this will leave the service with no storage facilities for plant and equipment.</p> <p>This would not be in keeping with the investment already approved for phase 1, which involves the replacement of temporary office accommodation with a permanent structure. Approval of phase 2 would be the final phase of this project to secure the future of this operational depot for many years to come.</p>					

<b>Option 2:</b>	<b>Demolish and rebuild the existing storage facilities without renewable technology</b>
------------------	------------------------------------------------------------------------------------------

**Please provide brief details:**

Replace existing facilities with standard build, without utilising renewable technology to the specification outlined in the attached concept plans attached and will include:

- Improved storage facilities for operational waste streams, such fly tipping and recyclable materials.
- Consolidated and improved vehicle storage to accommodate approximately three compact sweepers, three gang mowers along with a number of other types of equipment.
- Additional staff welfare; 1no Accessible WC shown within the proposed new storage unit, with a small kitchenette area for tea/coffee facility.
- Supervisor/Stores office.
- General storage for small plant and equipment for all three MAG teams, who are servicing the north of the county.

Plans showing the location and design of the build including a 3D layout is enclosed in **Appendix F**.

**Please mark with an X how this option compares with the preferred option in terms of Cost, Time, Quality and Benefits:**

<b>Costs</b>	Costs more		<b>Time</b>	Takes longer to deliver	
	Costs the same			Takes the same to deliver	<b>x</b>
	Costs less	<b>x</b>		Is quicker to deliver	
<b>Quality</b>	Improves the quality		<b>Benefits</b>	Improves benefits	
	Is the same quality	<b>x</b>		No impact on benefits	
	Is a lower quality			Worsens benefits	<b>x</b>

**What is the main reason this option has not been selected?**

Whilst this option would meet the needs of the service, it would not provide any option for the use of renewable technology and EV charging and does not consider the council's current climate and ecological emergency declaration.

<b>Option 3:</b>	<b>Demolish and rebuild the existing storage facilities using renewable technology</b>
------------------	----------------------------------------------------------------------------------------

**Please provide brief details:**

As option 2 but utilising renewable technology such as:

- Increased EV charging facilities for both council and private staff vehicles.
- Rainwater harvesting- to enable the capture and use of rainwater for cleaning vehicles, flushing toilets along with providing significant quantities of water for maintenance functions such as road sweeping and watering of flower beds etc.
- Photovoltaic Panels on roofs of buildings to enable battery charging and solar heating
- Solar thermal build as opposed to hot water cylinder
- Air source Heat pump – compresses warm air and transfers to central heating and hot water systems

- Ground source Heat Pump linked with under floor heating that extracts low grade heat from ground
  - High grade wall insulation
  - Borehole loop system
  - LED and other energy efficient forms of lighting
- (See Appendix G)**

This option would involve adopting a higher energy efficient design that would serve as an exemplar for future DCC building projects and emphasises the Council’s commitment to the Climate Emergency. This approach will meet all of the requirements to bring the facilities up to the required standard and provide a workplace that is fit for purpose, more economical to run and meet best practice in environmentally friendly structures. This method of new build would be a fresh approach for the Council and there are a range of options open to us.

**Please mark with an X how this option compares with the preferred option in terms of Cost, Time, Quality and Benefits:**

<b>Costs</b>	Costs more	<b>x</b>	<b>Time</b>	Takes longer to deliver	<b>x</b>
	Costs the same			Takes the same to deliver	
	Costs less			Is quicker to deliver	
<b>Quality</b>	Improves the quality	<b>x</b>	<b>Benefits</b>	Improves benefits	<b>x</b>
	Is the same quality			No impact on benefits	
	Is a lower quality			Worsens benefits	

**What is the main reason this option has not been selected?**

This is the preferred option as this meets the service requirements for storage of vehicles and equipment whilst also providing the scope for the introduction of renewable technology and EV charging points which will future proof this site for many years to come and positively contribute to the council’s commitment to the climate and ecological emergency.

In addition to meeting staff needs this option takes the opportunity to design and deliver an eco-style building that enables a strong statement from the Council about our commitment to the climate emergency and provides the biggest benefits over the whole life cost.

In addition to providing staff with the appropriate accommodation, reducing carbon omissions and reducing energy costs an Eco Build would serve as an exemplar for future DCC building projects and demonstrate our commitment to the Climate Emergency (options detailed within **Appendix G**)

The overall cost of delivering this option is estimated to be £1,360,455.16, this is further detailed in **Appendix H**.

## EXPECTED BENEFITS

The benefits that the project will deliver expressed in measurable terms against the situation as it exists prior to the project. Remember to capture co-benefits (the added benefits we get from this action/project as well as the direct benefits it will realise).

Expected benefits from this project include:				
<b>Benefit</b>	<b>Description</b>	<b>Existing</b>	<b>Post Project</b>	<b>Variance</b>
Improved health, wellbeing and equality	Improved working and welfare conditions for staff and visitors	Sub-standard facilities	Fit for purpose facilities	
Reduced energy consumption and associated carbon	Improved efficiency along with the use of renewable technologies	Large reliance on electricity from the grid	The site will be more energy self-sufficient with own supplies	Annual savings of £7,300
Reduced water consumption and associated carbon	Improved efficiency along with the use of renewable technologies	Large reliance on Water from utility provider	The site will be more energy self-sufficient with own supplies	
Safer storage of materials to comply with current standards	Provision of new facilities for safe and adequate storage of waste	Current facilities are inadequate which limit recycling opportunities	Facilities which comply with current standards and legislation	
Safer storage of equipment	Provision of new facilities for safe and adequate storage of supplies, vehicles and plant	Current facilities are inadequate which do not provide adequate storage leading to expensive equipment being stored outside which shortens their operational life	Facilities which comply with current standards and legislation	
Improved facilities for third-party users of the site.	Improved welfare facilities	This is currently provided by one outdoor building which was damaged during storm Arwen and now needs to be demolished (Appendix D)	Improved welfare facilities that are fit for purpose	
Provision of a dedicated stores facility.	Creation of a dedicated stores facility for use by staff	Staff travel to other depots to obtain materials and sundry items	Provision of a dedicated stores to reduce travel to other depots	

## EXPECTED DIS-BENEFITS

Outcomes perceived as negative by one or more stakeholders

Outcomes that could be perceived as negative by one or more stakeholders are as follows:

- The new build may raise the possibility of objections from local residents although there are few properties in the vicinity.
- Its anticipated that there will be disruption to the service during the construction phase, although other options are being considered to mitigate and minimise disruption during this period
- Facilities will deteriorate further while the new build develops

## TIMESCALE

Over which the project will run (summary of the Project Plan) and the period over which the benefits will be realised

Assuming ECO – Build Option

Date	Milestone
July 2022	Business case to SIG
July/August 2022	Operational sign off of new design and proceed with detailed design
July/August 2022	Political sign off on Project Business Case
August/September 2022	Planning permission process
November 2022	Tendering exercise
January/February 2023	Demolition of existing buildings
March/April 2023	Build new facilities
October 2023	New site operational

## CAPITAL COSTS – CONSTRUCTION PROJECTS

**COMPLETE ALL THREE TABLES BELOW FOR CONSTRUCTION PROJECTS  
LEAVE BLANK/DELETE SECTION FOR BUSINESS DEVELOPMENT PROJECTS**

*The capital cost of a project is an important consideration in terms of whether or not it should proceed.*

- Any costs relating to ICT infrastructure and equipment should have been provided by ICT department.
- Any costs that relate to construction should have been provided by Design & Development or Building Services.

Please provide details of any capital funding that has already been spent on the project:	
Enter details of cost element below:	Total
Feasibility (surveys, market research, etc.)	
Client side project management	
OTHER (please enter)	
OTHER (please enter)	
<b>TOTAL</b>	

Please provide details of the capital funding requirement (not including amount already spent):				
Enter details of cost element below:	2021/22	2022/23	Future Years	All Years Total
Feasibility (surveys, market research, etc.)	By client			
Client side project management	By client			
Reposition or demolish and remove from site existing site structures, including the existing sweeper bay, wash area, and raised concrete surrounds	£ 33,187.50			
Construction of new build, office, equipment and plant stores	£ 486,526.64			
Allow for all dilapidation surveys to surrounding area and buildings and works to the Friends of Botanical Gardens existing porta cabin	£ 2,000.00			
Site preparation , hardstanding's and kerbing to the site	£ 146,020.37			
Allow for area of re-surfacing within The Friends of Botanical Gardens area for visitor car parking	£ 5,950.00			
Drainage provision to the new building and the site hardstanding's .Includes an allowance a rainwater harvesting tank and an Interceptor / attenuation tank	£ 150,640.82			

Rainwater harvesting tank	£ 30,000.00			
Interceptor / attenuation tank below sweeper wash bay	£ 20,000.00			
New sweeper wash bay	£ 7,270.00			
New concrete integrated block waste and skip areas.	£ 33,840.00			
New security fencing installed between botanical gardens depot and coronation gardens/Rhyl Football Club and the portion used by Friends of Botanical Gardens.	£ 29,650.00			
Repair and replace concrete posts and concrete board boundary wall between Rhyl FC and proposed stores building – to be confirmed if retaining concrete integrated blocks are also required during detailed design.	£ 5,000.00			
Existing outbuilding to be refurbished and brought to current standards to act as an office/welfare space for the friends of botanical gardens group	£ 11,000.00			
Renewables at 10 % of super structure cost. Possibly Photo Voltaic Array with Battery Storage and Air Source Heat Pumps	£ 53,315.40			
Electric charge points within new car parking areas	£ 15,000.00			
Direction signage	£ 1,000.00			
Private external lighting columns	£ 9,000.00			
Allowance for incoming services	£ 3,465.00			
Planning/Building Regulation Costs (Estimate)	By client			
Project/design team fees 12.0% (5.5% Architect, 2.50% QS, 1.00% M&E, Structural 1.00%, COW 1.00% CDMC 1.00%)	£ 132,511.87			
Legal Costs and Fees	By client			
Preliminaries	£ 61,399.83			
Contingency (10.00%)	£ 123,677.74			
<b>TOTAL</b>	<b>£ 1,360,455.16</b>			

Please provide details of proposed capital funding sources					
Enter details of funding source	Status:	2021/22	2022/23	Future Years	TOTAL
Strategic Capital Funding	tbc	£1,360,455.16			
Carbon/Energy Reduction Funding	tbc				
<b>TOTAL</b>		£1,360,455.16			

## REVENUE COST IMPACT TO BE COMPLETED FOR ALL PROJECTS

*In considering whether a project should be developed due regard should be made to the potential impact on revenue budgets.*

If the activity will result in a requirement for additional revenue funding, please provide details below:			
What is the impact of this project in terms of the <u>annual</u> revenue requirement for:	Existing Revenue Budget	Post-project Revenue Budget	Increase/Decrease
staff costs (salaries and associated)	No change	No change	No change
energy costs (heating, lighting, ICT, etc.)	16,171	8,894.00	-45%
property maintenance and servicing costs	7,441	Reduction in maintenance costs	
other property related costs (rental, insurance, etc.)	1,043	No change	No change
ongoing ICT costs (licences, etc.)	No change	No change	Same
mileage of Denbighshire fleet vehicles	No change	Decrease	Same
mileage for business travel by Denbighshire employees using their personal vehicles	No change	Decrease	Same
OTHER (please enter)	No change	No change	Same
OTHER (please enter)	No change		
<b>OVERALL REVENUE REQUIREMENT</b>	No change		

*Please provide brief details of the revenue impact of this project:*

- Where revenue savings are forecast, you should detail what is proposed for the saving (e.g. reduction of an existing revenue budget, re-allocation of revenue to alternative services area, etc.)
- Where revenue increases are forecast, you should provide details of how the revenue shortfall will be addressed. In this instance you should also append a three year surplus/deficit forecast.
- Details of any one-off revenue cost requirements that may be required post-project implementation (e.g. recruitment, redundancies, etc.). DO NOT include any costs detailed in the capital section of this Business Case

## WHOLE LIFE COST

**NOTE: THIS SECTION IS CURRENTLY IN DEVELOPMENT AND FURTHER GUIDANCE ISSUED IN DUE COURSE. OFFICERS DO NOT NEED TO COMPLETE THIS SECTION AT THIS STAGE UNLESS THEY HAVE UNDERTAKEN A WHOLE LIFE COSTING EXERCISE ALREADY INDEPENDENTLY WITHIN THEIR PROJECT.**

*Please provide brief details of the whole life cost impact of this project over a 20-year period. This should be completed for the preferred business option as well as for the environmentally enhanced business option if it is not selected as the preferred option:*

- *[guidance to follow]*
- *[guidance to follow]*
- *[guidance to follow]*

## PROJECT MANAGEMENT

*Please provide details of proposed project management – Establishment of Project Board etc.*

- Project Board to be established which includes:-
  - Tony Ward Project Sponsor, DCC
  - Cllr Barry Mellor - Lead Member, DCC
  - Andy Clark and Mike Bennion - Senior User Representatives, DCC
  - Design and Construction - Design Team
- Project Team to be established once approval has been granted to proceed
- Internal Project to report to Programme Boards (subject to confirmation)
- Internal Project Manager to be supplied by D&C

## STATUTORY REQUIREMENTS / HEALTH & SAFETY

*This section should identify how the activity will help Denbighshire meet any of its statutory requirements. Please include any Health & Safety Issues that the activity will address in this section. Please leave blank if not applicable.*

This project enables the Council to meet its statutory obligations relating to:

The architects are designing out health and safety risk from the outset, for example in terms of:

- site strategy for segregating vehicle (public & service) and pedestrian access
- allowing for maintenance/emergency access and accessible provision
- considering site levels, flood risk
- outline specification in terms of buildability and headline technical requirements
- Allowances in area schedule for circulation, servicing and maintenance; etc.

## CARBON MANAGEMENT IMPACT

Please consult with Council's Principal Energy Manager ([robert.jones@denbighshire.gov.uk](mailto:robert.jones@denbighshire.gov.uk)) and the Council's Climate and Ecological Change Programme Manager ([helen.vaughan-evans@denbighshire.gov.uk](mailto:helen.vaughan-evans@denbighshire.gov.uk)) before completing this section.

Denbighshire has committed to reducing its carbon emissions from buildings and fleet by at least 15% by 2022, for the Council to be net carbon zero by 2030 (buildings, fleet, waste, business travel, staff commuting, street lighting) and for the Council to reduce its supply chain emissions by 35% by 2030.

The Business Case requires you to make a forecast for the anticipated carbon emissions impact of the project.

Annual Forecasts:	Annual (current)	Carbon (kgCO2e)	Annual (Post Project)	Carbon (kgCO2e)	Carbon Variance	Comments
Money spent on external goods and services (UNIT= £)	No Change		No Change			
Energy consumption in buildings: (UNIT = kWh)	50	1.1	30	0.7		
Energy consumption in Street Lighting: (UNIT = kWh)	20	4.6	15	3.45		0.23 emission factor
Fuel consumption of Denbighshire Fleet vehicles: (UNIT = litres/ kWh)	No Change		No Change			This will increase significantly in future. As part of the corporate EV project, the electricity supply to the site is being increased to supply future EV charging.
Mileage of Business Travel (personal vehicles): (UNIT = miles travelled)	No Change		No Change			
Mileage of Staff Commute: (UNIT = miles travelled)	No Change		No Change			
Tonnes of waste produced: (UNIT = tonnes)	No Change		No Change			
One off Forecasts:			Project cost (£)	Carbon (kgCO2e)		Comments
Money spent on external goods and services (UNIT= £)			£1,225,944	453,599		Spend under the category of 'construction' has an emissions factor of 0.37 kgCO2e per £ spent

<b>TOTAL CARBON EMISSIONS</b>						
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Annual Forecasts:	Current	Carbon Absorption (kgCO <sub>2</sub> e)	Post Project	Carbon Absorption (kgCO <sub>2</sub> e)	Carbon Absorption Variance	Comments
Hectare of Grassland (UNIT=ha)	No Change		No Change			
Hectares of Forestland (UNIT=ha)	No Change		No Change			
<b>TOTAL CARBON ABSORPTION</b>						

*Please highlight the appropriate cell depending on whether on balance this project helps, hinders or is neutral to the Council's goal to become net carbon zero by 2030 (reducing carbon emissions and increasing carbon absorption).*

<b>Net Carbon Zero Council Summary</b>	<b>HELPS</b>	HINDERS	NEUTRAL
----------------------------------------	--------------	---------	---------

*Please provide brief details of the carbon impact of this project, and detail specific actions that will be taken to reduce carbon emissions. If carbon emissions are expected to increase as a result of this project, please provide details of proposed actions to compensate for this increase in other areas of the Service's activity and/or via tree planting/land management for the benefit of carbon sequestration.*

**Climate Change Lead Officer statement:**

*Please provide a statement from the Climate Change Lead Officer. Contact Helen Vaughan-Evans on [climatechange@denbighshire.gov.uk](mailto:climatechange@denbighshire.gov.uk).*

The preferred option of Demolish and rebuild the existing storage facilities using renewable technology will **help** the Council meet its goal to become Net Carbon Zero by 2030. By adopting a higher energy efficient design option, the development will have reduced water and energy consumption and therefore reduced carbon emissions. It could also serve as an exemplar for future DCC building projects and emphasise the Council's commitment to the Climate Emergency.

The use of a range of renewable technologies will provide operational savings – an estimated 45% decrease in revenue costs (approximately £9,000 per year at current prices) and a decrease in carbon emissions. The electricity supply is being increased as part of the corporate electric vehicle project. This will be available for the proposed EV charging facilities which will be needed for the transition of DCC fleet from diesel to EVs.

This project is predicted to produce 454 tonnes CO<sub>2</sub>e via the supply chain. DCC's Climate and Ecological Change Strategy has a 'plus' target for reducing carbon from its supply chain by 35% by 2030. Therefore, every effort should be taken within the procurement activity of this spend to specify the works for the benefit of low carbon (e.g. via the use of lower spend lots to open the field to local SME's), to assess the bids from a low carbon consideration (e.g. including quality criteria questions with a scoring weighting) and monitor carbon emission performance of the chosen contractor (e.g. through contract management, provision of data).

Any procurement over £25k should seek Community Benefits and I would encourage the project manager to focus their negotiations with the contractor around securing additional interventions for the benefit of low carbon, biodiversity improvements, carbon sequestration and/or climate and ecological change education/awareness.

The project manager should continue to engage with their Procurement Business Partner and the Community Benefits Hub (Karen Bellis) early in maximising on low carbon / carbon sequestration opportunities from the supply chain associated with this project.

**Supplied by:** Jane Hodgson      **Date:** 13 July 2022

## BIODIVERSITY IMPACT

Please consult with Denbighshire's Biodiversity Lead Officer before completing this section. Contact Joel Walley on [joel.walley@denbighshire.gov.uk](mailto:joel.walley@denbighshire.gov.uk).

The Council has a statutory duty to ensure compliance and enforcement of the Habitats Regulations (as amended in 2017). Furthermore, the Environment (Wales) Act, 2016 requires the Council to maintain and enhance biodiversity, and promote the resilience of ecosystems. At this pre-feasibility stage, please determine the anticipated impact of the project on biodiversity, and proposed measures to ensure the project results in an overall biodiversity enhancement.

Please mark a cross in the appropriate box.

<b>Will this project impact on a habitat that supports living organisms (plant or animal), or involve physical works to property or Land?</b>	<b>Yes</b>		<b>No</b>	x
-----------------------------------------------------------------------------------------------------------------------------------------------	------------	--	-----------	---

If you have answered yes to the above question, please complete all the following biodiversity sections. If answered no, please leave blank

<b>IMPACTS ON BIODIVERSITY</b>	<b>Yes</b>		<b>No</b>	x
Has an ecological appraisal or survey of the site or proposals taken place?				
Cofnod eMapper Link:				
Please provide brief summary of survey findings, or provide a copy of the ecological report for review:				

Please provide brief details of how the project will avoid harm to biodiversity.

None currently proposed

Please provide brief details of how the project will mitigate and compensate for any harm to biodiversity.

Biodiversity area in neighbouring Coronation Garden

Please provide brief details of how the project will enhance biodiversity and restore ecosystem resilience.

None currently proposed

*Please highlight the appropriate cell depending on whether on balance this project helps, hinders or is neutral to the Council's goal to become ecologically positive by 2030 (increasing the species richness of land).*

<b>Ecologically Positive Council Summary</b>	<b>HELPS</b>	<b>HINDERS</b>	<b>NEUTRAL</b>
----------------------------------------------	--------------	----------------	----------------

**Ecology Officer summary:**

*Please provide a statement from the Biodiversity Lead Officer. Contact Joel Walley on joel.walley@denbighshire.gov.uk.*

At present, the site appears to be of low biodiversity value, with no apparent greenery or natural habitats present. Some of the buildings may support nesting birds/roosting bats, and an ecological survey will be required before this is submitted to planning.

The proposals include the creation of a biodiversity area in the neighbouring Coronation Gardens. This was proposed under planning consent for an earlier application relating to the site 45/2020/0695, so will need to be additional to the previously consented scheme to ensure that Phase 2 delivers an ecological enhancement.

No on-site ecological avoidance, mitigation, compensation, or enhancement are proposed. With careful design, the scheme could be improved. Some of the following should be considered, in order to deliver a net benefit to biodiversity, as required under Planning Policy Wales 11, and in compliance with the Environment (Wales) Act, 2016 and Denbighshire County Council's Climate and Ecological Emergency Strategy.

- Green Roof on the new buildings (which can improve the efficiency of solar panels)
- Bat and Bird Boxes.
- Tree Planting (within tree pits)
- Green Wall installation
- Raised planters, containing species with a known benefit to wildlife

Access to nature has been shown to improve well-being, and the inclusion of some of these things would likely be of benefit to the many staff using the site.

**Name:** Joel Walley                      **Date:** 04/07/2022

## MAJOR RISKS TO THE PROJECT

A summary of the key risks associated with the project together with the likely impact and plans should they occur is provided below:

Title	Inherent Risk	Mitigating Action	Residual Risk
Failure to secure capital funding for the build	A2	<ul style="list-style-type: none"> <li>Seek necessary funding to continue with build to ensure compliance, without SIG funding the project cannot proceed</li> </ul>	E2
Potential challenge to the Council on Health & Safety concerns	A2	<ul style="list-style-type: none"> <li>Seek necessary funding to continue with build to ensure compliance, without SIG funding the project cannot proceed</li> </ul>	E2
Increase in material and build costs due to delay in gaining funding	A2	<ul style="list-style-type: none"> <li>Seek necessary funding to continue with build to ensure compliance, without SIG funding the project cannot proceed</li> </ul>	E2
Facilities deteriorate and leaves the site vulnerable for efficient operations	A1	<ul style="list-style-type: none"> <li>Seek necessary funding to continue with build to ensure compliance, without SIG funding the project cannot proceed</li> </ul>	E2

Likelihood	A - Almost Certain					
	B - Highly Likely					
	C - Probable					
	D - Possible					
	E - Rare					
		5 - Very Low	4 - Low	3 - Medium	2 - High	1 - Very High
		Impact				

## SUPPORTING INFORMATION

*Please list any supporting documents that accompany this Business Case*

Please find attached the following supporting documents:

- AMG Botanical Gardens Depot Report May 2022
- Storm damage details
- Outline map of existing site
- Photographs of current site conditions, May 2022
- Wellbeing Impact Assessment, May 2022
- New proposed facilities and storage design layouts
- Service Project Risk Register, May 2022
- Overview of Eco Technologies
- New build associated costs
- Associated costs of Streetscene relocation to Kinmel Park Depot

## ANNUAL CAPITAL BIDS – BLOCK ALLOCATIONS

*Please provide details of expenditure and commitments for allocations received in the current financial year.*

N/A

## COUNTY LANDLORD STATEMENT

*Please provide a statement from the County Landlord and where applicable the recommendation of the Asset Management Group. Contact Tom Booty on [tom.booty@denbighshire.gov.uk](mailto:tom.booty@denbighshire.gov.uk).*

The proposals improve unsatisfactory accommodation and provide a long-term solution to address the various shortcomings of the existing facilities. Reducing the operational costs and environmental impact of the site(s) is in line with Council and National Policies and legislative requirements. The Council's policy of developing zero carbon buildings (in operation) will need to be applied where practical which will need to be factored in to any development of costs.

Supplied by: David Lorey, Lead Officer Corporate Property and Housing Stock  
Date: 28 June 2022

## CHIEF FINANCE OFFICER STATEMENT

Please provide a statement from the Chief Finance Officer. Contact Steve Gadd on [steve.gadd@denbighshire.gov.uk](mailto:steve.gadd@denbighshire.gov.uk).

As stated in the report there has yet to be a capital business case which can be considered prior to the release of funding. It is important that all bids for the capital funding available for allocation this financial year are judged on their relative merits and that will be done at a strategic level. This will avoid allocations based on need and priorities and not on a first come first serve basis. AMG support would be expected for such projects before consideration for funding.

Supplied by: Steve Gadd Date: 14/07/2022

## VERIFICATION:

<b>Project Manager:</b>			
<b>Project Sponsor:</b>			
<b>Name:</b>		<b>Position:</b>	
<b>Signature:</b>		<b>Date:</b>	

### For use by Finance:

<b>Result of S.I.G. Review</b>	
<b>Date of Meeting</b>	
<b>Approval</b>	
<b>Code</b>	

# **Appendix A**

## Wellbeing Impact Assessment

## **Botanical Gardens Depot Phase 2: 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:** 1039

**Brief description:** Replacement of Nissen Hut with a bespoke building as the current building is old and in a state of disrepair, also re-location of the waste storage bays due to health & safety concerns with the current location and provision of suitable drainage for waste bays.

**Date Completed:** 16/06/2022 11:14:46 Version: 8

**Completed by:** Mike Bennion

**Responsible Service:** Highways & Environmental Services

**Localities affected by the proposal:** Rhyl,

**Who will be affected by the proposal?** All Streetscene staff based in Rhyl depot and external voluntary groups and other users of the site.

**Was this impact assessment completed as a group?** No

## **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 : 32 / 36.**

### **Summary for each Sustainable Development principle**

#### **Long term**

The proposals for the phase 2 improvements at the depot have significant opportunities to provide measures which will assist the authority in meeting the Climate Emergency targets. Measures such as rainwater capture, ground source heat pumps, green rooftops and the creation of additional wildflower areas on and around the site. These measures will ensure the future viability and sustainability of the depot in addition to the installation of additional EV charging points as part of this project.

#### **Prevention**

The proposals for the phase 2 improvements at the depot have significant opportunities to provide measures which will assist the authority in meeting the Climate Emergency targets. Measures such as rainwater capture, ground source heat pumps, green rooftops and the creation of additional wildflower areas on and around the site. These measures will ensure the future viability and sustainability of the depot in addition to the installation of additional EV charging points as part of this project.

#### **Integration**

The project will ensure the depot is future proofed and fit for purpose for decades to come. Another key factor in the requirement to implement this project is to address health & safety concerns with the

## Botanical Gardens Depot Phase 2

current depot layout which will involve the re-location of the waste storage bays and building a new bespoke storage building to address these concerns.

### Collaboration

In order to successfully deliver this project in line with the proposals outlined input from a number of partners will be key. Green measures previously outlined will require input from the authorities Ecology team.

### Involvement

The workforce based at the botanical garden depot which this project will affect have been consulted and informed of developments and their feedback on the initial designs has been sought and taken into consideration similar to how we have managed the phase 1 redevelopment project.

### Summary of impact

Well-being Goals	Overall Impact
<a href="#">A prosperous Denbighshire</a>	Positive
<a href="#">A resilient Denbighshire</a>	Positive
<a href="#">A healthier Denbighshire</a>	Neutral
<a href="#">A more equal Denbighshire</a>	Neutral
<a href="#">A Denbighshire of cohesive communities</a>	Neutral
<a href="#">A Denbighshire of vibrant culture and thriving Welsh language</a>	Neutral
<a href="#">A globally responsible Denbighshire</a>	Neutral

**Main conclusions**

Overall this project will contribute positively to the authorities climate emergency declaration by ensuring existing outdated infrastructure is replaced with modern fit for purpose infrastructure which embraces the use of green technology.

## **The likely impact on Denbighshire, Wales and the world.**

### **A prosperous Denbighshire**

#### **Overall Impact**

Positive

#### **Justification for impact**

This project will secure the presence of an operational depot for the Rhyl area for generations to come, thus securing employment opportunities for local people in the short/medium and long term.

#### **Further actions required**

n/a

#### **Positive impacts identified:**

##### **A low carbon society**

Green technology to be utilised such as rain water harvesting, PV panels and ground source heat pumps

##### **Quality communications, infrastructure and transport**

This project will enhance the infrastructure of an existing depot making it fit for purpose

##### **Economic development**

The project secures the presence of an operational depot in Rhyl for generations to come which in turn will enhance and support the local economy

##### **Quality skills for the long term**

Securing the future of Rhyl depot will enhance employment opportunities for generations to come.

##### **Quality jobs for the long term**

Securing the future of Rhyl depot will enhance employment opportunities for generations to come.

**Childcare**

n/a

**Negative impacts identified:**

**A low carbon society**

n/a

**Quality communications, infrastructure and transport**

n/a

**Economic development**

n/a

**Quality skills for the long term**

n/a

**Quality jobs for the long term**

n/a

**Childcare**

n/a

**A resilient Denbighshire**

**Overall Impact**

Positive

### **Justification for impact**

Installation of green technology in the new building will reduce energy consumption and make a positive contribution to the council climate emergency agenda.

### **Further actions required**

n/a

### **Positive impacts identified:**

#### **Biodiversity and the natural environment**

Creation of a biodiversity area will be an integral part of this project, this will be located in the adjoining Coronation Gardens field

#### **Biodiversity in the built environment**

The possibility of installing a living roof will be considered in the design proposals

#### **Reducing waste, reusing and recycling**

Rainwater harvesting technology will be used.

#### **Reduced energy/fuel consumption**

PV panels and ground source heat pumps to be installed in new building

#### **People's awareness of the environment and biodiversity**

n/a

#### **Flood risk management**

n/a

### **Negative impacts identified:**

#### **Biodiversity and the natural environment**

n/a

**Biodiversity in the built environment**

n/a

**Reducing waste, reusing and recycling**

n/a

**Reduced energy/fuel consumption**

n/a

**People's awareness of the environment and biodiversity**

n/a

**Flood risk management**

n/a

**A healthier Denbighshire**

**Overall Impact**

Neutral

**Justification for impact**

All site signage will be bi-lingual as per DCC Welsh Language Policy helping to promote the use of the Welsh Language

**Further actions required**

n/a

**Positive impacts identified:**

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

All site signage will be bi-lingual as per DCC Welsh Language Policy

**Access to good quality, healthy food**

All site signage will be bi-lingual as per DCC Welsh Language Policy

**People's emotional and mental well-being**

n/a

**Access to healthcare**

n/a

**Participation in leisure opportunities**

n/a

**Negative impacts identified:**

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

n/a

**Access to good quality, healthy food**

n/a

**People's emotional and mental well-being**

n/a

**Access to healthcare**

n/a

**Participation in leisure opportunities**

n/a

**A more equal Denbighshire**

**Overall Impact**

Neutral

**Justification for impact**

n/a

**Further actions required**

n/a

**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**

n/a

**People who suffer discrimination or disadvantage**

n/a

**People affected by socio-economic disadvantage and unequal outcomes**

n/a

**Areas affected by socio-economic disadvantage**

n/a

**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**

n/a

**People who suffer discrimination or disadvantage**

n/a

**People affected by socio-economic disadvantage and unequal outcomes**

n/a

**Areas affected by socio-economic disadvantage**

n/a

**A Denbighshire of cohesive communities**

**Overall Impact**

Neutral

**Justification for impact**

n/a

**Further actions required**

n/a

**Positive impacts identified:**

**Safe communities and individuals**

n/a

**Community participation and resilience**

n/a

**The attractiveness of the area**

n/a

**Connected communities**

n/a

**Rural resilience**

n/a

**Negative impacts identified:**

**Safe communities and individuals**

n/a

**Community participation and resilience**

n/a

**The attractiveness of the area**

n/a

**Connected communities**

n/a

**Rural resilience**

n/a

## **A Denbighshire of vibrant culture and thriving Welsh language**

### **Overall Impact**

Neutral

### **Justification for impact**

All site signage will be bi-lingual as per DCC Welsh Language Policy helping to promote the use of the Welsh Language

### **Further actions required**

n/a

### **Positive impacts identified:**

#### **People using Welsh**

All site signage will be bi-lingual as per DCC Welsh Language Policy

#### **Promoting the Welsh language**

All site signage will be bi-lingual as per DCC Welsh Language Policy

#### **Culture and heritage**

n/a

### **Negative impacts identified:**

#### **People using Welsh**

n/a

#### **Promoting the Welsh language**

n/a

**Culture and heritage**

n/a

**A globally responsible Denbighshire**

**Overall Impact**

Neutral

**Justification for impact**

n/a

**Further actions required**

n/a

**Positive impacts identified:**

**Local, national, international supply chains**

n/a

**Human rights**

n/a

**Broader service provision in the local area or the region**

n/a

**Reducing climate change**

n/a

**Negative impacts identified:**

**Local, national, international supply chains**

n/a

**Human rights**

n/a

**Broader service provision in the local area or the region**

n/a

**Reducing climate change**

n/a

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<b>Report to</b>	Cabinet
<b>Date of meeting</b>	29 Sept 2022
<b>Lead Member / Officer</b>	Rhys Thomas – Lead Member for Housing & Communities /David Lorey – Lead Officer Corporate Property & Housing Stock
<b>Report author</b>	Katrina Allen
<b>Title</b>	Phase 2 Social Housing Retrofit Works – Rhydwen Drive Rhyl

## 1. What is the report about?

- 1.1. To seek approval to proceed with a Direct Award contract to Sustainable Building Services for our energy retrofit works. This work falls within the Capital Planned Works with approved Cabinet commitment to a £2.5M Lot spend.

## 2. What is the reason for making this report?

- 2.1. To advise Cabinet of the proposals for us to continue works in Rhydwen Drive Rhyl to mitigate fuel insecurities.

## 3. What are the Recommendations?

- 3.1. To 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.
- 3.2. 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 30th 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.

## 4. Report details

4.1. In December 2020 the Welsh Government invited bids for rounds 1, 2.1 and 2.2 of the Optimised Retrofit Programme (ORP). Denbighshire has already secured circa £5.8Million from previous bids for both core and innovative works to our homes. ORP 3.0, this year, will not be based on invited bids but based on a stock formula so we are guaranteed funding this year for our Core energy works.

4.2. ORP funding 2.1 was sought for 55 houses on Rhydwen Drive/Close. The funding did not stretch to all, approx. 100 council houses, on the street. We are asking to continue our Planned Capital Energy Works to those left, reaching a further 44 houses. We do not want to lose continuity on site The benefits of continuing this scheme early Oct is that:

- We can retain the 12 local apprentices we've gained from Phase 1 and continue their employment for a further 26 weeks. They walk to work as cannot afford a car. 6 of them are on tailor made roofing courses to help with individual disabilities.
- The site is already mobilised and we can save costs by not having to remove then set up again.
- The Supply chain are holding onto stock as to not cause potential time/cost delay.
- All our subcontractors (except the renderers) are local companies.
- Costs are secured through the Welsh Procurement Alliance Framework so we can ensure Value for Money.
- We can retain the continued quality of workmanship.

4.3. The improvements have included integrated solar PV, increased wall insulation via external wall insulation (EWI) and the installation of battery technology to harness solar gain, we have also been able to upskill local businesses in green technology installs and had 12 new local apprenticeships on site.

4.4. We've produced solar and IES guides for our tenants and hold drop in sessions for those wanting more information on using the solar PV.

- 4.5. Our Capital Planned Works are scheduled outside the bird/bat nesting seasons so these works are best commenced Sept-March to help mitigate delays and disruption to tenants.
- 4.6. We need to scale and pace these works in light of current fuel insecurities. This work generates a significant increase with regards to improving our Energy Performance Certificate (EPC) data. Early indications from our current Phase 1 programme has confirmed that we have increased these homes from an EPC D to an EPC B/A by adopting retrofit techniques and tenants are seeing a saving in their electricity bills. However, an amount of tenant energy advise/education is still required to help those truly optimise those benefits.
- 4.7. The current Phase 1 contract ends on 30<sup>th</sup> September 2022. The request to forego the 5 day call in period prior to implementing Cabinet's decision is required to enable contract award ASAP and ensure that the contractor, sub-contractors and supply chains have the security of a continuing contract and do not commit resources to alternative projects, thereby leading to cost increases and programme extensions.

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

- 5.1. **Housing:** The EPC's for these houses are a mix of D and C,s, which aren't the worst of our housing stock, but, the area itself houses some of Denbighshire's most vulnerable tenants. These works will help tenants reduce their overall electricity and heating bills while tariffs are high. Denbighshire's required targets are for our houses to get to an EPC A so this scheme will help put residents on a future road map to get them up to this target
- 5.2. **Connected Communities:** This scheme will help create a resilient and connected community as they will be in control of some of their own electricity usage. We also have a number of tenants (phase 1) who have signed up to form a tenant's informal forum so they can help us to ensure our houses stay efficient. We hope to continue this for Phase 2.
- 5.3. **Addressing Deprivation:** The residents in this area are at a disadvantage due to high unemployment etc. however, we've had some tenants and others that live locally ask for work and we've signed 7 up to an apprenticeship scheme with the

subcontractors on site with 5 currently still working on the site (the ORP helps fund this element). Total number of apprenticeships created is 12. We want to keep those currently on apprenticeships working and a Direct Award with the same company will help continuity with their employment.

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

- 6.1. The overall scheme will cost circa £1.672Million
- 6.2. Welsh Government will provide £650K (approx. £15K energy uplift to 44 properties).
- 6.3. DCC's Housing Revenue Account will cover Circa £1,022M capital improvement works to the social housing stock in addition to the WG provision.

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

- 7.1. Main conclusions: Carbon reduction to the housing stock, increased employment opportunities, increased training opportunities, SME and local supply chain benefits, skills development, tenant engagement and Community involvement

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

- 8.1. There is a clear need and requirement to ensure the councils housing stock is maintained to a high standard and although scrutiny consultation has not been considered at this stage, there has been considerable dialogue with WG and tenants regarding our planned works programme. Relevant councillors are also consulted with in each ward prior to the start of the improvement works and statistical information is fed back both corporately and to the WG regularly.

## **9. Chief Finance Officer Statement**

- 9.1. This work falls within the Capital Planned Works with approved Cabinet commitment to a £2.5M Lot spend.

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

- 10.1. We risk losing these benefits if we delay the start on site.

10.2. The Welsh Procurement Alliance Energy Framework facilitates direct award based on competitive rates submitted.

## **11. Power to make the decision**

11.1. S111 of the Local Government Act 1972

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# External Enveloping Contract for Council Housing

## 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:	930
Brief description:	Capital works to the council housing stock to deliver major capital repairs and energy efficiency works
Date Completed:	Version: 0
Completed by:	
Responsible Service:	Facilities, Assets & Housing
Localities affected by the proposal:	Whole County,
Who will be affected by the proposal?	Tenants and residents
Was this impact assessment completed as a group?	No

# IMPACT ASSESSMENT 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 : 32 / 36.

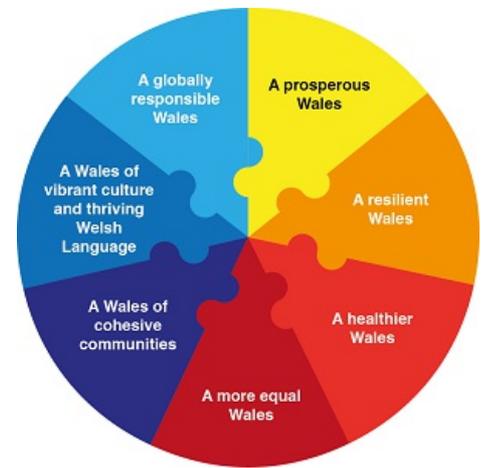
## Summary for each Sustainable Development principle

<b>Long term</b>	The project will deliver priority repairs as identified as part of our asset management plan which are resilient and sustainable. The project has considered lifetime costs and aims to reduce waste by incorporating recyclable materials for future use. The project will increase the EPC values of our homes, thus removing people from fuel poverty and ensure homes become more efficient, The project will improve the health and well being of residents as homes will become warmer and healthier places to live. The project will ensure that future maintenance is limited and help to develop and increase construction related training opportunities as part of the the delivery programme.
<b>Prevention</b>	The project will embrace sustainability as its core value, a number of renewable technologies are proposed which will be of considerable benefit to residents and reduce the carbon foot print of the councils housing stock. SAP scores will increase in line with local targets and the Welsh Governments decarb target. Reduced fuel bills for residents will help towards overall promoting good health and well being thus reducing the stain on our public health services. This may also contribute towards improving peoples mental health as the project will reduce fuel costs for residents which may currently be creating increased anxiety for some. The project aims to reduce on grid electricity use via renewable technology that can harnessed using battery technology.
<b>Integration</b>	The project will help to sustain the existing housing stock for future generations
<b>Collaboration</b>	The project has been developed with relevant stakeholder input and designed in accordance with national regulation using professional personnel from within the council.
<b>Involvement</b>	Required stakeholder consultation and national engagement principals will be adopted within the development of the project as far as is practicably possible.

## Summary of impact

### Well-being Goals

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	Neutral



## Main conclusions

Carbon reduction to the housing stock  
Increased employment opportunities  
Increased training opportunities  
SME and local supply chain benefits  
Skill development  
Tenant engagement  
Community involvement

## Evidence to support the Well-being Impact Assessment

- We have consulted published research or guides that inform us about the likely impact of the proposal
- We have involved an expert / consulted a group who represent those who may be affected by the proposal
- We have engaged with people who will be affected by the proposal

# THE LIKELY IMPACT ON DENBIGHSHIRE, WALES AND THE WORLD

## A prosperous Denbighshire

<b>Overall Impact</b>	Positive
<b>Justification for impact</b>	The project will develop a sustainable housing stock and in doing so develop new skills within the construction sector
<b>Further actions required</b>	Negative impacts are minimal, continuity of work will hopefully be resolved by future similar work schemes to other parts of the housing stock under a new future framework,

### Positive impacts identified:

<b>A low carbon society</b>	Installation of Solar panels and EWI to homes , reduced need for grid electricity to our homes
<b>Quality communications, infrastructure and transport</b>	Solar PV will generate electricity for day time use and can also be harnessed by incorporating battery technology
<b>Economic development</b>	Increased employment opportunities Increased training opportunities Use of local supply chain
<b>Quality skills for the long term</b>	New skills developed in the renewable sector and retrofit industry, increased integration with local colleges
<b>Quality jobs for the long term</b>	Job creation for the duration of the framework for local SMES New sector jobs in a growing industry of renewable technology
<b>Childcare</b>	Not applicable

### Negative impacts identified:

<b>A low carbon society</b>	There are no negative perceived impacts in this regard
<b>Quality communications, infrastructure and transport</b>	There are no negative perceived impacts in this regard
<b>Economic development</b>	There are no negative perceived impacts in this regard
<b>Quality skills for the long term</b>	There are no negative perceived impacts in this regard
<b>Quality jobs for the long term</b>	Job creation may not extend beyond the framework
<b>Childcare</b>	Not applicable

## A resilient Denbighshire

<b>Overall Impact</b>	Positive
<b>Justification for impact</b>	The impact will have a long term positive impact as the environmental will be aesthetically improved as a result of the work and provide a platform for biodiversity to thrive. The project will entice local SME's therefore reduce carbon by maintaining local supply links

<b>Further actions required</b>	Encouraging the use of locally sourced materials where ever possible. Offsetting carbon creation by planting trees via a community benefit scheme during the lifetime of the project.
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**Positive impacts identified:**

<b>Biodiversity and the natural environment</b>	Wildlife habitats will be preserved and enhanced by the work by installing temporary bird/bat boxes which will encourage biodiversity
<b>Biodiversity in the built environment</b>	As above , similar arrangements will be Incorporated for the built environmental as well as the natural environment
<b>Reducing waste, reusing and recycling</b>	Site waste material will be recycled and subject to contractor KPI
<b>Reduced energy/fuel consumption</b>	The contract will entice local SME's, thus reducing fuel and transport costs, the local supply chain will be favored to procure building materials
<b>People's awareness of the environment and biodiversity</b>	Contractor training increased integration with colleges Resident information enhanced
<b>Flood risk management</b>	New rainwater goods and drainage systems will channel rainwater more effectively thus reducing flooding risk

**Negative impacts identified:**

<b>Biodiversity and the natural environment</b>	Some habitats will be impacted for a short duration of time while works are underway.
<b>Biodiversity in the built environment</b>	Some habitats will be impacted for a short duration of time while works are underway.
<b>Reducing waste, reusing and recycling</b>	Some hazardous material will have to be disposed of in accordance with the law which may go to landfill
<b>Reduced energy/fuel consumption</b>	Some materials are not manufactured locally, therefore some carbon will be created from their supply
<b>People's awareness of the environment and biodiversity</b>	There no negative impacts in this regard
<b>Flood risk management</b>	There no negative impacts in this regard

**A healthier Denbighshire**

<b>Overall Impact</b>	Positive
<b>Justification for impact</b>	Overall the benefits of improved housing standards create a positive impact on peoples health and well being and less demand on other public services including the NHS.
<b>Further actions required</b>	There are no negative impacts resulting from the project which require mitigation.

**Positive impacts identified:**

<b>A social and physical environment that encourage and support health and well-being</b>	The project will deliver homes that are fit for purpose, fuel efficient, warm and healthier places to live
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<b>Access to good quality, healthy food</b>	The reduction in energy costs for residents will reduce fuel poverty therefore allowing tenants to have more money to spend on good quality food.
<b>People's emotional and mental well-being</b>	Lower levels of fuel poverty will reduce anxiety therefore potentially have a positive impact on mental well being,
<b>Access to healthcare</b>	Improved housing will improve peoples health therefore create less strain on the healthcare system
<b>Participation in leisure opportunities</b>	More money in peoples pockets from reduced household bills could be invested into leisure opportunities for families living in social housing.

#### **Negative impacts identified:**

<b>A social and physical environment that encourage and support health and well-being</b>	There are no negative impacts in this regard
<b>Access to good quality, healthy food</b>	There are no negative impacts in this regard
<b>People's emotional and mental well-being</b>	There are no negative impacts in this regard
<b>Access to healthcare</b>	There are no negative impacts in this regard
<b>Participation in leisure opportunities</b>	There are no negative impacts in this regard

### **A more equal Denbighshire**

<b>Overall Impact</b>	Positive
<b>Justification for impact</b>	The impact for a more equal Denbighshire is significant as homes will become more standardised, efficient and more desirable places to live. Training opportunities could also potentially be offered to tenants who express an interest in the project to learn new skills which potentially will have a direct positive socio-economic advantage within the region.
<b>Further actions required</b>	There are no negative impacts to mitigate in this regard.

#### **Positive impacts identified:**

<b>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</b>	The work will ensure our homes are future proofed for all people in the protected groups ensuring they feel safe and settled in their surroundings
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<b>People who suffer discrimination or disadvantage</b>	The project will generate homes which are neutral for all protected groups to benefit from in terms of low cost housing accommodation.
<b>People affected by socio-economic disadvantage and unequal outcomes</b>	The project will develop existing housing stock in deprived areas therefore creating a more equal society.
<b>Areas affected by socio-economic disadvantage</b>	The work will encourage healthier lifestyles as homes improve so does peoples general health and well being, new skills can be developed with residents who could directly benefit from training opportunities as part of the project.

### Negative impacts identified:

<b>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</b>	There are no negative impacts in this regard
<b>People who suffer discrimination or disadvantage</b>	There are no negative impacts in this regard
<b>People affected by socio-economic disadvantage and unequal outcomes</b>	There are no negative impacts in this regard
<b>Areas affected by socio-economic disadvantage</b>	There are no negative impacts in this regard

## A Denbighshire of cohesive communities

<b>Overall Impact</b>	Positive
<b>Justification for impact</b>	The project will deliver over £10M worth of investment in to warmer homes with reduced on grid energy reliance and significantly improve the visual aesthetics of our housing estates.
<b>Further actions required</b>	There are no required mitigation works in this regard to consider.

### Positive impacts identified:

<b>Safe communities and individuals</b>	The project will deliver safe housing within Denbighshire fully compliant with the WHQS
<b>Community participation and resilience</b>	Tenants will be informed and engaged with as part of the scheme to ensure their voices are heard and training provided where necessary

<b>The attractiveness of the area</b>	The work will dramatically improve the aesthetics and desirability of the county's housing estates
<b>Connected communities</b>	The project will engage and encourage connected communities via community benefit schemes and integration with local community groups
<b>Rural resilience</b>	The project will deliver off grid power supplies and reduced on grid energy demand, which has a positive impact to homes currently not connected to the gas network as alternative heating systems will now be viable as a direct result of the works.

#### **Negative impacts identified:**

<b>Safe communities and individuals</b>	There are no negative impacts in this regard
<b>Community participation and resilience</b>	There are no negative impacts in this regard
<b>The attractiveness of the area</b>	There are no negative impacts in this regard
<b>Connected communities</b>	There are no negative impacts in this regard
<b>Rural resilience</b>	There are no negative impacts in this regard

### **A Denbighshire of vibrant culture and thriving Welsh language**

<b>Overall Impact</b>	Neutral
<b>Justification for impact</b>	As the project is construction related project only a neutral impact is deemed achievable, however improvements in this area will be discussed with successful contractors during each phase of the project.
<b>Further actions required</b>	This will be reviewed throughout the lifetime of the project and improvements adopted in negotiation with each successful contractor.

#### **Positive impacts identified:**

<b>People using Welsh</b>	Contractors selected for the project will offer all communication bilingually therefore encouraging people to embrace the language
<b>Promoting the Welsh language</b>	The project will endeavor to promote the Welsh language through tenant liaison and contractor involvement
<b>Culture and heritage</b>	Home will be improved taking into consideration the local area and will be sympathetic to original designs

#### **Negative impacts identified:**

<b>People using Welsh</b>	There are no negative impacts in this regard
<b>Promoting the Welsh language</b>	There are no negative impacts in this regard
<b>Culture and heritage</b>	There are no negative impacts in this regard

### **A globally responsible Denbighshire**

<b>Overall Impact</b>	Positive
<b>Justification for impact</b>	The project aims to deliver homes which reduces carbon and improves energy efficiency to meet both corporate and national WG decarb targets for social housing.

<b>Further actions required</b>	Carbon off setting by planting trees through community benefit schemes will be promoted during the life time of the project as well as other suitable innovative mitigation measures during the project.
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**Positive impacts identified:**

<b>Local, national, international supply chains</b>	The use of local supply chains will be encouraged to reduce carbon wherever possible .
<b>Human rights</b>	Contractors will be obliged to ensure they remain within the law when conducting construction related actives for the council
<b>Broader service provision in the local area or the region</b>	No, broader services will not be affected as a direct result of this project.
<b>Reducing climate change</b>	The project centers around energy efficiency and carbon reduction across the housing stock .

**Negative impacts identified:**

<b>Local, national, international supply chains</b>	Some materials can only be purchased via national/global supply routes.
<b>Human rights</b>	N/A
<b>Broader service provision in the local area or the region</b>	There are no negative impacts in this regard
<b>Reducing climate change</b>	There are no negative impacts in this regard

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<b>Report to</b>	Cabinet
<b>Date of meeting</b>	29 September 2022
<b>Lead Member / Officer</b>	Cllr W Mullen-James, Lead Member for Local Development and Planning/ Cllr B Mellor, Lead Member for Environment and Transport/ Angela Loftus, Strategic Planning and Housing Manager
<b>Report author</b>	Karsten Brußk, Senior Planning Officer
<b>Title</b>	Formation of a Nutrient Management Board to tackle phosphorus pollution in the “River Dee and Bala Lake” Special Area of Conservation

## 1. What is the report about?

1.1. This report is about the introduction of a newly-formed partnership in North Wales, i.e. Nutrient Management Board (NMB), to tackle phosphorus pollution in the River Dee catchment area. It sets out details on the legal framework, structure, potential resources requirements and early workload.

## 2. What is the reason for making this report?

2.1. Wrexham County Borough Council (WCBC) and Flintshire County Council (FCC) are committed to form a NMB. Both Councils aim to deliver their respective Local Development Plans (LDPs) in light of the legal duties that are set out for competent authorities in “The Conservation of Habitats and Species Regulations 2017” (as amended) (Habitats Regulations 2017).

2.2. Denbighshire County Council (DCC) should consider joining this partnership to not only enable a catchment-wide approach to improving the water quality in the River Dee but to ensure that the Council can deliver local community projects and an efficient Planning Service under consideration of the Habitats Regulations 2017.

### **3. What are the Recommendations?**

3.1 DCC joins the Nutrient Management Board and works collaboratively with its partners to tackle phosphorus pollution in the River Dee catchment area.

3.2 The Council is represented by the Lead Member for Environment and Transport with the Lead Member for Local Development and Planning being the substitute.

### **4. Report details**

4.1. Natural Resources Wales (NRW) set new phosphorus standards for the nine Welsh riverine Special Areas of Conservation (SACs) on 21st January 2021. The objective is to improve the water quality by reducing phosphorus load levels, which are about 50% to 80% lower than the previous standards. The assessment report on compliance with tightened phosphorus targets has shown that about 38% of the surveyed waterbodies in the “River Dee and Bala Lake SAC” compliance areas fail to achieve the targets.

4.2. Appendix 1 contains the original report on phosphates that was taken to the DCC Strategic Planning Group in November 2021 that sets out details on phosphorus in our environment, legal duties for competent authorities as defined in the Habitats Regulations 2017, lack of professional advice and the implications for decision-making in Development Management and Strategic Planning & Housing.

4.3. NMBs are voluntary, strategic and long-term partnerships with the principal aim to secure overall improvements in water quality and achieve the phosphorus conservation objective targets for the respective SAC across local authority boundaries. Their role is to coordinate the actions of all participants, and, hence, ensure an efficient use of scarce resources. NMBs operate within the framework of existing legal and regulative powers that pre-define roles and responsibilities.

4.4. Whilst there are many rivers in Denbighshire, the River Dee is the only waterbody that benefits from a SAC designation. Studies, programmes and actions will accordingly focus on the River Dee and its contributors. Other rivers such as, Clwyd and Elwy fall outside the scope of the NMB.

- 4.5. Partnerships are in place for all nine Welsh riverine SACs. Inception meetings have taken place in South West Wales. Terms of reference were drafted on the basis of (and experience from) the River Wye NMB. The inception meeting for the River Dee is expected to take place in September 2022. At this stage, officers are not in the position to confirm details on the terms of reference, resources and membership. Appendix 2 contains nevertheless the draft Terms of Reference as presented to the Executive Board at WCBC in March 2022.
- 4.6. It is envisaged to set up three groups under the NMB umbrella: (1) Stakeholder Group (SG) and (2) Technical Officer Group (TAG) which are guided by an (3) Oversight Group (OG) 'Nutrient Management Board'. The purpose of the OG is to steer the strategies, programmes and actions of individual stakeholders and TAG. Exchanging information and expertise is crucial for a successful partnership. If DCC join the NMB, the Lead Member for Environment and Transport would be part of the OG but may also wish to attend meetings of the SG and TAG.
- 4.7. The Council is not obliged to participate but would benefit from available resources, expertise and best practice in its efforts to comply with legal duties. If the Council was to continue individually with the existing resources, there would be an impact on the performance of services and delivery of Corporate documents. For example, Welsh Government (WG) closely monitor performance relating to the period of time that local planning authorities take to determine applications. The production of the replacement LDP is also bound by the timescales as agreed with WG in the Delivery Agreement. Without solutions for phosphorus pollution, this will continue to have significant impact on development within the catchment area.
- 4.8. FCC and WCBC are at advanced stages in their respective Local Development Plan's 'Examination in Public' stage. Both Councils were required to produce comprehensive evidence to the effect of not causing additional phosphate loads in the SAC catchment area because of development proposals contained in their forthcoming LDPs. Supported by environmental consultancies, both Councils submitted the 'Dee Catchment Phosphorus Reduction Strategy' to their Planning Inspectors at the end of 2021. DCC is currently in the process of producing the replacement LDP for the County, and will require a similar strategy as part of the Habitats Regulations Appraisal.

4.9. Initially, actions will relate to the collection of available information in stakeholders' programmes and plans on phosphorus reduction to produce a Nutrient Management Plan (NMP), which would likely need to be similar to the WCBC/ FCC 'Dee Catchment Phosphorus Reduction Strategy' but on a river Dee catchment-wide area.

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

5.1. Whilst the recommendation to join the NMB (see Section 3.1.) will not contribute to any corporate priority in itself, the new partnership will assist the Council in delivering objectives and many projects that are outlined in the (draft) Corporate Plan 2022 to 2027; including the delivery of affordable homes (Theme 1); support rural businesses (Theme 2); deliver new modern education facilities in the Dee Valley (Theme 3); restore habitats and support wildlife (Theme 5); and improve customer service delivery (Theme 7).

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

6.1. Joining the newly-formed NMB for the River Dee catchment area will initially require resources in terms of representatives at OG, SG and TAG. Unless funding is provided by external sources, the Council will source any necessary actions in support of the NMB's objectives within the administrative boundaries of Denbighshire from existing budgets.

6.2. WG will provide funding to support the work of nutrient management boards, with up to £415k being made available in 2022-23 (across Wales) with additional provision in 2023-24 and 2024-25. (Appendix 3 contains the 'Written Statement by Welsh Government on River Pollution Summit at Royal Welsh Show', 01 August 2022)

6.3. As soon as professional expertise and a strategic, reliable approach to mitigation becomes available, the Council will be able to deliver many projects that are outlined in the Corporate Plan (see previous section), access external funding streams that rely on planning approvals in a set timeframe, and support the goals that are defined in the DCC "Climate and Ecology Change Strategy 2021/22 to 2029/30".

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

- 7.1. A Well-being Impact Assessment has not been carried out as the recommendation does not seek a change in Council procedure, policy or directs specific actions. Any future action will be derived from legal requirements, or justified on the basis of Corporate strategies, programmes and documents, which all have been subject to a Well-being Impact Assessment.
- 7.2. It should however be highlighted that working long-term and cooperatively with adjacent local authorities and other stakeholders supports the following two Well-being goals: “A Prosperous Wales” and “A Resilient Wales”.

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

- 8.1. Members of the Strategic Planning Group and ‘Dee Valley Member Area Group’ were briefed on the introduction of tighter phosphate targets and the effects on decision-making in the DCC Planning section at their respective meetings in November and December 2021.
- 8.2. Chief Executive Team (CET) discussed the option of joining the NMB on the 18<sup>th</sup> July 2022; being principally supportive of the recommendation. Clarification was sought on the organisational set-up and resource requirements. Section 4 has been amended to reflect the discussion.

## **9. Chief Finance Officer Statement**

- 9.1. There are no significant direct costs associated with this report and any costs will be met from existing budgets.

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

- 10.1. None.

## **11. Power to make the decision**

- 11.1. Section 2 of the Local Government Act 2000.

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<b>Report to</b>	Strategic Planning Group
<b>Date of meeting</b>	22nd November 2021
<b>Lead Member / Officer</b>	Cllr Mark Young, Lead Member for Planning, Public Protection and Safer Communities
<b>Report author</b>	Karsten Brußk, Planning Officer
<b>Title</b>	River Dee and Bala Lake Special Area of Conservation – Introduction of tighter phosphate targets

## **1. What is the report about?**

- 1.1. Natural Resources Wales (NRW) set new phosphate targets for Welsh riverine Special Areas of Conservation (SACs) on 21st January 2021. This report is about the consequences of tighter phosphate targets for the River Dee and Bala Lake SAC for decision-making in Development Management and Strategic Planning & Housing.

## **2. What is the reason for making this report?**

- 2.1. To provide the latest information on how Planning are addressing the challenges, which have arisen from tighter phosphate targets for the River Dee and Bala Lake SAC, within the legal framework of the Habitats and Species Regulations.

## **3. What are the Recommendations?**

- 3.1. Members note the content of the report.

## **4. Report details**

### **Introduction**

- 4.1. On 21st January 2021, Natural Resources Wales (NRW) set new phosphate standards for the nine Welsh riverine Special Areas of Conservation (SACs).

NRW carried out an assessment of compliance which has shown that over 60% of relevant waterbodies are failing against the new standards, including the River Dee in Denbighshire. The objective is to improve the water quality by reducing the phosphate load through defining new targets, which are about 50 to 80% lower than the previous standards.

- 4.2. 'Phosphate' and 'phosphorus', are two frequently used terms in the evidence reports and guidance documents. 'Phosphate' ( $\text{PO}_4^{3-}$ ) is a chemical that contains the mineral 'phosphorus' (P), or 'phosphate' is an electrically charged particle when the mineral 'phosphorus' is combined with oxygen.
- 4.3. Phosphate is naturally occurring and released from natural sources at low levels. It can also enter rivers from land management practices such as agriculture, sewerage and foul water that contains detergents and food waste. Too much phosphate causes harmful changes to river ecosystems and increases the risk of algal blooms in combination with draught or loss of river shading. It is also an indicator for other water quality problems such as, ammonia or low oxygen.
- 4.4. Research by NRW has shown that the headroom to accommodate increased levels of phosphates may be limited in some waterbodies that currently meet the new standards but they could be at risk of failing should phosphate levels are allowed to rise any further. There is no headroom in waterbodies that already fail their targets, and further increases in phosphate loads will only worsen the condition of the SAC.

## **Habitats Regulations Assessment**

- 4.5. Habitats Regulations Assessment (HRA) refers to the entire process of testing whether a proposal or plan, alone or in combination, could significantly harm the designated features of a European site. Originating from the European Council Directive 92/43/EEC on the conservation of natural habitats and of wild fauna and flora (Habitats Directive), the UK Government transposed the Habitats Directive into national legislation in 1994. 'The Conservation of Habitats and Species (Amendment) (EU Exit) Regulations 2019' includes necessary changes to 'The Conservation of Habitats and Species Regulations 2017' (Habitats and Species

Regulations 2017) to account for the UK's exit from the European Union. Besides the need for legal amendments, the prime purpose of protecting endangered habitats and species remains unaffected as does the HRA methodology.

- 4.6. 'European sites' is a collective term that subsumes the following international site designations: 'Special Areas of Conservation' (SACs), 'Special Protection Areas' (SPAs), candidate SACs, candidate SPAs, and SACs/ SPAs that are European Offshore Marine Sites. In Wales, Welsh Government is responsible for designating new sites or making amendments to existing site boundaries in light of recommendations made by Natural Resources Wales through the Joint Nature Conservation Committee (JNCC).
- 4.7. The HRA methodology is derived from the Habitats and Species Regulations 2017, and follows four steps in principle: (1) Screening of proposal or plan, (2) an Appropriate Assessment, (3) consideration of Alternative Solutions, and (4) test of Imperative Reasons of Overriding Interest. There is however no need to continue with an Appropriate Assessment if the proposal or plan has been 'screened out' for not having an adverse effect on the designated feature of concern at stage 1. Stage 2 also allows the consideration of any avoidance, mitigation or cancellation measures that could be implemented as part of the proposal or plan to prevent adverse effects from occurring in the first place. This can importantly not be considered in the stage 1 screening.
- 4.8. The JNCC produced a Core Management Plan for every European site in England and Wales that sets out in detail:
  - the protected features,
  - conservation objectives,
  - an assessment of the conservation status for every designated feature and,
  - if applicable, any management requirements.

It is important in HRA terms to focus on conservation status and conservation objectives when focussing on 'likely significant effects'.

- 4.9. River Dee and Bala Lake SAC Core Management Plan (2008) contains the following conservation objective for River Dee: *“Levels for nutrients, in particular phosphate, will be agreed between EAW and CCW for each Water Framework Directive water body in the River Dee and Bala Lake SAC, and measures taken to maintain nutrients below these levels”*, and *“Potential sources of pollution, nutrient enrichment and/or suspended solids that have not been addressed in the Review of Consents such as, but not confined to, diffuse pollution or disturbance to sediments, will be considered in assessing plans and projects.”* Environment Agency Wales (EAW) and Countryside Council for Wales (CCW) were combined into NRW in 2013. Awaiting further evidence from latest science and modelling exercises, the Core Management Plan is going to be subject to review in light of the tighter targets for phosphate levels for the SAC.
- 4.10. Appendix 1 contains a set of maps that depict for the River Dee and Bala Lake SAC: SAC site boundary, SAC phosphate compliance area and SAC phosphate sensitive catchments.

### **Habitats Regulations Assessments to inform Planning decisions**

- 4.11. The Habitats and Species Regulations 2017, Part 6 ‘Assessment of plans and projects’, puts the duty on Denbighshire County Council as ‘Competent Authority’ (i.e. the decision maker) to test, whether a project or plan - either alone or in combination - is likely to have a significant effect on a European site in view of that site’s conservation objectives, before deciding to give permission or authorisation. Development proposals must accordingly be considered in light of the legal requirements before making a determination.
- 4.12. The Denbighshire Local Development Plan 2006 – 2021 (LDP) was subject to a HRA and was adopted on the basis that the document would not support planning proposals which could adversely affect any qualifying site features.
- 4.13. Since the new targets for phosphate standards were introduced after the Denbighshire LDP was adopted, Officers cannot fall back on the LDP HRA assessment when dealing with planning applications that could have an effect on the River Dee and Bala Lake SAC. NRW are already a statutory consultee on

planning applications in terms of environmental protection and flood risk but also have a special role as set out in the Habitats and Species Regulations 2017. The LPA must not only consult NRW but they must have regard to any representation made by the organisation. It is not discretionary advice. The same provisions apply to planning appeals where the Planning and Environment Decisions Wales (PEDW), previously Planning Inspectorate Wales, becomes the 'Competent Authority' in the decision-making process.

- 4.14. Members are advised not to grant planning permission against NRW's advice. There is not only a risk that Welsh Government would 'call in' the planning application but there is a high risk of a Judicial Review (JR) in the courts, and great reputational damage to the Local Authority.

### **Impact of tighter targets on Development Management decisions**

- 4.15. In light of the previous paragraphs, all planning applications for sites within the River Dee and Bala Lake SAC - 'SAC Phosphate Compliance Area' or 'SAC Phosphate Sensitivity Catchments' must be subject to a HRA. The purpose is to identify phosphate neutrality or betterment.
- 4.16. If it is concluded at stage 1 'Screening' that the proposal does not adversely affect the conservation objectives of the SAC, and there would be 'no likely significant effects', then Officers can continue with making a determination on the basis of policy and material considerations.
- 4.17. If the proposals cannot be 'screened out', it must be subject to an Appropriate Assessment (stage 2), which looks in detail on the amount of phosphate to be entering the SAC, potential pathways and the appropriateness of any mitigation measures that could cancel, reduce or avoid adverse effects from occurring. If the conclusion is that they are acceptable, Officers may proceed towards determination depending on the results of the appropriate assessment.
- 4.18. NRW produced 'Advice to planning authorities for planning applications affecting phosphorus sensitive river Special Areas of Conservation', which can be found on their website. Link: <https://naturalresourceswales.gov.uk/guidance-and-advice/business-sectors/planning-and-development/our-role-in-planning-and->

development/advice-to-planning-authorities-for-planning-applications-affecting-phosphorus-sensitive-river-special-areas-of-conservation/?lang=en

It is recommended to visit NRW's website for the latest advice as the guidance is regularly updated in light of new evidence.

4.19. The guidance document sets out to Local Planning Authorities (LPAs) that the following forms of development can be 'screened out' in stage 1, without proceeding to stage 2, because there is unlikely to be a source of additional phosphate or pathway for impacts.

*(1) Any development that does not increase the volume of foul wastewater;*

*(2) Any development that improves existing water quality discharges by reducing the phosphorus load of wastewater, or by decreasing the volume of wastewater produced (e.g. by improvements to existing wastewater treatment infrastructure);*

*(3) private sewage treatment systems discharging domestic wastewater to ground, built to the relevant British Standard (BS 6297:2007 + A1:2008) as long as the maximum daily discharge rate is less than 2 cubic metres (m<sup>3</sup>), the drainage field is located more than 40m from any surface water feature such as a river, stream, ditch or drain and is located more than 50m from a SAC boundary; plus*

*to ensure that there is no significant in combination effect, the discharge to the ground should be at least 200m from any other discharge to the ground. The density of discharges to the ground should also not be greater than 1 for every 4 hectares.*

4.20. Officers are currently faced with a difficulty in carrying out 'Appropriate Assessments' for planning proposals. There is still not any available guidance on the technical process or calculations which are required to quantifying the amount of phosphate to be generated by new developments and how the additional load could impact on the site's conservation objectives. The LPA has no means of assessing the likelihood of significant effects or identifying detailed pathways between source and SAC area, and can therefore not comply with the Habitats and Species Regulations 2017.

- 4.21. There are currently circa 40 planning applications that cannot be determined because of lacking technical expertise and guidance. The LPA could simply refuse them but that would not solve the original problem. Applicants are entitled to lodge an appeal for non-determination with the PEDW. As PEDW is also bound by the Habitats and Species Regulations 2017, becoming the 'Competent Authority', and have access to the same data and guidance as LPAs, they will likely dismiss the appeal on the basis of not being able to satisfactorily demonstrate compliance with legislative requirements, as shown in all recent appeal decisions.
- 4.22. Llangollen Waste Water Treatment Works (WwTW) is the only facility with a phosphate stripping licence in the County. The Council cannot however rely on this licence when carrying out an HRA Appropriate Assessment as the original assessments for the extant environmental permits were undertaken by EAW in 2009. As such, the conclusions of the 2009 permits do not take account of the new tighter phosphorus targets for the River Dee and Bala Lake SAC.
- 4.23. There are plans for phosphate consents to be provided for WwTW in Denbigh, Dyserth, Henllan and Ruthin. However, all of these settlements are located outside the SAC phosphorus sensitivity catchments. Dwr Cymru Welsh Water (DCWW) has yet to confirm either a timetable for updating the phosphate stripping licences for WwTW in the Dee Valley or set out any upgrading works for facilities to be included in their Asset Management Plan 8 (2025 to 2030).
- 4.24. It must be highlighted that any works to DCWW facilities are only one form of contribution to the overall requirement to reduce phosphate loads in Welsh rivers. Development only relates to circa 10% of phosphate entering the rivers. Solutions also need to be found in areas that are not regulated by Planning such as, agriculture and land management procedures.
- 4.25. Welsh Government, Natural Resources Wales, Dwr Cymru Welsh Water and Local Planning Authorities are working in several groups on a solution for clearing the backlog of 'stalled' planning applications. This could be done by looking at a range of options but none have been recommended for approval yet. For example, Carmarthenshire County Council is in the process of developing a

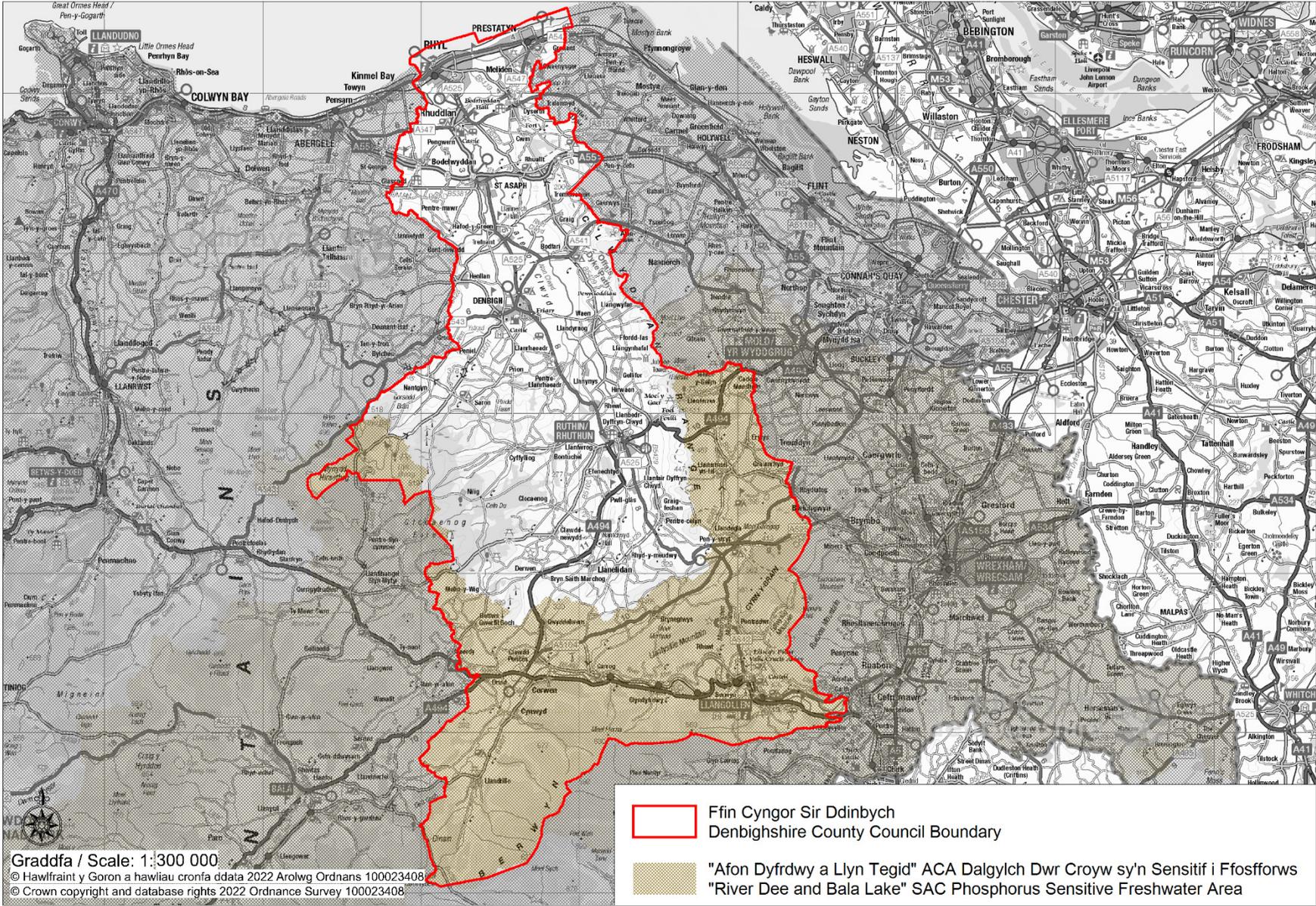
'phosphorous' calculator but the model cannot easily be transferred to other unitary authority areas because of different local circumstances.

## **Impact of tighter targets on Strategic Planning & Housing**

- 4.26. The Council is in the early stages of producing a new LDP for the County which will be used in determining planning applications and appeals. Prior to Adoption, the draft document must be assessed regarding conformity with the legal provisions contained in 'The Conservation of Habitats and Species Regulations 2017'; applying the precautionary principle.
- 4.27. There is the requirement to carry out a HRA and consult with NRW at every stage in the plan-making process; it's an iterative process. Prior to public consultation in 2022, all elements of the deposit LDP will be scrutinised regarding the likelihood of significant effects on the qualifying features of a European site, alone or in combination. This will include the growth strategy, local policies and any prospective site allocations.
- 4.28. The introduction of tighter phosphate targets for the River Dee and Bala Lake SAC is going to be considered as part of the HRA for the forthcoming deposit LDP. There will be the need to carry out an Appropriate Assessment for proposals within the 'SAC phosphorus compliance area' and the 'SAC phosphorus sensitive catchment'.
- 4.29. Depending on forthcoming knowledge and evidence, individual candidate sites may not progress due to their additional phosphate loading without implementing appropriate mitigation measures. Officers will need to take further advice from NRW, Dwr Cymru Welsh Water and other stakeholders before determining which sites can be taken forward in the process. New information continues to emerge. Officers are therefore not in the position to set out a timetable for resolving the issues but remain optimistic that there won't be a delay to the overall process of producing a replacement LDP.

## **Next Steps**

- 4.30. Officers continue working with colleagues across different professions and sectors in Wales. There are regular meetings that aim to discuss potential solutions and share expertise. Members of the Strategic Planning Group will receive an update as and when progress is made in relation to progressing 'stalled' applications.
- 4.31. Welsh Government is in the process of commissioning training on the subject, and anticipates course delivery to LPAs by the beginning of next year. NRW is meanwhile looking at the permitting and licencing process to ensure strict control of any mitigation measures, as well as any solutions that could include private sector involvement such as, planning obligations for mitigation measures.
- 4.32. If Members have a query or wish to discuss individual sections of the document, please contact the Strategic Planning & Housing team via phone: 01824 706916 or email: 'planningpolicy@denbighshire.gov.uk'



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 Ffin Cyngor Sir Ddinbych  
Denbighshire County Council Boundary

 "Afon Dyfrdwy a Llyn Tegid" ACA Dalgylch Dwr Croyw sy'n Sensitif i Ffosfforws  
"River Dee and Bala Lake" SAC Phosphorus Sensitive Freshwater Area

## Appendix II

### River Dee Catchment Nutrient Management Board - Draft Terms of Reference.

NB - The terms of reference for the board will need to be agreed by its membership, but would expect to include:

- To develop and agree the Dee Catchment Phosphorous Reduction Strategy (DCPRS) with two categories of measures: Category 1 - to comply with the Habitats Regulations and avoid adverse effects from the development provided for within the LDP and Category 2 - to deliver wider reductions across the catchment. The LPA is responsible for delivering Category 1 measures, but the other stakeholders lead on Category 2 measures;
- Identify and deliver actions that achieve the phosphorous conservation target of the River Dee SAC (within an Action Plan yet to be prepared);
- The Board will work together to review contributions across all organisations, working collaboratively to achieve the objectives and ensuring that all members understand the issues and work together to resolve them;
- Board member organisations will be responsible and accountable for the delivery of identified actions for their respective organisations (subject to any necessary democratic approval, such as by their Executive Boards) and for identifying and obtaining the necessary resources to deliver those actions;
- The Board will review performance and delivery of actions identified by the board and take timely corrective action where identified. The contributions of all organisations will be discussed as a whole;
- The actions of the board, including the DCPRS will be reviewed and be subject to regular updates as required;
- The Board will be supported by input from a Technical Group (e.g. NRW/Welsh Water, LPA) to help inform their decisions with the Board agreeing the frequency of Technical Group meetings;

- The Board will direct the Technical Group where additional actions or evidence is required, the terms of reference for the technical group will be determined by the Board;
- The Board will be supported by input from a Stakeholder Group (e.g. representatives from agriculture, HBF, River Trusts) to help inform their decisions with the Board agreeing the frequency of Stakeholder Group meetings, its membership and terms of reference.

Source: Wrexham County Borough Council, Agenda Document for Executive Board, 08/03/2022, Item 12: Dee Catchment Nutrient Management Board and Strategy, Appendix 2

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Llywodraeth Cymru  
Welsh Government

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## **WRITTEN STATEMENT BY THE WELSH GOVERNMENT**

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**TITLE**        **River Pollution Summit at the Royal Welsh Show**  
**DATE**        **01 August 2022**  
**BY**            **Mark Drakeford MS, First Minister**

Last week, on the opening day of the Royal Welsh Show, I convened a summit to discuss the phosphorus pollution of our rivers in Wales and how we can work together to improve the situation.

The summit brought together senior representatives from regulators, water companies, developers, local government, farming unions, academia and environmental bodies to discuss the development of a strategic and joined-up approach.

Phosphorus pollution in Wales' Special Areas of Conservation (SAC) rivers is a serious issue which defies easy solution. It is having a significant impact on the environment, house building, food production and land management. Particular concerns exist about the potential impact on the Welsh Government commitment to build 20,000 new low-carbon social homes for rent and the designation of inland waters for recreation.

With the support of Welsh Government, Natural Resources Wales (NRW) and water companies, a number of projects and programmes are already underway to help ensure our water is of the highest quality.

But despite this, our rivers are under pressure from a range of challenges, including extreme weather, pollution, climate change and population growth.

There is no single measure, which will solve this crisis and there is no quick fix. We need a "Team Wales" approach, where government, regulators and all relevant sectors – work together, over the immediate and medium-term to realise long-term results to improve the water quality in our rivers.

I very much welcome the commitment from all the representatives present at the 18 July summit and the pledges made. We agreed to work together to move forward with the existing initiatives and to develop and put in place new measures to tackle water quality, to address planning constraints, and to develop an action plan.

The following eight areas of intervention were agreed at the summit, for which the Welsh Government will be providing support:

1. **Nutrient Management Boards and fit for purpose governance and oversight arrangements.** The Welsh Government will provide new funding to support the work of nutrient management boards, with up to £415k being made available in 2022-23 with additional provision in 2023-24 and 2024-25. This is in addition to Welsh Government funding already in place:

- £40 million of funding over the next three years to address water quality problems across Wales
- £10 million to directly support on-farm infrastructure investment in 2021 to enhance nutrient management and help farmers reach compliance with the Control of Agricultural Pollution Regulations
- A package of support for farmers, foresters, land managers and food businesses worth over £227 million over the next three years to support the resilience of the rural economy, which includes supporting actions to tackle agricultural pollution.

In addition, we will work with partners to review existing governance structures to ensure the all-Wales collaborative approach, endorsed at the summit on 18 July, is streamlined and fit for purpose. This will help ensure that government, regulators and all sectors are working as efficiently as possible to secure water quality improvements and support the implementation of policy and practical solutions.

The outcome of this review will be confirmed this autumn as part of a *SAC Rivers Action Plan* (see point 8). The Welsh Government will monitor progress closely and in early 2023 will reconvene the river pollution summit.

2. **Enabling nature-based solutions.** Building on existing evidence and knowledge, we will develop a regulatory approach to enable nature-based solutions within catchments to mitigate phosphorus loading and to reduce the impact on the environment.
3. **Identify and implement appropriate short-term measures.** Identify and implement short-term interventions, drawing on financial support from developers, Welsh Government and other partners, as appropriate. This may include, for example, assessing the potential benefits of package treatment plants as an interim solution ahead of improvements to wastewater treatment plants.
4. **An all-Wales nutrient calculator.** Building on the work of nutrient management boards, we will develop and promote a unified nutrient calculator as a tool to directly aid planning decisions on nutrient neutrality, which can take account of catchment-level data and local features and needs.
5. **A consolidated 'menu' of potential mitigating actions and interventions.** We will draw together the latest evidence, good practice and guidance, including on soil and land management to aid nutrient management board decisions on a suite of measures to reduce pollution.
6. **Catchment consenting.** We will explore how best to take forward an approach to catchment consenting, including the associated regulatory requirements, to broaden the

range of mitigation measures available to reduce point and diffuse source pollution in SAC rivers.

7. **A platform for nutrient offsetting and exploring potential for nutrient trading.** We will build on current trials to assess the potential for nutrient offsetting to facilitate the implementation of more integrated practical measures within catchments, and, in the long-term, assess the merits on nutrient trading.
8. **A long-term roadmap supported by an action plan.** Working with all partners, we will develop an agreed roadmap in a *SAC Rivers Action Plan* this autumn setting out clear actions, timescales and responsibilities building on the evidence pack produced for the summit. We will work together to ensure these actions are delivered through appropriate structures and organisations.

We are providing more support and funding than ever before and will continue to promote a collaborative approach, bringing together delivery partners, including regulators, developers, farmers, water companies and communities, to identify and implement sustainable solutions to reduce the pollution in our rivers.

In doing so, we can maximise opportunities to provide wider benefits, such as improved access to nature, decarbonisation, flood protection and enhanced habitat and biodiversity.

I would like to everyone who took part in the summit – we all have a role to play in improving the quality of water in our rivers and reducing phosphorus pollution.

This statement is being issued during recess in order to keep members informed. Should members wish me to make a further statement or to answer questions on this when the Senedd returns I would be happy to do so.

<https://gov.wales/tackling-phosphorus-pollution-special-area-conservation-sac-rivers-information-and-evidence-pack>

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## Cabinet Forward Work Plan

Meeting	Item (description / title)	Purpose of report	Cabinet Decision required (yes/no)	Author – Lead member and contact officer
<b>18 Oct</b>	1	Central Rhyl Coastal Defence Scheme and Central Prestatyn Coastal Defence Scheme	To seek endorsement to proceed with the schemes	Yes Cllr Barry Mellor Lead Officer Tony Ward
	2	District Heating System Proposal Betws Gwerfil Goch	To present the outcome of the consultation and engagement exercise DCC have carried out with the owner occupiers and council tenants of Betws GG, with regard to a district heating system proposal.	Tbc Cllr Rhys Thomas Lead Officer David Lorey Report Author Mark Cassidy
	3	Review of Cabinet Decision relating to the Proposed Scheme of Delegated Decision Making for Land Acquisition (Freehold and Leasehold) for Carbon Sequestration and Ecological Improvement Purposes	To reconsider Cabinet's original decision, with a view to expediting the decision making process for purchasing land, taking into account the Scrutiny Committee's recommendations thereon	Yes Cllr Barry Mellor Cllr Gwyneth Ellis Report Author Jane Hodgson
	4	Ysgol Plas Brondyffryn	To review the findings of the consultation and to consider the publishing of the statutory notice	Tbc Cllr Gill German Geraint Davies / James Curran
	5	Annual Treasury Management	To give a review of the	Cllr Gill German

## Cabinet Forward Work Plan

Meeting	Item (description / title)		Purpose of report	Cabinet Decision required (yes/no)	Author – Lead member and contact officer
		Report 2021-22	Treasury Management activities over the previous financial year (2021-22)		Geraint Davies / James Curran
	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
<b>22 Nov</b>					
	1	Council Performance Update – July to September	To consider the Council's performance in delivering against the council's strategic plan and services	Tbc	Cllr Gwyneth Ellis Lead Officer Nicola Kneale Report Author Iolo McGregor
	2	Temporary Accommodation Support Project	To seek Cabinet approval to award the contract for the project	Yes	Cllr Rhys Thomas Lead Officer Ann Lloyd Report Author Hayley Jones
	3	Draft Sustainable Transport Plan	To seek Cabinet approval of the draft Sustainable Transport Plan for consultation	Yes	Cllr Barry Mellor Lead Officer/Report Author Mike Jones
	4	Implementation of Renting Homes (Wales) Act 2016 and the Introductory Tenancy Policy for council housing	To give an overview of new legislation and ask for a decision on ending the Use of Introductory Tenancies for	Yes	Cllr Rhys Thomas Lead Officer Liz Grieve Report Author Geoff Davies

## Cabinet Forward Work Plan

Meeting	Item (description / title)		Purpose of report	Cabinet Decision required (yes/no)	Author – Lead member and contact officer
			new council tenants		
	5	Queen's Market: Operator Contract Award	Following the culmination of the procurement process to appoint an operator for the Queen's Market in Rhyl, approval is sought from Cabinet to award a contract to the preferred tenderer	Yes	Cllr Jason McLellan Lead Officer Emlyn Jones Report Author Russ Vaughan
	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
<b>13 Dec</b>	1	Housing Rent Setting & Housing Revenue and Capital Budgets 2023/24	To seek approval for the proposed annual rent increase for council housing and to approve the Housing Revenue Account Capital and Revenue Budgets for 2023/24 and Housing Stock Business Plan	Yes	Cllr Gwyneth Ellis Lead Officer/Report Author Geoff Davies
	2	Ysgol Plas Brondyffryn	To consider the final OBC / FBC for the proposed new	Tbc	Cllr Gill German Lead Officer Geraint Davies

## Cabinet Forward Work Plan

Meeting	Item (description / title)		Purpose of report	Cabinet Decision required (yes/no)	Author – Lead member and contact officer
			building for Ysgol Plas Brondyffryn		Report Author James Curran
	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

### Note for officers – Cabinet Report Deadlines

<i>Meeting</i>	<b><i>Deadline</i></b>	<i>Meeting</i>	<b><i>Deadline</i></b>	<i>Meeting</i>	<b><i>Deadline</i></b>
<i>18 October</i>	<b><i>4 October</i></b>	<i>22 November</i>	<b><i>8 November</i></b>	<i>13 December</i>	<b><i>29 November</i></b>

Updated 20/09/2022 – KEJ

Cabinet Forward Work Programme.doc