

## **COUNTY COUNCIL**

Minutes of a meeting of the County Council held in Council Chamber, County Hall, Ruthin LL15 1YN on Monday, 27 January 2014 at 2.00 pm.

### **PRESENT**

Councillors Raymond Bartley (Chair), Brian Blakeley (Vice-Chair), Joan Butterfield, Jeanette Chamberlain-Jones, Bill Cowie, Ann Davies, James Davies, Richard Davies, Stuart Davies, Peter Duffy, Hugh Evans, Peter Evans, Bobby Feeley, Carys Guy, Huw Hilditch-Roberts, Martyn Holland, Colin Hughes, Rhys Hughes, Hugh Irving, Alice Jones, Huw Jones, Gwyneth Kensler, Geraint Lloyd-Williams, Margaret McCarroll, Jason McLellan, Barry Mellor, Win Mullen-James, Bob Murray, Peter Owen, Dewi Owens, Gareth Sandilands, Barbara Smith, David Smith, Bill Tasker, Julian Thompson-Hill, Joe Welch, Cefyn Williams, Eryl Williams and Huw Williams

### **ALSO PRESENT**

Chief Executive (MM), Corporate Directors: Economic and Community Ambition (RM) and Modernisation and Wellbeing (SE), Head of Legal and Democratic Services and Monitoring Officer (RGW), Head of Finance and Assets (PM), Democratic Services Manager (SP) and Committee Administrator (CIW).

The Chair welcomed everyone to the Council meeting.

A welcome was extended to Councillor Peter Owen following his illness. Councillor Owen thanked Members for the support and best wishes he received during his illness.

#### **1 APOLOGIES**

Apologies for absence were received from Councillors Ian Armstrong, Meirick Davies, Pat Jones, Merfyn Parry, Paul Penlington, Arwel Roberts, David Simmons and Cheryl Williams

#### **2 DECLARATIONS OF INTEREST**

No Members declared any personal or prejudicial interests in any business identified to be considered at the meeting.

#### **3 URGENT MATTERS AS AGREED BY THE CHAIR**

No items were raised 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 CHAIRMAN'S DIARY**

A list of civic engagements undertaken for the Council by the Chair and Vice Chair, for the period the 29<sup>th</sup> November, 2013 to 21<sup>st</sup> January, 2014 had been circulated

with the papers for the meeting. The Chair thanked the Vice Chair, Councillor B. Blakeley, for his assistance during the busy Christmas period.

The Chair informed Members that the Chairman's Charity Dinner would be held at Oriel House, St Asaph on the 28<sup>th</sup> March, 2014 and donations were invited towards the raffle prizes.

**RESOLVED** – *that the list of civic engagements undertaken for the Council by the Chair and Vice Chair be received and comments of the Chair be noted.*

## **5 MINUTES**

The minutes of the Council meeting held on the 3<sup>rd</sup> December, 2013 were submitted.

**RESOLVED** – *that the minutes of the Council meeting held on the 3<sup>rd</sup> December, 2013 be confirmed as a correct record.*

## **6 ATTENDANCE BY DR HIGSON, CHAIR OF BOARD, BCUHB**

The Chair provided an introduction and welcomed the Chair, Dr Higson, and Vice Chair, Mrs Margaret Hanson, of the Betsi Cadwaladr University Health Board to the meeting.

Dr Higson thanked Council for the opportunity to address Members and provide details of the Board and Health Services future plans and aims. He referred to the importance of democratic accountability and outlined some of the key challenges for the Health Board. Reference was made to the large scale of rebuilding required and it was explained that some of the issues and challenges facing the Health Board were historical and related back to the initiation of the Board in 2009.

The following key areas were highlighted by Dr Higson:-

- The need to restore trust and confidence in the Health Board from the public, patients, staff, partners and stake holders such as Local Authorities.
- The appointment of a new Chief Executive, with invitations being extended to the Leaders of the respective LA's to participate in the appointment process.
- A new Medical Director and Nurse Director had been appointed to the Senior Executive Team. Two Senior Clinical Directors had also been appointed, and it was explained that a new attitude towards providing support for staff.
- Consideration to be afforded to the Quality Improvement Programme at the Board meeting in March. The aim being to improve the quality of service provision by ensuring services were safe and delivered with dignity, respect and compassion.
- A review to be undertaken to assess the impact of changes implemented during the past twelve months.
- A change in focus from just running Hospitals and providing secondary care to generally improving the health of the population.
- The importance of being more open and transparent was emphasised, together with the need to improve communication links.

- The necessity to publicly evidence the improvements being achieved within the service, and to be robust in acknowledging and addressing any mistakes.
- There being a need to develop, through partnership working, a clear strategic vision for the Health Service in North Wales.
- The requirement to reinvigorate and re-engage with primary care and community services.
- Confirmation was provided that each of the major Hospitals would retain their A&E Departments with special services being provided at each of the respective Hospitals. Dr Higson referred to the pending completion of the new A&E Department at Ysbyty Glan Clwyd. Councillor B. Mellor requested that consideration be afforded to the provision of a small A&E Unit at the Alexandra Hospital, Rhyl to assist in relieving the pressures being experienced.
- Dr Higson informed Members that approximately 100 additional beds could be provided if the pressure on the number of beds increased. Councillor S.A. Davies requested that consideration be given to the provision of beds at the new Health Centre in Llangollen.
- Closer working with LA's to be progressed through improved working relationships, particular reference being made to the provision of Social and Health Care and the delivery of a wider range of integrated services.
- Reference was made to Welsh Governments requirement that the Health Board submit a Statement of Intent on the delivery of integrated services. Dr Higson confirmed that all six Local Authorities had signed the Statement of Intent which provided evidence of partnership working by stakeholders in North Wales.

The Vice Chair Mrs M. Hanson informed Council that her portfolio on the Health Board encompassed Mental Health, Community Services and Primary Care Services. Mrs Hanson provided information on the Board and Health Service plans and made reference to the importance and significance of partnership working in addressing health and well-being issues. She explained that key areas pertaining to health matters were incorporated in the Council's portfolios which included Housing, Planning, Transport and Social Services, and emphasised the importance of listening to the views and opinions expressed by the members of the public who reside in the community.

The Chair invited questions from Members and the following responses were provided by Dr. Higson and Mrs Hanson to the matters and issues raised:-

- The value of Hospitals in North Wales was emphasised by Dr Higson. He explained that the recent admissions pressures experienced at Ysbyty Glan Clwyd had not been blamed on elderly persons. The Board had discussed the problem, which had been attributed to patients with complex medical needs, and it had been concluded that the issue of bed capacity and the effective utilisation of resources during the winter period would be reviewed.
- Dr Higson acknowledged that there had been issues of concern relating to community Services, with services being withdrawn prior to the provision of new or replacement services.
- In reply to a question from Councillor E.A. Jones regarding the continued provision of an Emergency Surgery at Ysbyty Glan Clwyd, Dr Higson explained that

there were issues regarding trainees and promised that written responses to any questions to which he was unable to provide a response.

- Members were informed that an analysis of the reasons for patients bypassing the out of hour's services in favour of attending A&E would be undertaken.

- Details of the Seasonal Plan dealing with the period from November to March was provided. Dr Higson explained that the circumstances relating to the suspension of certain categories of surgery had not arisen due to the volume of patients, but the complexity of their medical needs. He confirmed that an announcement had been made to reinstate planned surgery on a phased basis, and details pertaining to how the Health Board's escalation plan had been communicated was provided for Members.

- Issues with closed beds remained as a result of problems encountered with the recruitment of nursing staff, and licensing matters relating to trainee doctors.

- It was explained by Dr Higson that trust in the Health Board could be restored by the provision of open, honest and transparent information through reliable communication channels, and by addressing issues of concern proactively and publically.

- Details pertaining to the National Contract for GP's, negotiated directly by Welsh Government, was highlighted by Dr Higson. In response to concerns regarding access issues to GP's, it was explained that the structure of primary care was changing and work was being undertaken with the practices to face and address the challenges and pressures being presented. The need for further discussion in respect of regional working was accepted, with sections of the community having expressed their preference for increased delegated authority and localism.

- Members were informed that a significant amount of work had been undertaken during the past six months to address the issue of infection rates. Dr Higson agreed to forward information considered by the Board regarding this matter.

- The issue of excessive waiting times had been discussed recently at the Health Board meeting. The need to examine and address productivity was highlighted, together with, the implications of examining prudent care and evaluating work undertaken in the Health Service. Members were informed that work was being undertaken with other Health Boards and Welsh Government to develop a vision and strategic direction.

- The importance of the identity of the Health Board was emphasised by Dr Higson. He highlighted the need to maintain a strong local identity without losing consistency across North Wales. Reference was made to the importance of attracting expertise in various medical spheres and to the best utilisation of available resources through partnership working.

- Members were informed that Mental Health Care service provision had been discussed at the Health Board meeting and the service would be fully reinstated in the near future. Car parking problems at Ysbyty Glan Clwyd were acknowledged by Dr Higson, and he explained that consideration would need to be given to managing the flow of traffic.

- Mrs Hanson responded to questions pertaining to the William Commission Report. She made reference to the difficulties and challenges which could arise from the implementation culture changes.

The Chair thanked Dr Higson and Mrs Hanson for attending the meeting and providing an informative presentation.

**RESOLVED** – *that Council receives and notes the contents of the presentation.*

## **7 BUDGET FOR 2014/2015**

A copy of a report by the Head of Finance and Assets (HFA), which provided an update of the budget setting process and details the proposals to set the council's revenue budget for 2014/15, had been circulated prior to the meeting.

Councillor J. Thompson-Hill introduced the report and explained that an analysis of the Draft Local Government Settlement and the consequences for the Council had indicated that savings of approximately £8.5m would be required, and this had been confirmed in the Final Settlement received in December. The budget process had so far resulted in savings of £1.7m for 2014/15 being approved in September, Phase 1, and £4.7m, Phase 2, in December. Appendix 2 included details of the savings.

The Phase 1 savings were items proposed as part of the 2012/13 and 2013/14 Service Challenge process. Phase 2 savings had been presented to a Member budget workshop in October and each proposal had been presented by Lead Members, providing details of the saving, the impact and an assessment of risk. Subsequently Elected Members had been invited to comment on any of the proposals prior to the Council meeting in December.

Phases 1 and 2 identified savings of £6.459m, leaving a gap of approximately £2.0m which had been the focus of a third budget workshop held in December. The papers had been circulated in advance to all Members and published on Modern.gov.

The key theme of the workshop had been to present details and options to be considered to bridge the £2m budget gap for 2014/15.

The key information presented included:-

- An update of the in-year position of social care and education budgets
- Analysis of school funding
- Options to increase school budgets

- Review of balances and reserves
- Corporate Plan update
- Council Tax options
- Additional Savings Proposals
- A recommendation to balance the budget

Proposals to bridge the £2m gap had been included in appendix 1. The additional saving proposals for 2014/15 related to bringing forward savings previously identified for 2015/16 and total £395k. £95k related to bringing forward restructures in Business Planning and Performance and £300k was the proposed removal of the budgeted contribution to balances one year earlier than originally planned. The recommendation included a proposal to use general balances as part of the budget in 2014/15. Although the workshop had been an informal event, there was general acceptance of the recommendation to balance the budget with further debate required around the level of Council Tax increase.

Final budget proposals and the level of Council Tax for 2014/15 would have to be agreed by Council in February, 2014. At the latest budget workshop views had been expressed informally about the level of Council Tax increase. The options and implications had been included in a table in the report which indicated that a 3.5% increase was balanced. Some Members had requested consideration of a lower level.

The Chief Executive explained that the average level in Wales was 4% and strongly advised against the further utilisation of balances. He emphasised that it would be impossible to achieve a further savings from services in a period of 2 months. Councillor J. Thompson-Hill endorsed the view that the utilisation of money from reserves could exacerbate the budget setting process for next year, and explained that an increase of 3.5% had been considered the most appropriate level.

Appendix 1 detailed the savings proposals and indicated that it would be difficult for services to deliver further savings. This would leave balances as the only source of funding to fill any gap left by a lower Council Tax. Proposals in Appendix 1 included the use of £500k of balances and deletion of the budget which 'tops up' the balances each year. The importance of appropriate levels of balances had been highlighted by major flooding events, severe winter weather and an unexpected major claim from the County's previous insurance company.

The HFA confirmed the use of balances would not solve underlying issues but merely temporarily plug a permanent hole in the Council's finances. The 2014/15 budget would not allow for any service specific cost pressures with inflation having been built into the budget assumptions corporately. Investment in priorities was proposed at a level of £750k and the delivery of the Corporate Plan was dependent on both budget and cash resources to facilitate Prudential Borrowing. The proposed allocation of investment funding for 2014/15 was £650k for Modernising Education/21st Century Schools and £100k for Highways/Road Improvements.

The steps taken by the Authority to protect jobs and services during the budget setting process was emphasised by Councillor H.H. Evans, and he highlighted the

importance of affording consideration to next year's budget when setting this year's budget. Councillor C. Hughes made reference to the need for openness and transparency regarding the implications of the budget in respect of possible future job losses.

The following responses were provided to questions and issues raised by Members:-

- Councillor Thompson-Hill concurred that issues raised by Councillor S.A. Davies relating to the possible withdrawal of funding by the Authority for a Trade Union official, the equitability of funding to the AONB from the respective member Authorities and the level of funding provision to Clwyd Leisure could be debated at a future date. However, due to timescale constraints these issues could not be considered for the 2014/15 budget setting process.
- It was explained that Denbighshire's Settlement had been low as a consequence of the findings of the 2001 Censor. Councillor H.H. Evans explained that the Settlement had been the worst experienced by Denbighshire.
- With regard to Phase 1 and 2 saving proposals 2014/15 in relation to savings within Adult and Business Services, it was explained that significant savings had already been evidenced under Phase 1 savings agreed in September.
- The Chief Executive provided confirmation that the Williams Commission Report had not recommend use of Local Government reserves to fund Local Government reorganisation. However, reference had been made in the Report to one Local Authority having utilised reserves for this purpose.
- It was explained by the Chief Executive that many factors and issues, such as pupil numbers and fluctuations, would influence school funding provision, and he confirmed that Denbighshire were passporting their requirements and protecting the schools project in line with WG expectations.
- Members were informed that work was being undertaken in respect of improving procurement services through the Welsh Purchasing Consortium and partnership working with neighboring Local Authorities. It was explained that Denbighshire had been leading the way in progressing this framework.
- Councillor E.W. Williams explained that accepting an increase of 3% would not guarantee the safety of jobs and might create or expedite unemployment. Members were informed that figures relating to possible job losses resulting from the savings proposals were not available.
- Councillor D.I. Smith informed Council that following the expiration of Taith, funding would be disseminated between the member Authorities. An emergency meeting of Taith would be held on the 29<sup>th</sup> January to consider any implications. Councillor Thompson-Hill confirmed that budget pressures could arise for the Authority as a result of the expiration of Taith.

During the ensuing discussion Councillor T.R. Hughes explained that he would be unable to support the recommendation in the report to approve the budget proposal for 2014/15 as shown in Appendix 1, and the increase of 3.5% in the level of Council Tax for 2014/15. Councillor Hughes proposed an amendment to the recommendation in the report that the £200k funding allocated by Cabinet for Clwyd Leisure be reduced to £50k, and that the remaining £150k be utilised to reduce the level of Council Tax for 2014/15. Councillor J. Butterfield seconded the proposal. However, following a brief adjournment of the meeting she withdrew her support.

Councillor E.A. Jones then seconded Councillor Hughes proposal on democratic grounds.

Councillor H.H. Evans explained that any amendment would need to be supported by the provision of achievable and acceptable alternative proposals. Councillor H.LI. Jones explained that in order to ensure and maintain equality, a reduction in funding for Clwyd Leisure from £200k to £50k would impact on Leisure Centers in the County.

Following further discussion, Councillor T.R. Hughes withdrew his amendment. The recommendations in the report were then put to the vote and carried, and it was:-

**RESOLVED** – *that Council:-*

- (a) *approves the budget proposal for 2014/15 as shown in Appendix 1, and*
- (b) *approves an increase of 3.5% in the level of Council Tax for 2014/15.*

## **8 COUNCIL TAX REDUCTION SCHEME**

A copy of a report by the Head of Finance and Assets (HFA) had been circulated with the papers for the meeting.

Councillor J. Thompson-Hill provided a summary of the report which detailed the adoption of the All Wales Council Tax Reduction Schemes and Prescribed Requirements (Wales) Regulations 2013 and the All Wales Council Tax Reduction Schemes and Prescribed Requirements (Wales) Amendments Regulations 2014, and the inclusion of additional funding from WG of circa £90k to help support the shortfall in funding of the scheme for 2014/15.

It was explained by Councillor Thompson-Hill that the Welfare Reform Act 2012 contained provisions to abolish council tax benefit in its current form across the UK. Council tax benefit had ceased from the 31<sup>st</sup> March, 2013 and the responsibility for providing support for council tax, and associated funding, had transferred to WG. The WG in partnership with LAs had introduced a new scheme to provide council tax support, to be adopted by the Council in January, 2013. The WG had finalised both sets of regulations in January, 2014 and the new Council Tax Reduction Schemes and Prescribed Requirements (Wales) Regulations 2013, and amendments Regulations 2014, were required to be adopted by the 31<sup>st</sup> January, 2013.

During 2013/14 WG introduced an initiative giving additional funding to pensioners, who did not qualify for Council Tax Support. This grant was offset against their Council Tax liability. Denbighshire had awarded £132k worth of grants, and in most cases this resulted in a refund for overpaid Council Tax being paid to the customer.

In considering the development of a new scheme for 2014/15 the WG had agreed that the amended scheme should observe the following parameters:-



- To continue with a single nationally defined scheme to providing a consistent level of support to claimants across Wales. Maximum level of support set at 100%.
- To continue providing a small number of discretionary elements, similar to those available under the current scheme, allowing LA's to respond to their differing local circumstances, provided that the costs of any local variation were locally funded.
- To continue to be based on a reform of the previous Council Tax Benefit system, until 2015-16 so that operational risks were managed and that support could continue to be provided.
- Where possible, simplify the existing complex arrangements.
- To remove the sunset clause which limits its lifecycle to one year.
- To include additional Welfare Benefit Payments such as Personal Independence Payments (PIP), Universal Credit (UC) and Armed Forces Independence Payments.

Discretionary Elements for Council decision included:-

- (a) The ability to increase the standard extended payment period of 4 weeks given to people after they return to work, when they had been in receipt of a relevant qualifying benefit for at least 26 weeks.
- (b) Discretion to disregard part or the whole amount of War Disablement pensions and War Widows Pensions when calculating income
- (c) The ability to backdate the application of Council Tax Support awards for working age customers more than the standard period of 3 months prior to the claim.

Members were informed that a further £90k funding had been allocated by WG, which was not ring fenced as they were no longer supporting the additional grant towards pensioners. Initial projections indicated Denbighshire were facing a shortfall in funding for the 2014/15 scheme of circa £480k and it had been suggested the additional grant be used to offset the deficit.

In response to a question from Councillor B.A. Smith, Councillor Thompson-Hill explained that future voting requirements would be dependent on Regulations introduced by WG.

Following further discussion, it was:-

**RESOLVED** – *that Council agrees the:-*

- (a) *adoption of the Council Tax Reduction Schemes and Prescribed Requirements (Wales) Regulations 2013 and the Prescribed Requirements (Wales) Amendments Regulations 2014.*
- (b) *approval of the 3 discretionary elements of the scheme, shown in section 4.1, are continued in 2014/15, and*
- (c) *approve the allocation of the £90k additional funding, provided by the Welsh Government, to help support the shortfall in continuing with the prescribed scheme in 2014/15.*

## 9 COUNTY COUNCIL FORWARD WORK PROGRAMME

The Head of Legal and Democratic Services (HLDS) introduced the Council's Forward Work Programme which had been circulated with the papers for the meeting.

The HLDS informed Members that the agenda for the Council Briefing meeting to be held on Tuesday, 4<sup>th</sup> February, 2014 would include the following items:-

- North Wales Residual Waste Project
- Social Media Training
- Planning Wales Bill

At the request of Councillor H.L.I. Jones, Council agreed that the item pertaining to the Denbighshire Talented Athlete Grant be included in the Council Briefing Forward Work Programme for April, 2014.

Members agreed that a Special Council Briefing meeting be convened in early February, 2014 to debate the implications of the Williams Commission Report. It was also agreed that an update information report in respect of Taith be submitted to a future Council Briefing meeting.

***RESOLVED*** - that, subject to the above, the Council forward work programme be approved and noted.

*Meeting ended at 4.50 p.m.*