

CABINET

Minutes of a meeting of the Cabinet held in Conference Room 1a, County Hall, Ruthin on Tuesday, 25 November 2014 at 10.00 am.

PRESENT

Councillors Hugh Evans, Leader and Lead Member for Economic Development; Bobby Feeley, Lead Member for Social Care, Adult and Children's Services; Hugh Irving, Lead Member for Customers and Communities; Huw Jones, Lead Member for Leisure, Youth, Tourism and Rural Development; Barbara Smith, Lead Member for Modernising and Performance; David Smith, Lead Member for Public Realm; Julian Thompson-Hill, Lead Member for Finance and Assets and Eryl Williams, Deputy Leader and Lead Member for Education

Observers: Councillors Martyn Holland, Rhys Hughes, Jason McLellan and Arwel Roberts

ALSO PRESENT

Chief Executive (MM); Corporate Director Economic and Community Ambition (RM); Heads of Service: Legal, HR and Democratic Services (GW), Finance and Assets (PM); Highways and Environmental Services (SP) and Adult and Business Services (PG); Chief Accountant (RW); Supporting People Team Manager (KN), and Committee Administrator (KEJ)

1 APOLOGIES

There were no apologies.

2 DECLARATION OF INTERESTS

No declaration of personal or prejudicial interest had been raised.

3 URGENT MATTERS

No urgent matters had been raised.

4 MINUTES

The minutes of the Cabinet meeting held on 28 October 2014 were submitted.

RESOLVED that the minutes of the meeting held on 28 October 2014 be approved as a correct record and signed by the Leader.

5 BUDGET 2015/16 - 2016/17 (PHASE 2)

Councillor Julian Thompson-Hill presented the report recommending the Phase 2 budget savings for submission to Council for approval. The report outlined the

current budget position and detailed the latest raft of saving proposals totalling £3.6m in 2015/16 and £1.8m in 2016/17.

The Leader highlighted the hard work of Lead Members and Heads of Service in identifying options for consideration and ensuring they were fully aware of the implications of the proposals. Whilst acknowledging difficult decisions must be made he was satisfied that the budget process had been robust, open and transparent and he thanked all members for their participation. Councillor Thompson-Hill reminded members of the comprehensive process to identify the savings required to deliver a balanced budget over the next two years. He also provided an update on the public engagement exercise 'Cutting Our Cloth' and advised that feedback would be reported to full Council alongside the budget recommendations and full impact assessments.

Cabinet Members outlined the budget proposals relating to individual service areas within their portfolios which had been detailed in Appendix 1 to the report, explained the reasoning behind those recommendations and subsequent implications arising therefrom. During consideration of the budget savings members took the opportunity to raise questions and sought assurances regarding specific proposals in order to satisfy themselves that they represented the best options to be recommended to full Council for approval.

Main areas of debate focused on the following service areas –

Schools Delegated Budgets – In response to questions Councillor Eryl Williams advised that the 1% budget protection was being maintained through investment in the Corporate Plan. In terms of the reduction to reflect the fall in pupil numbers he explained the role of the Schools Budget Forum in that regard.

Education Support – With regard to removal of the discretionary school uniform grant for Years 8 – 11 a full explanation had been provided in Council Briefing and it was not expected that children who could not afford school uniform would go without.

School Improvement Services – The impact of ending the music service agreement was discussed and it was noted that music lessons for individual pupils would not be affected. Following review it was found that music funding provision was not being used by all schools. Schools were able to take on responsibility for the music service and some were already exploring that possibility.

Children and Family Services – Assurances were sought that children with disabilities would not be disadvantaged as a result of the introduction of parental contributions for services provided. Cabinet was advised that the introduction of a small flat rate should have minimal impact bearing in mind parents still had access to a range of other benefits.

Adult and Business Services – Assurances were sought that proposals to outsource council run care homes would not prove detrimental to their residents. Members discussed recent references in the press with regard to poor standards in private care homes and Councillor Bobby Feely highlighted measures in place in

order to monitor standards and provided a more general overview of the quality of care and standards within private care homes. She also pointed out that only three of the care homes within the county were council run and provided firm assurances that the right provision would be available to every resident affected by the proposals and that no service would close unless alternative provision could be found to meet the needs of individuals. Members also discussed the merits of extra care housing schemes as alternative provision and an update was provided on progress made with Betsi Cadwalader University Health Board in terms of integrated health and social care.

Highways and Environment (Public Transport Subsidy) – Councillor David Smith acknowledged concerns regarding the impact of reduction/removal of the public transport subsidy, particularly on rural residents. He advised that the findings of the public transport consultation would inform the rationalisation process and would be available for consideration before the next full Council meeting.

Highways and Environment (Grounds Maintenance) – Cabinet discussed the impact of reducing the grounds maintenance budget on visual appearance, particularly in coastal areas which relied heavily on tourism. It was acknowledged that floral displays etc. were heavily supported in some areas but not others. Actions to mitigate the proposal included seeking sponsorship for roundabouts and particular displays and members hoped that external funding sources to maintain standards could be secured.

Planning and Public Protection – Members discussed the proposal to stop or reduce CCTV funding highlighting the importance of the service in deterring crime and securing prosecutions. The need to vigorously explore alternative options to try and secure the future of the service was stressed. It was confirmed that savings had been earmarked for 2016/17 which left twelve months to work with interested parties and explore possible options for delivering the CCTV Service in Rhyl, Prestatyn and Rhuddlan. However, if those endeavours proved unsuccessful the service would be stopped. It was noted that CCTV provision in other areas were not funded by the County Council.

Housing and Community Development – Councillor Eryl Williams highlighted the importance of Town and Area Plans and asked that budget allocations be reintroduced if external funding became available. The Leader confirmed his commitment to the Plans and acknowledged the need to be mindful of the potential for windfarm and European funding and responding to those opportunities. He added that even if the proposal to remove the revenue budget was approved, around £850k underspend from previous allocations was being retained and would be available for appropriate projects for the remainder of the Council term.

Communication, Marketing and Leisure – The importance of culture was highlighted and concerns were raised over stopping arts exhibitions in galleries. It was hoped that alternative ways could be found to encourage culture and arts within the county for future generations. The importance of the Scala and Ruthin Craft Centre was also highlighted despite not being statutory functions. Councillor Huw Jones provided assurances that Scala and Ruthin Craft Centre had been treated fairly and a sliding scale of subsidy reductions had been introduced.

Finance and Assets – In response to questions Councillor Julian Thompson-Hill acknowledged Revenue and Benefits as a high performing service but in light of changes to its operation and potential impact on staffing levels a commercial partnership had been recommended. A confidential report was to be considered later on the agenda which provided further detail of the proposal.

Councillor Jason McLellan, Chair of Corporate Governance Committee highlighted his concerns regarding the budget process, using the Welfare Rights Service review as an example. Corporate Governance Committee would be carrying out further work in order to test and seek assurance on the budget process. The Leader, Lead Member for Finance and Assets and Chief Executive responded to the concerns raised providing assurances regarding the transparency and robustness of the budget process. The role of Corporate Governance Committee overseeing the budget process was noted.

The Chief Executive provided some context to the scale of budget cuts facing local government and headline messages to date from the public engagement exercise. He also highlighted the importance of relationships with town/community councils and other partners in order to try and secure alternative provision for functions the Council would no longer be undertaking. Cabinet asked that the comprehensive budget process and engagement of all members be reflected in the resolution. Members paid tribute to the hard work of officers in mitigating the effects of the cuts and creativity shown in modernising and modifying services in difficult circumstances. Consequently it was –

RESOLVED that Cabinet, having taken into account the discussions at the numerous all member budget workshops to achieve the £17.1m savings required, recommends that the savings listed in Appendix 1 to the report be taken to all members at Council for approval.

At this juncture (12.05 p.m.) the meeting adjourned for a refreshment break.

6 DENBIGHSHIRE SUPPORTING PEOPLE LOCAL COMMISSIONING PLAN 2015-18

Councillor Bobby Feeley presented the report seeking Cabinet approval of the Supporting People Local Commissioning Plan 2015 – 18 prior to its submission to the North Wales Regional Collaborative Committee.

Supporting People (SP) was a policy framework and funding stream to provide housing related support to vulnerable people to enable them to live as independently as possible. The Plan detailed priorities and actions over the next three years and reference was made to the funding implications arising from funding cuts, with indicative reductions by provider for 2015-16 contained within a confidential appendix to the main report. In response to questions members were advised of the governance arrangements in place and management of financial resources together with the role of SP in supporting the Social Services and Well-being (Wales) Bill by providing low level and preventative services.

At this juncture Cabinet resolved to exclude the press and public in order to discuss the confidential appendix and officers responded to questions thereon following which the meeting resumed in open session.

RESOLVED that Cabinet approves the Supporting People Local Commissioning Plan 2015 – 18 for submission to the Regional Collaborative Committee in January 2015.

7 FINANCE REPORT

Councillor Julian Thompson-Hill presented the report detailing the latest financial position and progress against the agreed budget strategy. He provided a summary of the Council's financial position as follows –

- a net under spend on the revenue budget of £158k was forecast for service and corporate budgets
- savings of £7.1m were agreed as part of the budget and at this stage 90% had been achieved with 10% in progress
- highlighted other key variances from budgets or savings targets relating to individual service areas, and
- a general update on the Housing Revenue Account, Housing Capital Plan and the Capital Plan (including the Corporate Plan element).

Councillor Eryl Williams reported upon the WLGA Annual Education Minister's meeting the previous week when the 21st Century Schools Programme had been discussed and the need to tackle surplus places highlighted. Members noted many councils were finding it difficult to fund those projects and the Leader stressed the importance of continuing with the expectations set out in the Corporate Plan. He was also pleased to note the positive progress on the major projects which had been detailed within the report.

RESOLVED that Cabinet note the budgets set for 2014/15 and progress against the agreed budget strategy.

8 CABINET FORWARD WORK PROGRAMME

Councillor Hugh Evans presented the Cabinet Forward Work Programme for consideration and members noted a number of amendments since its publication.

RESOLVED that Cabinet's Forward Work Programme be noted.

EXCLUSION OF PRESS AND PUBLIC

RESOLVED that under Section 100A of the Local Government Act 1972, the Press and Public be excluded from the meeting for the following items of business on the grounds that it involved the likely disclosure of exempt information as defined in Paragraphs 14 and 15 of Part 4 of Schedule 12A of the Local Government Act 1972.

9 VOLUNTARY AGREEMENT TO EXIT THE HOUSING REVENUE ACCOUNT SUBSIDY (HRAS) SYSTEM

Councillor Julian Thompson-Hill presented the confidential report requesting Cabinet recommend the voluntary agreement to Council for approval and approve delegated authority to finalise the detail of the agreement.

The report outlined the key milestones for exiting the HRAS system and provided an overview of the voluntary agreement to be signed between the eleven stock retention authorities and the Welsh Government to enable the exit to take place. Councillor Hugh Irving elaborated upon the collaborative working between authorities and paid tribute to the hard work of the finance and housing officers in that regard. Members familiarised themselves with the collaborative agreement and welcomed the benefits of the proposed new system and financial advantages for Denbighshire. Officers responded to questions raised regarding the financial implications of the buy-out together with potential future investment in affordable housing stock and implications of the possible merger with Conwy. Councillor Eryl Williams reiterated his view that the Council's plans to building affordable housing should be publicised as a good news story. Councillor Thompson-Hill thought it would be a good opportunity to publicise the plans when the buy-out of the housing subsidy was considered at full Council.

RESOLVED that Cabinet –

- (a) *recommend the voluntary agreement to Council for approval and note the key milestones being worked to in order to exit the HRAS system, and*
- (b) *subject to Council approving the voluntary agreement, delegated authority be given to the Lead Member for Finance and Assets and the Chief Accountant to finalise the detail of the agreement in discussion with the Welsh Local Government Association, Welsh Government and the ten other stock retention authorities in Wales.*

10 COMMERCIAL PARTNERSHIP FOR THE REVENUES AND BENEFITS SERVICE

Councillor Julian Thompson-Hill presented the confidential report regarding proposals to form a commercial partnership with a private company to deliver the Council's Revenues and Benefits Service.

During a detailed debate Cabinet considered the options analysis provided for the service and the reasoning behind the proposals to enter into a commercial partnership including its advantages over the alternative options, particularly in terms of savings and opportunity for growth. Representatives of the private company were in attendance and responded to members' questions regarding the proposed model and future plans should the partnership proceed, providing assurances regarding their commitment to Denbighshire in terms of staffing and location; Welsh Language provision and adherence to existing policies and procedures. Reference was also made to the effects of legislative changes and actions to mitigate those. Members were advised of the positive feedback from staff consultations and positive engagement with unions.

Cabinet acknowledged the advantages and opportunities presented by forming a commercial partnership but asked that if the partnership was approved, a review be undertaken in approximately eighteen months' time.

RESOLVED that Cabinet –

- (a) *recommends to full Council that the Council enters into the commercial partnership with the company named within the report, and*
- (b) *subject to approval by Council a report be presented to scrutiny after eighteen months of partnership operation in order to review the progress of the partnership with particular regard paid to the new business element of the proposal and Welsh Language service provision.*

The meeting concluded at 1.50 p.m.