

CABINET

Minutes of a meeting of the Cabinet held in Conference Room 1a, County Hall, Ruthin on Tuesday, 24 March 2015 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 Ray Bartley, Bill Cowie, Martyn Holland, Huw Hilditch-Roberts, Gwyneth Kensler and Arwel Roberts

ALSO PRESENT

Chief Executive (MM); Corporate Director Economic and Community Ambition (RM); Director of Social Services (NS); Heads of Service: Legal, HR and Democratic Services (GW), Revenues and Benefits (RU) and Education (KE); Programme Manager Modernising Education (JC); Chief Accountant (RW); Commercial Development Team Manager (DM); Senior Valuation & Property Surveyor (MJ) and Committee Administrator (KEJ)

1 APOLOGIES

There were no apologies.

2 DECLARATION OF INTERESTS

Councillor Eryl Williams – Personal – Agenda Items 7 & 8 – in receipt of business rate relief

Councillor Julian Thompson-Hill – Personal – Agenda Item 11 – member of Prestatyn Town Council

3 URGENT MATTERS

No urgent matters had been raised.

4 MINUTES

The minutes of the Cabinet meeting held on 17 February 2015 were submitted.

RESOLVED that the minutes of the meeting held on 17 February 2015 be approved as a correct record and signed by the Leader.

5 APPROVAL OF FINAL BUSINESS CASE FOR YSGOL GLAN CLWYD REDEVELOPMENT

Councillor Eryl Williams presented the report recommending approval of the Final Business Case for Ysgol Glan Clwyd, St. Asaph to Council. The project would provide an extended and refurbished school building to meet the growing demand for Welsh Medium education in the north of the county.

Councillor Williams highlighted the positive report which demonstrated the Council's commitment to investing in education in the county and he thanked officers for their hard work in that regard. Councillor Huw Jones also referred to the project's positive impact on the community resulting from improved access to St. Asaph Leisure Centre. Cabinet welcomed the report as a good news story and discussed whether more could be done to promote and publicise the Council's investment in schools, particularly in light of negative press surrounding school closures. Whilst much was already being done in that regard Councillor Williams felt there would be merit in publicising the different stages in delivering school projects with pictures and illustrations from the design stage through to construction and completion, involving the school and pupils. He felt this visualisation would better grasp the public's attention and have a greater impact than a press release.

Officers responded to questions and confirmed that the additional cost of retaining the science block had been reabsorbed in the overall programme and the project cost remained at £15,900,000. An area had also been set aside for use by Leisure Services which included provision for the Youth Club. Finally assurances were given that the projection of pupil numbers in this project, and as part of the wider modernising education programme, had taken into account in so far as possible the future development of Bodelwyddan and its effect on pupil numbers.

RESOLVED that Cabinet recommend to Council approval of the Final Business Case for Ysgol Glan Clwyd, St. Asaph.

6 GWE GOVERNANCE ARRANGEMENTS

Councillor Eryl Williams presented the report seeking approval of the amended governance arrangements for GwE (Regional School Improvement Service).

The revised governance structure had been produced in response to the adoption of the National Model for Regional Working by the six partner councils. Councillor Williams explained the rationale behind the changes and was keen to highlight the successful operation of GwE in North Wales and Denbighshire's lead in terms of educational standards.

During consideration of the report the following issues were discussed –

- the distinct roles and responsibilities of both local education authority and GwE was explained together with the structures in place and interaction between the two in order to work in partnership to effect school improvement
- the unique role of the Schools Standards Monitoring Group (SSMG) in Denbighshire was highlighted which provided a robust forum for councillors to

provide closer scrutiny of schools, with GwE officers in attendance to support individual schools and respond to challenges made

- the importance of reinforcing the different levels of scrutiny and accountability within the governance arrangements was emphasised
- Denbighshire maintained its aspiration to be the best in Wales with no dilution of targets and that position had been made clear to GwE – whilst indicators were sound much work was still required to ensure continued improvement for pupils in Denbighshire – it was important the authority did not become complacent and ensure robust challenge from the Joint Committee downwards
- the involvement of Welsh Government within the process was explained and their engagement had been largely positive; the Welsh Government representative was often challenged at meetings of the Joint Committee
- widening the membership of the Advisory Board would enable them to draw on a broader range of educational experience and the proposed structure provided for a continual flow of communication between each forum
- assurances were provided that the regional model intended to replace school improvement teams in the six partner councils thereby reducing bureaucracy
- the report sought approval of GwE's strategic governance arrangements whilst the consultancy report circulated to members of the Corporate Governance Committee focused on the separate issue of operational accountability
- whilst noting the cuts to school funding Denbighshire's expenditure per pupil was considered favourable in comparison to other North Wales authorities and it was suggested that scrutiny may wish to look into that issue further
- the governance of faith schools was the responsibility of the Diocese and beyond the Council's control – the Diocese was represented on the Joint Committee and had been invited to attend future meetings of the SSMG.

Members noted that each of the six partner authorities were at different stages in their improvement journey and sought assurances that Denbighshire was getting value for money from the collaboration. In its first year of operation GwE had focused on failing schools and in its second year there was a shift to the more able and talented to further raise standards. The Chief Executive advised that the challenge was to develop a service to meet Denbighshire's needs and suggested some further work be undertaken to ensure Denbighshire's priorities were clearly reflected within the regional model and translated to practical actions in GwE.

RESOLVED that the amended governance arrangements for GwE as set out in the report and appendices be approved.

7 COUNCIL TAX AND NATIONAL NON DOMESTIC RATES MOVES, DISCOUNTS, EXEMPTIONS AND RELIEFS TELEPHONE CALL RECORDING POLICY

Councillor Julian Thompson-Hill presented the report seeking approval of a new policy dealing with Revenues Services changes in address, changes in circumstances and claims for discounts and reliefs.

The Council was investing in a new telephony system with call recording capabilities. The new approach to dealing with changes would enable more efficient working practices, improve customer service, act as a deterrent to fraudulent claims and have a positive impact on Denbighshire residents.

Cabinet welcomed the policy as a means of providing better customer service to residents whilst also enabling further efficiencies in processing and reducing the potential for fraud. Questions were raised regarding the future operational management of the new system and potential for integration with other systems. The following responses were provided to the issues raised –

- the policy would not be introduced until the new telephony system was installed and it was advantageous for the policy to be in force before transfer of the service to Civica who would be inheriting and abiding by all Council policies
- assurances were provided that staff would not be adversely affected by the transfer to Civica and would gain additional benefits from being a Civica employee – a positive response had been received from staff in that regard
- Civica had signed up to the Council's Welsh Language Policy and there would be no detrimental impact on the Welsh Language as a result of the transfer
- there was no additional cost to the customer as a result of the new policy and all other channels of communication with the Council remained – officers agreed to check whether 'Type Talk' would be accommodated and recorded by the system
- implementation of the new policy would be subject to a monitoring process to ensure its effectiveness and reported back to members on a regular basis.

Councillor Huw Hilditch-Roberts advocated greater integration of the new system with other Council systems with a view to the verification and sharing of data to allow direct communication with residents as appropriate. Officers explained that the new telephony system would integrate the Customer Relationship Manager system but the level of integration was dependent upon software and cost. It was suggested that if members had strong views on this issue they contact the Head of Customers and Education Support directly. Councillor Barbara Smith referred to other areas of work linked to the new telephony system such as emergency response and advised that data protection was also an issue for consideration.

RESOLVED that Cabinet approve the revised 'Council Tax and National Non Domestic Rates Moves, Discounts, Exemptions and Reliefs Telephone Call Recording Policy' as detailed in Appendix A to the report.

[Councillor Eryl Williams abstained from voting on the above resolution.]

8 HOUSING BENEFIT AND COUNCIL TAX REDUCTION SCHEME TELEPHONE RECORDING POLICY

Councillor Julian Thompson-Hill presented the report seeking approval of a new policy dealing with Housing Benefit and Council Tax Reduction new claims and changes in circumstances.

The Council's investment in a new telephony system with call recording capabilities would enable the authority to offer a new telephone assisted claims service for residents. The new approach to claims handling would offer an additional choice to customers to claim benefits or report changes, speed up the claims process, and would likely reduce the number of fraudulent claims.

RESOLVED that Cabinet approve the revised 'Housing Benefit and Council Tax Reduction Scheme Telephone Recording Policy' as detailed in Appendix A to the report.

[Councillor Eryl Williams abstained from voting on the above resolution.]

9 DISCRETIONARY HOUSING PAYMENTS (DHP) POLICY

Councillor Julian Thompson-Hill presented the report seeking approval of a revised policy framework dealing with Discretionary Housing Payments (DHP).

Grant funding had been allocated to local authorities to assist claimants with shortfalls in their Housing Benefit. The available funding was temporary and set at a decreasing rate with the onset of Universal Credit. In order to provide a robust common framework to the application and assessment of DHP claims across Wales a collective review had been commissioned. Adopting the resultant framework ensured a transparency and fairness to customers from most of the Welsh councils in terms of how their entitlement to DHP was calculated.

Councillor Hugh Irving reported upon the work of the Welfare Reform Club who had been appointed to undertake the review on DHP on behalf of twenty of the Welsh Local Authorities (including Denbighshire), the Welsh Local Government Association and Welsh Government. He advised that the availability of grant funding had made a huge impact although it was being substantially reduced. Cabinet noted that two Welsh Councils had chosen not to enter the scheme – one followed the Department of Work and Pensions standard guidance and the other authority had developed their own scheme.

RESOLVED that Cabinet approve the revised 'Discretionary Housing Payments Policy' framework as detailed in Appendix A to the report.

At this juncture (11.20 a.m.) the meeting adjourned for a refreshment break.

10 LONG TERM STRATEGY FOR THE AGRICULTURAL ESTATE

Councillor Julian Thompson-Hill presented the future strategy for the Agricultural Estate for approval. He provided some background to the report and work undertaken to inform the revised strategy, including consultation which had been carried out. Performance Scrutiny Committee had considered the draft strategy and recommended it to Cabinet for approval.

In summary the Council no longer had the resources to support the Agricultural Estate in its current form and the proposed strategy would remove onerous maintenance and management liabilities and ensure greater efficiency of Council resources whilst mitigating the impact of cuts in corporate areas. The strategy proposed a managed disposal of agricultural holdings with sitting tenants being given the first option to purchase. Any holdings or land relinquished would be sold on the open market to realise a capital receipt. All disposals would be as agricultural holdings, with appropriate covenant and overage agreements being applied to the sales.

Cabinet debated the merits of the proposed strategy at length acknowledging that the agricultural estate was no longer fulfilling its intended purpose of providing opportunities for new entrants into the farming industry. Whilst supporting the strategy in principle members sought assurances regarding the particulars of disposal to existing tenants to secure best value for money, and in cases of vacant possession that other possible uses of the land be considered to ascertain the most economically advantageous option. The appropriate use of covenants and claw back provisions was also highlighted in order to protect the Council's future interests. Cabinet was particularly keen that the proposed work with local colleges to facilitate more practical solutions to training requirements be progressed in line with what other organisations had been doing where new entrants into the industry were given an opportunity to run a farm for a year to gain valuable practical and managerial experience but stressed that ownership of the farm estate should be retained by the Council in those circumstances. Councillor Eryl Williams reminded members that some farmsteads had been gifted to the Council to safeguard the future of agriculture and those intentions should be honoured. He supported looking at what other organisations had done as a means of providing opportunities for new entrants into farming.

The following responses were provided to the issues raised –

- discussions were ongoing regarding the provision of improved practical opportunities for new entrants to farming and members' views thereon would be taken into account during those negotiations
- sales to existing tenants would need to be negotiated taking into account the vacant possession market value and investment value of the tenancy and land transfers would be independently verified to ensure best value for the Council and its residents
- following the end of a tenancy sales would be based on the current vacant possession market value
- disposals would be carried out in line with the Council's scheme of delegation to officers/Lead Member/Cabinet dependent on the value of the holding
- for 'market rents' to be charged the farm estate had to be in 'market condition' and although rents had increased for farmsteads subject to investment, the Council did not have the resources to support the entire estate
- it was accepted that not every tenant may be in a position to purchase their holding however it was noted that tenants could not automatically assume a renewal of tenancy and were subject to a legal contract with an expiry date
- some background information on public owned agricultural estates in Wales had been collated on behalf of the WLGA's Rural Forum and it was confirmed that the discussions informing that work had been considered by the Agricultural Estates Working Group as part of the review process – Councillor Huw Jones represented the Council at that Forum and he offered to provide that information to members on request
- concerns were expressed regarding the lack of consultation response from stakeholders and clarification was provided regarding the timescales, recipients and content of letters sent

- confirmed that other commercial options could be considered for holdings as they became vacant to ensure best value – however most holdings were outside the development boundary so would likely remain agricultural
- in responding to scenarios provided by members regarding potential land use by prospective purchasers and existing tenants for various activities officers confirmed that covenant and overage agreements could be applied to the sale of agricultural holdings – however the more restrictions placed on a sale would affect the sale value and each holding needed to be considered individually taking into account their specific circumstances to ensure best value
- financial information regarding the value of the agricultural estate and estimated capital expenditure required was provided and assurances were given that farm tenancies were subject to regular monitoring.

In light of the debate members agreed amendments to the recommendations to better reflect the intention for disposals to be considered on the most economically advantageous terms in order to secure best value for the Council and to explore other possible uses of land for expiring tenancies. Members were also keen to progress to a positive outcome on the proposal to work with local colleges in terms of training new entrants into farming and receive a report back thereon.

RESOLVED that Cabinet –

- approve the future strategy of the Agricultural Estate as detailed in Appendix 1 to the report subject to clarification in paragraph 4.2 of the strategy that disposal will only be considered to be appropriate where it is found to be the most economically advantageous option for the Council following an appraisal of other possible uses of the land by the Council and having regard to all the circumstances pertaining at the time of the proposed disposal;*
- emphasised the need for any disposal of a farm to be considered on the most economically advantageous terms to the Council having regard to all the circumstances pertaining at the time of the proposed disposal, and*
- requires officers to progress discussions referred to in paragraph 2.10 of the strategy for the provision of practical experience for new entrants to the farming industry and report back to Cabinet within the next six months.*

11 DISPOSAL OF LAND AND BUILDINGS AT NANT HALL ROAD, PRESTATYN

Councillor Julian Thompson-Hill presented the report recommending disposal of council land and buildings at Nant Hall Road, Prestatyn on the open market. It was proposed that disposal would be on an expression of interest basis whereby the Council seeks to obtain the best scheme for the town and the site.

Councillor Thompson-Hill elaborated upon the present status of the land and buildings earmarked for disposal including issues relating to third party occupiers and rights of way together with issues raised during the consultation process. It was anticipated that a draft development brief would be submitted to the Planning Committee in June.

In response to questions Councillor Thompson-Hill elaborated upon the terms surrounding the third party occupants and potential alternative accommodation. Councillor Hugh Irving sought assurances that the WC block would remain open unless a robust case for closure was made. It was explained that there was no immediate intention to close the WC Block but there was a need to declare the whole area surplus to requirements in order to test the market. However, there was potential for those public conveniences to close as part of the freedoms and flexibilities process regardless of any development proposal.

RESOLVED that Cabinet declare the land and buildings as detailed in Section 2.0 of the report as surplus to requirements with a view to being disposed of on the open market on an Expression of Interest basis.

12 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 £705k was forecast for service and corporate budgets
- savings of £7.1m were agreed as part of the budget and at this stage 96% had been achieved – there was cash contingency to cover any savings not fully achieved within the financial year (around £100k may be required this year)
- 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).

During debate the following issues were raised –

- Councillor David Smith highlighted the overspends in Highways and Environmental Services advising that school transport was outside their control and that the car parking review had been completed and was being submitted to the Member Area Groups for consideration. He also reiterated his previous concerns that significantly less was being spent on highway maintenance leaving a shortfall of approximately £800k to maintain the quality of the county's roads and achieve the Corporate Plan outcome for highways. Consequently he asked that highways be given priority when considering underspends at the end of the financial year. It was suggested that a schedule of highway works be drawn up to identify the works required in order to deliver the Corporate Plan. The Chief Executive reminded members that Council had agreed that priority be given to delivering the Corporate Plan and the operating assumption was that when funding became available it would be allocated for this purpose and ensure highway improvements were maintained
- it was noted that the initial outturn report would be available in April with the final figures available mid-June and the Corporate Plan would be reviewed in light of those figures. A debate on the future of service underspends would also need to take place at the end of the financial year taking into account the Council's priorities which could be included as part of Cabinet's regular finance report

- Councillor Huw Jones highlighted the lack of Welsh speaking social workers in Community and Support Services and Councillor Eryl Williams reported upon the same problem in education and teaching which he believed was a general problem across Wales which needed to be addressed
- an explanation of the historical procedural irregularities in the procurement process for the pedestrian and cycle bridge for the Rhyl Harbour development was provided which had resulted in a claw back of grant funding – assurances were given that robust procedures were now in place to prevent reoccurrence. Delivery of the £10.5m project in budget was commended.

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

13 CABINET FORWARD WORK PROGRAMME

Councillor Hugh Evans presented the Cabinet Forward Work Programme for consideration.

RESOLVED that Cabinet's Forward Work Programme be noted.

The meeting concluded at 1.50 p.m.