

COUNTY COUNCIL

Minutes of a meeting of the County Council held in Council Chamber, County Hall, Ruthin LL15 1YN on Tuesday, 26 January 2016 at 10.00 am.

PRESENT

Councillors Raymond Bartley, Brian Blakeley, Joan Butterfield, Jeanette Chamberlain-Jones, Bill Cowie, Ann Davies (Vice-Chair), Richard Davies, Stuart Davies, Peter Duffy, Hugh Evans, Bobby Feeley, Huw Hilditch-Roberts, Colin Hughes, Rhys Hughes, Hugh Irving, Alice Jones, Huw Jones, Pat Jones, Gwyneth Kensler (Chair), Geraint Lloyd-Williams, Jason McLellan, Barry Mellor, Win Mullen-James, Bob Murray, Dewi Owens, Paul Penlington, Pete Prendergast, Arwel Roberts, Anton Sampson, Gareth Sandilands, Barbara Smith, David Smith, Julian Thompson-Hill, Joe Welch, Cefyn Williams, Cheryl Williams, Eryl Williams and Huw Williams

ALSO PRESENT

Chief Executive (MM), Head of Legal, HR and Democratic Services (GW), Interim Head of Finance and Assets (JG), Chief Finance Officer (RW) and Committee Administrator (SLW)

1 APOLOGIES

Apologies for absence were received from Councillors Ian Armstrong, Meirick Davies, Peter Evans, Carys Guy, Martyn Holland, Peter Owen, Merfyn Parry and Bill Tasker

At this juncture, best wishes were sent to Councillor Ian Armstrong who was improving in Holywell Cottage Hospital, to Councillor Peter Owen who was proceeding well and receiving excellent care at home. Also to Councillor Bill Tasker who was currently in hospital.

2 DECLARATIONS OF INTEREST

Councillors Arwel Roberts, Richard Davies, David Smith, Joseph Welch, Peter Duffy and Colin Hughes declared a personal interest in Item 6 – Budget 2016/17 (Final Proposals – Phase 6)

Councillor Huw Williams declared a personal interest in item 8 – Draft Local Government (Wales) Bill.

3 URGENT MATTERS AS AGREED BY THE CHAIR

No Urgent Matters.

The Lead Member for Public Realm, Councillor David Smith paid tribute to the actions of the Denbighshire County Council staff during the recent bad weather and flood alerts which had taken place over the Christmas period. Volunteers had given up time to assist and reassure residents during this stressful time. Councillor Smith asked that his thanks

to officers of Denbighshire for all the work they carried out over the three days at Christmas be noted. The way workers responded to issues in the county had been remarkable and all members offered congratulations to everyone involved. Councillor Bill Cowie also wished to endorse the statement from Councillor David Smith.

At this juncture, the Chair offered congratulations to Denbigh Football Club on reaching the Word Cup Final which had been played the previous weekend.

Councillor Alice Jones also wished to congratulate the Leader, Councillor Hugh Evans on winning a prestigious farming award – Champion Beast at the Christmas Fat Stock event.

4 CHAIRMAN'S DIARY

A list of civic engagements undertaken by the Chair and Vice-Chair for the period 20 November, 2015 to 16 January 2016 had been circulated prior to the meeting.

***RESOLVED** that the list of civic engagements undertaken by the Chair and Vice-Chair be received.*

5 MINUTES

The minutes of the Council meeting held on 1 December, 2015, were submitted.

The Chair offered her thanks to Councillor Meirick Lloyd Davies who had Chaired the previous Council meeting held on 1 December 2015.

Matters Arising

Page 8, Item 5.

Councillor Alice Jones confirmed the information had been provided to Simon Dean of Betsi Cadwaladr University Health Board (BCUHB) and she was anxiously awaiting a response. The Chief Executive confirmed he would contact Simon Dean to ascertain when a response could be expected.

Page 10, Item 6 – Third Bullet Point

Councillor Arwel Roberts as whether detailed information had been provided.

The Chief Finance Officer confirmed the reason information had not been reported to Council separately was that a Treasury Management Report was being presented at Corporate Governance Committee on 27 January 2016.

***RESOLVED** that subject to the above, the minutes of the meeting held on 1 December, 2015, be confirmed as a correct record and signed by the Chair.*

6 BUDGET FOR 2016/17

The Lead Member for Finance and Assets, Councillor Julian Thompson-Hill, introduced the Budget 2016/2017 report (previously circulated).

The report set out the implications of the Provisional Local Government Settlement 2016/2017 and proposals to finalise the budget for 2016/2017.

The Council is legally required to set a balanced and deliverable budget before the start of each financial year and to set the resulting level of Council Tax to allow bills to be sent to residents.

The Council also has to provide an overview of the budget process and the impact of the Provisional Local Government Settlement and to make recommendations to set the budget for 2016/17, including the level of Council Tax.

The Settlement announced on 9 December 2015 was much better than expected with an overall cash reduction to Local Government of -1.4% and a reduction to Denbighshire of -1.2%.

The range of reductions across Welsh Councils varied from -0.1% (Cardiff) to -4.1% (Powys) with the impact generally worse for rural counties. Previous funding floor mechanisms had been removed from the Settlement which was why the range was relatively wide.

The Freedom and Flexibilities process was due to end with the setting of the 2016/17 budget and a new budget process would be developed for 2017/18.

In December, 2015, a report to Full Council set out the latest budget position and assumptions, which indicated a remaining budget gap of £2m. This gap had been calculated with a number of assumptions which had changed as a consequence of the Provisional Settlement. These were explained in detail at the budget workshop held with Members on 14 December, 2015.

The changes to the Settlement value allowed for a proposal to lower the level of proposed Council Tax rise from 2.75% to an average of 1.5%.

Discussion took place and Members raised the following points:

- Various suggestions had been raised at previous budget sessions and updates were requested. It was confirmed that the suggestions raised at the Budget sessions would have been brought forward if further savings had been required. The suggestions would will be considered as part of the 2017/18 budget process.
- Deficit payments required for pension schemes, together with issues regarding Teachers pension contributions were raised. The differences between the funding of the Teacher's pension scheme and the Local Government scheme were explained, including the treatment of deficit funding.. It was explained that both pension schemes are governed by UK legislation.
- Councillor Joan Butterfield, as Leader of the Labour Group confirmed that due to the Settlement from the Welsh Government being better than expected, the Labour Group were in agreement to approve the Council Tax increase of 1.5%. Councillor Butterfield also stated that the Labour Group hoped the Settlement for 2016/17 would protect services for the most vulnerable and isolated people within the county. Councillor Butterfield then expressed concern regarding the Police precept. It was confirmed that Police and City, Town and Community Councils set their own level of Council

Tax which was then added to the County Councils. Councillor Brian Blakeley confirmed he had attended the Police and Crime Committee the previous day and the increase in the Police precept was to be 2.47%.

- The inclusion of £0.5m from balances as part of the funding of the 2015/16 budget was questioned. The amount of balances and the current debt was requested. The Chief Finance Officer confirmed that the budget for 2015/16 was set with a funding contribution from balances and that this would continue for three financial years. The contribution from balances would only be made if required during the financial year. . So if for example council tax yield was slightly higher than had been assessed in the budget during the year, the budgeted amount of balances may not need to be drawn down. The level of net debt was £191million, and general balances was £7.5million. A detailed report was to be presented at Corporate Governance Committee the following day (27 January, 2016) which would set out the indicators in more detail.

At this juncture, the Head of Legal, HR and Democratic Services stated that as pensions had been discussed, Members would be required to declare a personal interest if they were either paying in or in receipt of a teaching/ Local Government pension.

- The budget regarding Council Tax was usually brought before Full Council at this time each year as it enabled Council Tax bills to be prepared prior to the beginning of April.
- The issue of any problems which could be foreseen in the future 12 months could not be guaranteed at this point in time. The distribution and cuts to specific of grants from the Welsh Government could be an issue as could on going debates about funding to rural councils. The issue of the cost of private care/nursing homes was also briefly discussed.

The Leader, Councillor Hugh Evans expressed his gratitude that the Settlement had been a lot better than anticipated. In previous years, a total of £28million in cuts had been made but Denbighshire had continued to be a high performing Council. Communication had taken place with residents who had expressed a preference for low Council Tax and for services still to be provided. Councillor Evans expressed his gratitude to the Finance Officers for their work in an extremely difficult situation.

The Lead Member for Finance and Assets also expressed his gratitude to all Members who had taken part in the process, together with Officers, the Chief Accountant, Steve Gadd and the Chief Finance Officer, Richard Weigh for their hard work.

The recommendation was proposed and seconded.

At this juncture, Councillor Eryl Williams requested a minor change to Appendix 1 to amend the wording to “potential use of balances” rather than “use of balances” – all members present agreed.

RESOLVED that:

- Council noted the impact of the Provisional Local Government Settlement and that no further savings beyond the £5.2million already approved are required from services for 2016/17.
- Council approves the budget proposals set out below, based on the Provisional Local Government Settlement in order to finalise the 2016/17 budget:
 - (i) To increase funding to schools to meet the national level of protection of +1.85%
 - (ii) To set aside a one-year budget delivery contingency of £480k for 2016/17 to mitigate the risks to the delivery of the budget set out in this report
 - (iii) To approve the resulting average increase in Council Tax of 1.5%
- To amend the wording in Appendix 1 from “use of balances” to “potential use of balances”

At this juncture (11.40 a.m.) there was a 20 minute break.

The meeting reconvened at 12.00 p.m.

7 ANNUAL APPROVAL OF THE COUNCIL TAX REDUCTION SCHEME

The Lead Member for Finance and Assets, Councillor Julian Thompson-Hill, introduced the Annual Approval of the Council Tax Reduction Scheme report (previously circulated).

The Welfare Reform Act 2012 contained provisions to abolish Council Tax benefit in its current form across the UK. From 31 March 2013 Council Tax benefit ceased and the responsibility for providing support for Council Tax and the funding associated with it, had been passed to the Welsh Government. The Welsh Government, in partnership with local authorities in Wales, introduced a new scheme to provide Council Tax support which was adopted by the Council in January 2013.

The Welsh Government finalised both sets of regulations on 19th January 2016 and the new Council Tax Reduction Schemes and Prescribed Requirements (Wales) Regulations 2013 and *Prescribed Requirements (Wales) Amendments Regulations 2016* were required to be adopted by 31 January 2016.

RESOLVED that:

- Members adopt the Council Tax Reduction Schemes and Prescribed Requirements (Wales) Regulations 2013 and the Prescribed Requirements (Wales) Amendments Regulations 2016, in respect of the 2016/17 financial year
- Members approve the 3 discretionary elements of the scheme, shown in section 4.1 of the report, are continued in 2016/17.

8 DRAFT RESPONSE TO THE LOCAL GOVERNMENT (WALES) BILL

The Leader, Councillor Hugh Evans, introduced the Draft Response to the Local Government (Wales) Bill (previously circulated).

An explanation around the consultation exercise being conducted by Welsh Government on the provisions of the Draft Local Government (Wales) Bill was given.

The Head of Legal, HR and Democratic Services clarified the report was submitted to determine Council's response to the consultation exercise. A response had previously been submitted to the White Paper but the Draft Bill required extensive responses to be submitted by 15 February, 2016.

The Head of Legal, HR and Democratic Services explained the structure of the Draft Bill which was as in 8 parts as follows:-

- Part 1 – Local Government Areas and County Councils
- Part 2 – General Power of Competence
- Part 3 – Promoting Access to Local Government
- Part 4 – Functions of County Councils and their Members
- Part 5 – County Councils: Improvements of Governance
- Part 6 – Community Councils
- Part 7 – Workforce Matters, and
- Part 8 – General and Schedules.

During the explanation of the Draft Bill by the Head of Legal, HR and Democratic Services, discussions took place and questions were raised by various Members. Due to the importance of the Draft Bill and the amount of information to be absorbed, a number of Members requested that there be a Workshop held which would give Members the opportunity to scrutinise the Draft Bill in more detail.

Following discussion, it was therefore,

RESOLVED that

- (i) Council notes the contents of the Draft Bill and considers the draft consultation response set out in Appendix 3
- (ii) Following a Council Workshop, Council authorises the Leader in consultation with Group Leaders to finalise the terms of the Council's response taking into account the views expressed by the Council.

9 NOTICE OF MOTION

The Notice of Motion put forward by Councillor Huw Williams:

"The Welsh Conservative Group believes that to help improve the public's perception of the County Council, the county should, in future, provide web casting for all Cabinet and Scrutiny meetings"

was deferred until the next meeting of Full Council which was due to be held on 23 February 2016.

10 NOTICE OF MOTION

Councillor Cefyn Williams put forward the following Notice of Motion for the consideration of Full Council.

“Over the years Denbighshire County Council has been selling its stock of Council houses, as we still have some left we ask the committee to abolish this practice because it is important that the Council keeps them for families who cannot afford to buy houses on the open market”.

Discussion took place and it was stated that legally the Notice of Motion could not be put forward to “abolish” the Right to Buy Scheme. It was, therefore, agreed to amend the motion as follows:

“Council authorises Officers to work on a business case to suspend Right to Buy which they will then present to Council”

RESOLVED that the amended Notice of Motion “Council authorised Officers to work on a business case to suspend Right to Buy which they will then present to Council” be approved.

11 NOTICE OF MOTION

The Notice of Motion put forward by Councillor Dewi Owens:

“Denbighshire County Council:

- Values the work of the North Wales Community Health Council
- Expresses concern over the diversion of resources from the North Wales Community Health Council to the Board of Community Health Councils in Wales
- Calls upon the Welsh Government to take action to protect the independence of individual Welsh Community Health Councils”

was deferred until the next meeting of Full Council which was due to take place on 23 February, 2016.

12 COUNTY COUNCIL FORWARD WORK PROGRAMME

The Head of Legal, HR and Democratic Services introduced the Council’s Forward Work Programme (previously circulated).

RESOLVED that the Council Forward Work Programme be approved and noted.

The meeting concluded at 1.45 p.m.