

CABINET

Minutes of a meeting of the Cabinet held in the Council Chamber, County Hall, Ruthin on Tuesday, 21 November 2017 at 10.00 am.

PRESENT

Councillors Hugh Evans, Leader and Lead Member for the Economy and Corporate Governance; Bobby Feeley, Lead Member for Well-being and Independence; Huw Hilditch-Roberts, Lead Member for Education, Children and Young People; Brian Jones, Lead Member for Highways, Planning and Sustainable Travel; Richard Mainon, Lead Member for Developing Community Infrastructure; Tony Thomas, Lead Member for Housing, Regulation and the Environment; Julian Thompson-Hill, Lead Member for Finance, Performance and Strategic Assets, and Mark Young, Lead Member for Corporate Standards

Observers: Councillors Mabon Ap Gwynfor, Joan Butterfield, Meirick Davies, Alan James, Barry Mellor, Arwel Roberts, Rhys Thomas and Emrys Wynne

ALSO PRESENT

Chief Executive (MM); Corporate Directors: Economy and Public Realm (GB) and Communities (NS); Heads of Service: Legal, HR and Democratic Services (GW) and Finance/S.151 Officer (RW); Contracts Officer (AH) and Committee Administrator (KEJ)

1 APOLOGIES

There were no apologies.

2 DECLARATION OF INTERESTS

The following members declared a personal interest in agenda item 6 –

Councillor Mabon Ap Gwynfor – Governor Ysgol Bro Dyfrdwy
Councillor Meirick Davies – Governor Ysgol Cefn Meiriadog & Ysgol Trefnant

3 URGENT MATTERS

No urgent matters had been raised.

4 MINUTES

The minutes of the Cabinet meeting held on 26 September 2017 were submitted.

RESOLVED that the minutes of the meeting held on 26 September 2017 be approved as a correct record and signed by the Leader.

5 DENBIGHSHIRE LEARNING DISABILITY COMMUNITY LIVING SCHEMES - EXTENSIONS TO EXISTING CONTRACTS

Councillor Bobby Feeley presented the report seeking approval for the extension of 18 Learning Disability Community Living Contracts for a period of two years pending approval of future procurement arrangements for those services.

The report detailed the contractual arrangements for supporting individuals with learning disabilities in supported living services together with the legislative requirements of procuring such services.

Future commissioning plans consisted of two ongoing work streams –

- Locally – potentially offering support budgets to enable citizens to directly procure support from their preferred provider, and
- Regionally – Community Support Services was working with the other North Wales Local Authorities and Betsi Cadwalader University Health Board (BCUHB) to commence the process of tendering for a Regional Framework for the provision of Domiciliary Care amongst other services on a phased basis.

The new regional framework would provide an improved and robust system and it was proposed to extend the current contracts for a period of up to two years in order to allow sufficient time to progress with the regional procurement process. Since the report had been written Children's Domiciliary Care had also been included in the tendering process as follows: Phase 1 – Standard Domiciliary Care, Phase 2 – Children's Domiciliary Care, Phase 3 – Enhanced Domiciliary Care, and Phase 4 – Supported Living Settings (subject of the report). No slippage to timescales were anticipated as a result of the addition and the community living contracts could be terminated earlier than the two year extension if the process was completed sooner. The Contracts Officer confirmed that all contracts were outsourced and that BCUHB was on board and part of the process. The first phase of tendering was closed and matters continued to progress within timescales.

Cabinet noted the reasoning behind the recommendation to extend the current contracts rather than re-procuring at this time due to the cost of undertaking two different tenders for the same service provision and likely confusion of market providers. It was also noted that the proposed framework would create efficiencies in the amount of staff time involved in tendering for services and ensure quality and value for money when awarding contracts. On that basis Cabinet was satisfied with the approach to extend the contracts to fit with the timescales for a new regional framework and agreed to approve the interim arrangements.

Councillor Joan Butterfield raised questions regarding children's services. The Contracts Officer clarified that phase 2 related to children's domiciliary care and the community living element would be dealt with as part of phase 4, elaborating upon the expected timescales for service provision. She also confirmed that the completed contract and service specification could be made available to members.

RESOLVED that Cabinet approves two year extensions for each of the services as identified in Appendix 1 to the report.

6 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 overspend of £0.002m was forecast for service and corporate budgets
- service efficiencies worth £0.902m having already been agreed as part of the budget with the assumption that all would be delivered – any exceptions would be reported to Cabinet if required
- highlighted current risks and variances relating to individual service areas with particular emphasis on the overspend in social care budgets which continued to be monitored carefully and were currently being considered as part of the budget process for 2018/19, and
- provided a general update on the Housing Revenue Account, Housing Capital Plan and the Capital Plan (including the Corporate Plan element).

Cabinet was also asked to approve the transfer of £35k to the EDRMS reserve to help extend the digitalisation project and to support submission of the full business case for Ysgol Llanfair new school build to the Welsh Government.

The following matters were raised during debate –

- it was clarified that an element of the funding costs had been retained through the contract for the Rhyl Harbour Development and Rhyl New School projects which would be released following completion of the final snagging elements
- with regard to the pressures and projected shortfall in income for the Major Projects Team (Highways and Environment) Councillor Brian Jones advised there may be future opportunities for the team which were currently being explored. A report on the Highways Maintenance Strategy would be submitted to Performance Scrutiny Committee in December
- Councillor Emrys Wynne sought clarity and assurance regarding the all-weather provision for the new schools at the Glasdir site. Councillor Huw Hilditch-Roberts agreed to look into the detail of provision and report back to Councillor Wynne thereon. He also gave assurances that no changes had been made to the original scheme with regard to that provision in an attempt to save costs
- Councillor Mabon ap Gwynfor queried the capital expenditure of £33k for Ysgol Bro Dyfrdwy as detailed in the Corporate Plan and Councillor Julian Thompson-Hill agreed to look into the matter and report back to him directly thereon
- in terms of investment in the school estate future projects would be forthcoming via Band B funding from the 21st Century Schools Programme and outside of that as part of the schools general maintenance budget – the process for block allocations of capital plan funding was explained together with the categorisation and prioritisation based on works required
- reference was made to the significant pressures on Children's Services given the volatility in placement costs and it was clarified that there were separate budgets for Children's Services and Education. There had been a significant increase in the number of placement days provided in the current year and the previous year had also seen an increase. Prior to that the budget had been

underspent hence the decision to make a small budget saving and create a placement reserve which had been used in the current year together with a further cash contribution to mitigate the pressures. It was proposed to increase the base budget in this area which would be discussed further as part of the 2018/19 budget process. The Corporate Director Communities advised that those specialised placements had been scrutinised individually by the Corporate Parenting Panel and she reminded members of their corporate parenting responsibilities and of the opportunity for them to attend Panel meetings.

There was also a lengthy debate on the financial situation in schools and questions were raised regarding the schools deficit balance and assurances sought that robust systems were in place to deal with those schools in deficit, particularly given future budget pressures. The relevant Lead Members Councillors Huw Hilditch-Roberts and Julian Thompson-Hill and the Head of Finance responded as follows –

- the current deficit across schools was approximately £1.118m which was a slight reduction of £62k on the previous year and the number of schools in deficit had reduced from 46% to 32%; the schools budget position would be discussed further as part of the 2018/19 budget process
- explained the council's policy and approach for dealing with schools in financial difficulty with particular emphasis on the challenge and intervention framework and trigger points for action and advised that a report on that topic would be considered at the next meeting of the Corporate Governance Committee
- elaborated upon the recovery plans in place for schools in financial difficulty with financial management support being made available in order to return schools to surplus in approximately 3 years with provision to extend the timeframe to 4 years if sufficient progress could be demonstrated
- gave assurances regarding the robustness of the process and comprehensive monitoring with escalation steps including referral to the Corporate Governance Committee and the ultimate sanction whereby the Council took back control of the individual school's finances. Plans were also underway to involve scrutiny committees within the process of scrutinising both schools educational and financial performance in addition to the Schools Standards Monitoring Group
- provided some context to the current position for schools, including historic debt relating to the increase in pension and NI costs, and also the change in process with regard to the delegation of funding to schools previously held centrally for redundancy costs. Within council departments redundancy costs were generally absorbed by individual services unless they were significant in which case they could be considered corporately. Schools funding provided by the council over the last five years had been significantly more than required by ministerial protection, however schools continued to face pressures and cuts as did other service areas. The Chief Executive added that there was no significant problem with school finances in Denbighshire but there was an issue with a small number of schools which was being addressed and he welcomed further scrutiny in order to give greater assurance in that regard.

RESOLVED that Cabinet –

- (a) *notes the budgets set for 2017/18 and progress against the agreed budget strategy;*

- (b) *approve the transfer of the £35k underspend within the Business Improvement and Modernisation Service to the EDRMS Reserve in order to help extend the digitisation project, and*
- (c) *support the submission of a Full Business Case for Ysgol Llanfair new school building and facilities to the Welsh Government as detailed in Appendix 4 to the report.*

7 CABINET FORWARD WORK PROGRAMME

The Cabinet Forward Work Programme was presented for consideration and members noted the addition of the following items –

Budget Proposals 2018/19 – January

Capital Plan 2018/19 – January

Gypsy and Traveller Accommodation Project – to be confirmed

RESOLVED that *Cabinet's Forward Work Programme be noted.*

The meeting concluded at 11.05 a.m.