

CABINET

Minutes of a meeting of the Cabinet held in the Council Chamber, County Hall, Ruthin on Tuesday, 20 March 2018 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 Meirick Davies, Arwel Roberts, Glenn Swingler, Rhys Thomas and Emrys Wynne

ALSO PRESENT

Chief Executive (MM); Corporate Director Economy and Public Realm (GB); Heads of Service: Legal, HR and Democratic Services (GW), Finance/S.151 Officer (RW) and Facilities, Assets and Housing (JG); Project Manager – Business Information Team (RV) and Committee Administrator (KEJ)

POINT OF NOTICE

The Deputy Leader, Councillor Julian Thompson-Hill took the Chair for the first part of the meeting in the absence of the Leader, Councillor Hugh Evans who was engaged with the Minister for Local Government.

1 APOLOGIES

Councillor Hugh Evans had been delayed with the Minister for Local Government.
Councillor Huw Hilditch-Roberts would be arriving late for the meeting.

2 DECLARATION OF INTERESTS

The following members declared a personal interest in agenda item 5 – Rhyl Underground Car Park Refurbishment –

Councillor Meirick Davies because he was Chair of the North Wales Fire Authority
Councillor Brian Jones because he was a Rhyl Town Councillor
Councillor Tony Thomas because he was a Rhyl Town Councillor

Councillor Arwel Roberts declared a personal interest in agenda item 7 – Finance Report because he was a School Governor (Ysgol Dewi Sant & Ysgol y Castell)

3 URGENT MATTERS

The Chair permitted a verbal report on the decisions made under the urgent decision making provisions in the Council's Constitution following cancellation of the last Cabinet meeting.

The Head of Legal, HR and Democratic Services reported that the last meeting of Cabinet scheduled for 27 February 2018 had been cancelled due to adverse weather conditions and there were two items on that agenda that could not be deferred until the next meeting. The items related to the following –

- (1) Response to Welsh Government invitation to prepare a joint Denbighshire and Conwy Local Development Plan – there was a deadline to respond to the Cabinet Secretary by 28 February 2018, and
- (2) Award of North Wales Domiciliary Care Agreement (confidential item) – that decision also needed to be taken before it was possible to hold a further Cabinet meeting in order that contracts could be let before the other contracts expired.

The Constitution provided for such circumstances under the Officers Scheme of Delegation which stated that Chief Executives and Directors were authorised to take, or authorised in consultation with the Chair and Vice-Chair of Cabinet, i.e. the Leader and Deputy Leader, any action on any matter within the terms of reference of the Cabinet which they considered to be of such urgency they cannot wait until the next Cabinet meeting provided that such action be reported to the next available meeting. In both cases in respect of those decisions all Cabinet members had been consulted by email and confirmed the decision could be taken and the Leader and Deputy Leader had authorised the taking of the decision. The letter to Welsh Government regarding the Local Development Plan had since been circulated to all members by Councillor Brian Jones.

4 MINUTES

The minutes of the Cabinet meeting held on 23 January 2018 were submitted.

Page 10 – Item 9: Budget 2018/19 – Final Proposals – Councillor Bobby Feeley queried whether an explanatory note had been included with council tax bills detailing how the increase would be spent, particularly with regard to social care. Cabinet was advised that, as part of efficiency measures, the 'Your Money' explanatory booklet was no longer posted out with council tax bills but residents were directed to that information which was available on the council's website.

RESOLVED that the minutes of the meeting held on 23 January 2018 be approved as a correct record and signed by the Leader.

5 RHYL UNDERGROUND CAR PARK REFURBISHMENT

Councillor Julian Thompson-Hill presented the report seeking approval to proceed with the refurbishment of the Rhyl underground car park and funding as recommended by the Strategic Investment Group (SIG).

Cabinet had approved the current regeneration programme for Rhyl in March 2016 which comprised of various projects referenced within the report. The underground car park was situated next to the new Waterpark facility and ensuring that it was fully operational and at full capacity was considered a key element in contributing to the future success of both the waterfront development and town centre. Shortcomings associated with the underground car park included poor lighting, ventilation and accessibility and it was significantly underutilised. SIG had approved a business case for the refurbishment at a cost of £2.126m with the capital costs being funded via a mix of prudential borrowing and Welsh Government Town Centre Loan. The finance required to repay the borrowing would be generated through the additional car parking revenue.

Cabinet supported the refurbishment of the car park as a key project in the wider regeneration of Rhyl and recognised its importance in providing appropriate and adequate car parking provision for the waterfront development, with links to the town centre. However questions were raised and assurances sought with regard to the risks involved with the project, particularly financial risks, together with any mitigation measures to alleviate those. Assurances were also sought with regard to traffic flow management and the provision of adequate signage prior to the opening of the new Waterpark facility and also consideration of public transport links.

The Lead Member for Finance, Performance and Strategic Assets and officers responded as follows –

- the risk that insufficient car parking revenue would be generated to repay borrowing had been acknowledged but prudent estimates had been used to calculate visitor numbers and income and reasonable assumptions had been made regarding additional use, particularly when considering the current limited use of the site against the completion of all year round visitor attractions, and known factors from the Nova refurbishment had also been taken into account. SIG was confident that the additional revenue generated should more than cover the repayment costs. In the event that insufficient income was generated, the debt would be considered a corporate pressure to be funded by the council
- confirmed that the Welsh Government Town Centre Loan had already been approved. The Town Centre Loan was used as a funding mechanism to provide interest free funding for regeneration schemes resulting in additional revenue – the funding was available for fifteen years before it had to be repaid and the funding could be used a number of times within that timeframe
- elaborated upon the proposed refurbishment works in order to effect improvements and ensure a safe and welcoming environment for users with appropriate management and security arrangements and links to other visitor attractions and the town centre – specific details of the refurbishment had been included within the report
- appropriate signage would be in place to navigate visitors through to Rhyl and the site and work was being undertaken with regard to increasing footfall from public transport links which would be in place prior to the opening of the Waterpark in January 2019; in terms of coach parking a temporary measure was being put in place for the current season with a view to including a permanent coach park for 2019 and future seasons to support and service other facilities

- reported upon a separate piece of work around traffic modelling for Rhyl as part of the wider regeneration programme in order to effectively manage the significant increase in traffic as a result of the additional visitor attractions, with future reports being presented to Cabinet on the outcome of the traffic surveys; whilst this work was unlikely to be implemented in time for the opening of the new Waterpark it would follow to facilitate future developments in the regeneration programme
- confirmed the car park would be marketed as a separate facility and would be incentivised as much as possible given its links to other attractions and outlets
- provided assurances regarding the refurbishment works in terms of due diligence to ensure robust mechanical and technical arrangements were in place with the removal of outdated mechanical engineering that would be replaced as appropriate. Building regulations would be complied with and any issues arising from the planning application process would also be addressed. The facility would be subject to the usual inspections and appropriate maintenance works.

Cabinet was satisfied with the assurances provided and fully supported the project.

RESOLVED that Cabinet –

- approve the recommendation of the Strategic Investment Group to proceed with the refurbishment of the Rhyl underground car park, and*
- instruct officers to progress with the implementation of the project.*

At this point the Leader, Councillor Hugh Evans, took the Chair for the remainder of the meeting.

6 NON-DOMESTIC RATES (NDR) WRITE-OFFS

Councillor Julian Thompson-Hill presented the report seeking Cabinet approval to write off irrecoverable NDR (business rates) in respect of Graval Alok UK Ltd (traded as Store 21, White Rose Centre, Rhyl) where recovery action could not continue due to insolvency action.

The company had been put into liquidation in April 2017 and wound up on 10 July 2017 with significant outstanding liabilities and limited assets to make payments against debts. Consequently all unsecured creditors, including the council, were advised that no dividend payment would be made. The total amount to be written off was £60,385.07 for the financial years 2016/17 and 2017/18.

Cabinet noted there was no prospect of recovering the business rates and that there would be no direct cost to the council for the debt written off which was met by the national pool. The council's role as collection agency for Welsh Government was also clarified. In response to questions Cabinet was advised that robust procedures were in place for recovery of debt from both businesses and residents and officers elaborated upon some of the similarities and differences between the two, with particular emphasis on the legalities around business insolvency and the administration process of debt recovery. In this particular case the bill had been paid in full up to the end of the previous financial year and within a few days of non-

payment the relevant recovery procedures had been implemented. However once a business had been put into administration the council was limited in terms of action that could be taken. Assurances were provided that a consistent and robust approach to debt recovery was taken in all cases with appropriate payment mechanisms in place.

RESOLVED that Cabinet agrees to write off the irrecoverable values as shown in Table 1 of the report.

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 –

- service and corporate budgets were forecast to be underspent by £239k
- 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, 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 advised that the Welsh Government had announced an additional £484k for Denbighshire's schools to help with maintenance costs incurred during 2017/18 together with a capital grant of £1.2m for highway improvement.

The following matters were raised during debate –

- the additional funding recently announced by Welsh Government for schools and highways was welcomed but it was hoped that in future years any additional provision would be allocated earlier in the financial year in order to better aid financial planning
- Councillor Brian Jones reported that savings had been made through core funding and management costs to reduce the shortfall in the Major Projects Team from £165k to £115k. There was also a need to reduce the income figure for the Major Projects Team in the ensuing year in order to better reflect the current position
- it was currently projected that the effects of the recent adverse weather on the winter maintenance budget could be contained within existing resources although the matter would be kept under close review and the Welsh Local Government Association had requested financial help from Welsh Government in order to help pay for the impact of the severe weather
- concerns were raised regarding the impact of the adverse weather in terms of highways, woodlands and footpaths together with the need for an appropriate repair and maintenance programme, to include cost implications, in order to address those issues. The wider impact on other council services was also highlighted such as those heavily reliant on income generation which would be significantly affected by closed facilities. Consequently it was agreed that a

summary of the financial cost to the council associated with the adverse weather conditions be prepared

- the Welsh Government had asked local authorities for feedback on the effects of the adverse weather and therefore had recognised an impact across services. It was highlighted that some local businesses had also been badly affected and suggested that Welsh Government could also take that aspect into account
- members were encouraged to report any highway concerns through the CRM system so that they could be appropriately logged and actioned but Councillor Meirick Davies felt that there should be a separate mechanism for urgent works required in order to avoid any undue delay
- tribute was paid to the work of Highways staff in responding to the recent adverse weather conditions and maintaining the county's roads and Councillor Brian Jones advised that the Head of Highways and Environmental Services would include Cabinet's appreciation in his communication to all staff involved
- Councillor Arwel Roberts reiterated previous concerns regarding schools in deficit and subsequent impact due to increases in the state pension age. Councillor Huw Hilditch-Roberts provided assurances regarding the robustness of the financial plans for all schools which included current salary costs.

RESOLVED that Cabinet –

- (a) *notes the budgets set for 2017/18 and progress against the agreed budget strategy, and*
- (b) *that officers prepare a summary of the financial cost to the Council associated with the adverse weather conditions experienced this winter to include an estimate of the reduction in income caused by these events.*

8 CABINET FORWARD WORK PROGRAMME

The Cabinet Forward Work Programme was presented for consideration.

RESOLVED that Cabinet's Forward Work Programme be noted.

Prior to the close of the meeting the Leader reported that Dr. Mohammed Mehmet, Chief Executive was attending his last meeting of the Cabinet. The Leader reflected on Dr. Mehmet's time with the authority and conveyed his appreciation for his loyal and committed service, transforming Denbighshire and guiding the authority to become one of the highest performing councils in Wales and close to its communities. On behalf of the Cabinet, both past and present, the Leader wished Dr. Mehmet all the best for the future. Dr. Mehmet advised that he was proud of the authority's achievements and paid tribute to both members and staff as key to the Council's success. He thanked the Leader for his accolade and wished Denbighshire well.

The meeting concluded at 11.40 a.m.